

**Cosmopolitans and Locals:**  
**Status Rivalries, Deference, and Knowledge in International Teams**

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Second Draft  
September 18, 2003

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#### **ABSTRACT**

Drawing on sociological role theory, this chapter introduces and explains the distinction between cosmopolitan and local role orientations as status categories in international teams. Qualitative data from a multi-method field study conducted at a leading international development agency illustrate that the high status of cosmopolitans and locals in this setting was based on expectations that these team members would enable their teams to more effectively interpret knowledge obtained from outside sources. The possible dynamics of status rivalry and deference in teams with cosmopolitan and local membership are explored, and their implications for team performance are addressed. Status in groups thus is viewed as both contested and contingent on the situation.

## **INTRODUCTION**

There is a growing body of research on the dynamics and performance of teams with members of different nationalities (e.g., Argote & McGrath, 1993; Jackson, May, & Whitney, 1995; Snow, Snell, Davison, & Hambrick, 1996; Lawrence, 1997; Adler, 2002). Much of this research on international teams focuses on the number of nationalities represented on a team or the cultural distances between team members' nationalities to capture levels of team diversity, assuming that nationalities are directly related to team members' values, schema, demeanor and language, and thus to their perceptions and behaviors (e.g., Cox, 1993; Watson, Kumar, & Michaelson, 1993; Hambrick, Davison, Snell, & Snow, 1998). Researchers also have examined sources of heterogeneity in nationally diverse teams that go beyond simple nationality attributes (Earley & Mosakowski, 2000). For example, international teams are often structurally as well as nationally diverse, with members who are located in multiple countries (virtual teams), perform different functions (cross-functional teams), or report to different managers (matrix teams) (Cummings, 2003). Demographic diversity, in terms of gender, race, age, tenure, and education characteristics, is another important source of heterogeneity in international teams (cf. Bantel & Jackson, 1989; Eisenhardt & Schoonhoven, 1990; Keck & Tushman, 1992; Williams & O'Reilly, 1998). Research on international teams, however, has largely overlooked the antecedents and consequences of diversity in the status attributed to team members with different types of international experience and expertise.

Status diversity can have important implications for the dynamics and performance of international teams because status hierarchies in groups reflect expectations about the task-related competencies of group members, and thus serve to organize interactions within groups, influencing how people behave toward one another and how work is conducted in group settings (Berger, Cohen, & Zelditch, 1972; Berger, Rosenholtz, & Zelditch, 1980). Research has shown, for example, that lower status group members feel pressure to conform to the demands of higher-status members (Kirchmeyer, 1993), obtain less useful information and ask fewer questions than higher-status members (Alkire, Collum, & Kaswan, 1968), are less likely to contribute unique information (Wittenbaum, 1998), and are given less consideration by higher-status members in group discussions (Propp, 1995). In contrast, individuals who possess expertise and experience that is valued by their colleagues are more confident and willing to share divergent information and advocate for their own position (Stasser, Stewart, & Wittenbaum, 1995; Stewart & Stasser, 1995; Wittenbaum, 1998), and their opinions are more likely to be sought and heeded (cf. Blau, 1966). Being seen as an expert thus increases an individual's influence over the group (cf. Horai, Naccari, & Fattoullah, 1974). Given the importance of status in groups, our understanding of international teams might be advanced by addressing the sources and effects of status diversity in such contexts.

In this chapter, I focus on two different bases for the attribution of status in international teams: whether a team member is a “cosmopolitan” who has lived and worked in many countries, or a “local” who has lived and worked in the country in which the team operates. To establish that cosmopolitans and locals can be viewed as status categories, I

identify their status characteristics and explain the expectations that are associated with those characteristics, focusing on work settings in which team members regularly engage in extensive boundary-spanning in order to gather knowledge to accomplish their tasks (cf. Tushman, 1977; Ancona & Caldwell, 1992). Specifically, I propose that both cosmopolitans and locals may be viewed as high in status because each is expected to enable their team to interpret knowledge obtained from outside sources accurately and appropriately for the task, although their interpretations are likely to be very different.

Building on these foundations, I then consider the possible implications of status diversity in the form of cosmopolitan and local membership for the dynamics and performance of international teams. Existing research on status diversity in groups usually focuses on the relations between high and low status members in groups where the status hierarchy is clear. But how do the dynamics of participation and influence play out in teams where there is more than one member with high status? The research tends to assume, moreover, that where there are multiple high status individuals in a team, these individuals will be similar to each other (e.g., Owens, Neale, & Sutton, 1997). Yet in most organizations, the criteria for status attributions are numerous and heterogeneous. Sometimes two team members with very different status characteristics – such as cosmopolitans and locals – both have high status in a team. While cosmopolitans may be considered clearly superior to locals in some organizational settings and locals may be viewed as clearly superior in others, I focus here on contexts in which the relative ranking of cosmopolitans and locals is ambiguous. In such contexts, status in groups is likely to be more contested and contingent than current theories and research might suggest.

I illustrate my arguments with examples from qualitative data collected during a multi-method field study that I conducted at an international development agency whose mission is to promote economic development and alleviate poverty in developing countries. As they designed development projects, team members at this organization continuously gathered, interpreted, and applied knowledge from sources outside the team, where knowledge is defined as an organized body of information, data, facts, intelligence, or advice (Webster, 1996). The sources of knowledge they consulted included colleagues, professional experts, statistical and analytical reports, and document libraries and archives, both inside and outside the organization. After describing the research setting and approach, I examine the status attributions and expectations associated with cosmopolitan and local team members in this setting, and then turn to consider the status dynamics in teams with such members and their implications for team performance.

## **RESEARCH SETTING**

“Quorum” (a pseudonym) is a leading international development agency with over 10,000 employees and 100 country offices. The organization has a matrix structure, with operations spanning six geographic regions (Africa, East Asia and Pacific, Eastern Europe and Central Asia, Latin America and Caribbean, Middle East and North Africa, South Asia) and four divisions focused on different development and poverty alleviation domains. Between 1999 and 2001, I studied Quorum teams that were engaged in preparing two types of projects: financial assistance projects, which took the form of major social and economic development programs that were backed by loans to the client

governments for their implementation, and technical assistance projects, which provided detailed analysis and advice to client governments on specific development issues.

### **Qualitative Data Collection**

To develop an understanding of the organizational setting, the teams, and their tasks, and to generate questions for a survey (not analyzed here), I conducted 70 formal and semi-formal interviews lasting between one and three hours each. This research began with 20 interviews with managers and staff, including members of the units responsible for strategy and change management, knowledge management, project quality assessment, human resources, and the staff association, as listed in Table 1. I used these open-ended interviews to gain an overview of the organization's functions and operations from a staff perspective, rather than an operational one. Next, I conducted 18 semi-structured interviews with the leaders and members of multiple teams based at Quorum's U.S. headquarters, and 7 further interviews in Russia, where I visited Quorum's Moscow office. The purpose of these interviews was to explore the conditions that might be important for a team's project performance and develop measures of the central constructs for inclusion in a survey. I usually asked the interviewees to describe a project on which they were currently working, probing for specific details about the composition of the team and how the members carried out the work, and listening for examples of how they collected and used knowledge from outside sources, the problems they encountered, and how these were resolved. In Russia, I also asked the interviewees about various aspects of working in a Quorum country office, to develop an understanding of work at Quorum from the perspective of team leaders and members who were located in

the client countries rather than at headquarters. Table 2 provides a summary of the projects discussed in the team interviews. I then conducted another 25 interviews as part of detailed case studies of seven teams, which I undertook in order to gain a fuller understanding of how teams worked together at Quorum. These seven teams were selected for variation across regions and divisions, as my preliminary research had suggested that there might be significant differences in how work was done in different parts of the organization. Because these teams' projects were underway at the time these teams were studied, the quality of their project outputs was not yet known. I interviewed the leader of each team, all the members who were currently engaged substantially in the team's work, unless they were traveling at the time, and also specialists and consultants who were involved with the team on a more sporadic basis. In addition, I observed team meetings and read project materials that were generated as the teams worked. I later reviewed my tapes and notes to identify data that pertained to the team's use of knowledge from outside sources, the composition of the team, status attributions and dynamics, project quality, and the extent to which these constructs varied across teams. Table 3 summarizes the interviews conducted during these case studies, and these provide the primary data upon which I draw to illustrate the arguments of this chapter.

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I also gained insights into the organizational setting from three additional sources. First, my access to Quorum came about because I was brought in to help the organization conduct a major internal review of its knowledge management programs and structures. This review gave me a broad overview of the organization's aims and operations, as well



as providing specific details on the challenges involved in obtaining and using knowledge at Quorum. Second, through observation and participation in a customized executive education program that had been set up to train top managers from Quorum and several organizations with which it regularly collaborated, I learned more about the objectives, attitudes, and concerns of Quorum's employees, and the work of the organization and its teams. Finally, I consulted archival materials extensively throughout the field research, reading external documents about Quorum, internal organizational documents, and project-related documents. Access to Quorum's intranet site provided information on ongoing issues and events as well as the opportunity to follow active on-line discussions. I also attended events including meetings, seminars, workshops, and speeches concerning a wide range of aspects of the work at Quorum.

### **Quorum Teams**

Teams at Quorum ranged in size from 2 to 23 members (the average was 8.5 members), who allocated anywhere from 10% to 80% of their time to the project (the average was 30%). The team members moved on and off the team as needed over the duration of the project, which typically lasted about a year, though they ranged from two months to four years. Every Quorum team was interdisciplinary, and made up of experts who were brought together specifically for the purposes of a particular project and frequently had little prior or subsequent contact.

The team members were all highly trained, mostly with Ph.D.s and extensive experience in development. They included economists and other social scientists, engineers,

technical specialists, procurement specialists, and lawyers, with wide-ranging specialties in areas such as public finance, agriculture, housing, health, education, and gender issues. Yet even with all their expertise, obtaining knowledge from sources outside the team was critical to the work of every team member, because the projects inevitably demanded more knowledge than a team could possess. In recognition of the centrality of knowledge sharing to the work, Quorum had introduced a high-profile “knowledge management strategy” that was widely acclaimed by independent business groups, and had made substantial investments in information technology, document databases, communities of practice, help desks, and directories of experts.

One team that was working on a slum upgrading program for an impoverished West African country was typical of those at Quorum. The purpose of this project was to improve the living conditions of millions of slum dwellers in the main cities of this country. The team was charged with designing the program, which was then to be backed by a \$50 million dollar loan to the client government for its implementation. The team members included both Quorum employees and external consultants who were all international experts in specialized fields that included water and sanitation service provision, urban transport systems, coastal management, resettlement, and community participation. The amount of time that the team members devoted to the project, which varied widely, was spent mostly on collecting, interpreting, analyzing, and integrating information and knowledge from other experts and sources outside the team, as well as on team meetings and on information-gathering trips to the client country, including one visit to 13 cities to compare their slum conditions.

Like this West Africa team, approximately 80% of Quorum teams were based at the organization's U.S. headquarters, flying in and out of the client countries regularly during the course of their projects, while 20% were based in those client countries. Yet wherever the teams were based, they usually included team members with a range of national backgrounds. There were three main reasons for this. First, Quorum's hiring policy was explicitly built on national quotas, with the result that employees were drawn from every country in the world. Second, Quorum tried to staff its project teams with those who had the greatest technical expertise in the domain of the project, and these experts were often people who previously had worked on similar projects in other countries. Third, Quorum was actively concerned about its teams "going local" – prioritizing the interests of domestic stakeholders over the best interests of the project – and believed that this was less likely to occur if the teams were staffed with non-nationals of the client country. Despite these concerns, however, there had been a movement in recent years to ensure that Quorum teams also included members with background and experience in the client country, in order to increase teams' sensitivity to local conditions and constraints. The result was that Quorum teams often included both cosmopolitan and local team members.

## **COSMOPOLITANS AND LOCALS AS STATUS CATEGORIES**

The distinction between cosmopolitans and locals draws from sociological theories of role orientations that are rooted in Merton's (1957) distinction between types of influentials. In his work, locals were individuals whose interests were confined to the community in which they exerted influence, and cosmopolitans were individuals who

were oriented to the world beyond the community in which they exerted influence and regarded themselves as part of that wider world. Gouldner (1957) developed this distinction in an organizational context, where he defined locals as those employees whose primary loyalty was to the employing organization, and cosmopolitans as those who were oriented more toward their professional community beyond the organization. The distinction between organizational and professional role orientations has proved fruitful for empirical research on commitment (e.g., Tuma & Grimes, 1981 Cornwall & Grimes, 1987; Becker & Billings, 1993). The concepts of cosmopolitan and local have also been adapted to apply to research on international management, however, where they are used to distinguish between individuals who have a global orientation because they operate across countries, and individuals who are oriented to a particular local environment because they are rooted in that country (e.g., Kanter, 1995; Tung, 1998). This application of the concepts to international organizations is the one that emerged as relevant to Quorum's teams.

At Quorum, some team members had lived and worked in many countries and spoke the languages of those countries. These individuals I call "cosmopolitans". An example was a team member who was a native of El Salvador, spoke Spanish, Portuguese, and French, and had worked and lived in countries including Mozambique, Algeria, and Venezuela. Meanwhile, others had lived and worked in the client country and spoke the language of that country. I call these "locals". For example, one team member who worked on Russian projects had completed a Ph.D. on Russia's integration into the world economy and spent eleven years at the Russian Academy of Sciences before joining Quorum. It

was rare, though not impossible, for one individual to possess the characteristics of both a cosmopolitan and a local, but it was common to be neither a cosmopolitan nor a local for the purposes of a given project.<sup>1</sup> At the group level, the composition of a Quorum team did not necessarily include members who were locals of the client country, since it was usual practice to assign nationals from one country to work on projects in a different country, though increasingly efforts were being made to include locals on the teams. Likewise, although most individuals worked on projects in many countries over the course of their tenure at Quorum, they did not necessarily spend time living in those countries, or learn the local language, and so some teams did not include cosmopolitan members. Nevertheless, many teams did include at least one cosmopolitan and one local member.<sup>2</sup>

### **Status Attributions**

The backgrounds of cosmopolitans and locals were important at Quorum because their different sets of characteristics each served as a basis for status attributions. According to status characteristics theory, status beliefs (widely shared evaluations that one state of a characteristic is more highly valued and desirable than another) lead to a process of status generalization, whereby actors attribute a specific ability or an overall competence to themselves and others based on the possession of particular status characteristics (Berger

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<sup>1</sup> Of 550 team members who were surveyed for the quantitative part of this study, only 27 individuals met the criteria for being both a cosmopolitan and a local, 125 qualified as cosmopolitans, 75 qualified as locals, and 323 qualified as neither cosmopolitans nor locals.

<sup>2</sup> Again drawing on the quantitative data to illustrate the prevalence of each of these configurations of team composition, of the 96 teams in my survey dataset, 24 included cosmopolitans but no local members, 9 included locals but no cosmopolitan members, and 21 included neither, while the remaining 42 teams included both cosmopolitan and local members.

et al., 1972; Berger, Fisek, Norman, & Zelditch, 1977). These status characteristics, defined as any characteristics of any actor that influence his or her own and others' evaluations and beliefs about that actor, and that have at least two differentially evaluated states (Berger et al., 1972; Cohen & Zhou, 1991), range from demographics to personality attributes (Berger et al., 1980; Anderson, John, Keltner, & Kring, 2001). While some status characteristics are diffuse attributes from which assumptions that are generalizable to many situations are inferred, others are specific to particular characteristics related to where team members had lived and worked and their language abilities served as one basis for the conferral of status within teams.

In the status hierarchy of Quorum teams, there were numerous other dimensions along which status varied, including age, tenure in the organization, academic credentials, and technical specialty. Other factors being equal, however, both cosmopolitans and locals tended to be viewed as higher in status than team members who were neither cosmopolitans nor locals. This was apparent during many agonized conversations with team members about the discrepancy between the actual and the desired composition of their teams. For instance, a member of a team that was working on a housing project in French-speaking North Africa complained about the lack of locals on his team:

“... it's been so difficult to put a team together. We need French speakers, who aren't easy to find. And the team leader knows about housing policy, but he's never worked in [this country] before. None of us have. The final team wasn't necessarily the preferred one.”

In contrast, the leader of a social services project in an East-Central European country spoke proudly of a team member who was relatively young and junior in the organization, but had the status characteristics of a cosmopolitan:

“We’ve got a great team working on this... One of the best things about it is that we managed to find Leisa and get her on board – she’s Russian, but she’s been all over the region, and really has a lot to offer.

Cosmopolitans and locals thus clearly were valued members of Quorum teams.

This raises further questions, however: Why did cosmopolitan and local characteristics serve as important bases for attributions of high status to these team members, in addition to the numerous other bases for conferring status that existed at Quorum? What were the expectations associated with these status attributions? And what might be the possible implications of including cosmopolitan and local members on a team for that team’s performance?

### **Status Expectations: Interpreting Knowledge**

Status characteristics theory proposes that status hierarchies arise when it is widely believed that particular characteristics give individuals who possess them the potential to make valuable contributions to a task (Berger et al., 1972). At Quorum, cosmopolitans and locals were highly regarded because it was generally assumed that their backgrounds would enable them to help their international teams address the critical challenge of “thinking globally, acting locally” (cf. Bartlett & Ghoshal, 1989; Snell, Snow, Canney, & Hambrick, 1998). Specifically, cosmopolitans and locals were expected to be able to guide the team in interpreting and applying the vast amounts of knowledge obtained from external sources in ways that were both accurate and appropriate for the task.

As people strive to understand their environments and function in them, they continually engage in a process of sensemaking (Weick, 2001). A team’s use of knowledge from

outside sources can be viewed as a specific form of interaction with its environment, involving an ongoing process of interpretation through which meaning is actively constructed by the team members. Such a view suggests that knowledge is not simply a “good” with an objective value; instead, there are many plausible interpretations of the environment (Smircich & Stubbart, 1985), and team members may select, manipulate and even ignore information as they construct these interpretations (Pfeffer & Salancik, 1978). In an organizational context where knowledge is usually contested terrain rather than absolute fact, and often emerges from very specific local experiences, as at Quorum, controversies over interpretation and meaning are likely to be especially acute.

The difficulties at Quorum arose as teams struggled to arrive at interpretations that were as accurate and appropriate as possible for their projects. They had to interpret knowledge from the client country carefully, considering its potential flaws, assumptions, and relevance for the project at hand. And they also had to interpret knowledge from other countries with caution, taking into account the situations in those countries and evaluating how well these corresponded to the situation in the client country. The importance and challenges of interpreting knowledge accurately and appropriately were evident in the case of the Quorum team that was working on the housing project in North Africa. Most housing in this war-ravaged country was provided by the government, but ongoing fighting had pushed people from the countryside to the overcrowded cities, there was not enough rental housing units, and corruption ruled those that were available. The new housing program was intended to encourage a shift toward more private home ownership. There was no shortage of knowledge on this issue available within Quorum,



in the client country, and in the international development community, but the problem lay in understanding the contexts in which this knowledge had been generated and how to adapt it for the present situation. As the team leader put it:

“There’s a massive amount of information in report after report available on the housing sector in [our organization]. This can make it difficult because people have their own ways of doing things, but it’s important to know what’s been done in the past, what’s happened in [the client country], experiences from elsewhere... Take ‘guided settlement’ – the idea is to allocate areas for squatters, knowing that later those areas will be provided with water, sewage services, etc. This is interesting and relevant, but it’s not so much a matter of new ideas as of seeing which would work in the country.”

Without careful interpretation, using such information from outside sources potentially could harm rather than improve a project. The sheer volume of available knowledge often created problems of information overload and competition for the limited attention of the team members (cf. Hansen and Haas, 2001). With inadequate insight into the contexts in which the knowledge they collected was generated, they could be tempted to substitute available solutions or “best practices” from other countries for their own independent thinking, or risk relying too much on superficial or partial impressions gained during a brief visit to the client country to guide their understanding of country-specific knowledge. Such problems plagued the North African housing team, which found itself unable to design a housing program that would meet the standards of external evaluators. As a disillusioned team member noted:

“We circulated the project documents for comments last month, and got back two long sets of negative written comments, plus two brief positive verbal comments. The two people who don’t like it know lots about [the country], and they think we’ve got some fundamental things wrong. The two people who do aren’t really involved and don’t know much about it.”

This example illustrates the basis for the attributions of high status to cosmopolitan and local team members, and the associated expectations about their contributions to the team. Cosmopolitans were high in status because their wide-ranging exposure to different countries suggested that they could offer valuable insights into which lessons learned from previous projects and best practices developed in other countries were likely to hold across national contexts, and which were not. Sometimes they evaluated knowledge from the client country and weighed it against their experiences in other contexts, while at other times they drew on their international experiences to provide views on the relevance and applicability of knowledge from other countries. A team leader who was working on an environmental project in Latin America offered an example that illustrates how the attribution of status to a cosmopolitan team member was based on his potential contributions as an interpreter of external knowledge:

“[John] is essential to this team because he brings us back to reality when we’re getting all excited about the latest ideas that environmental economists are touting on how to impose charges for pollution... He reminds us that there are places where this stuff should really have had a good chance of working, but it hasn’t even got off the ground.”

Locals were high in status, meanwhile, because their immersion in the client country suggested that they could provide critical input on how the specific demands and constraints of that country should shape the project. They could question or confirm interpretations of knowledge from other countries in light of their deep understanding of circumstances in the client country. One Quorum team member emphasized the importance of locals’ credibility in generating respect from fellow team members when he criticized the composition of a team that was working on a project in Russia, yet included no Russian members:

“It’s like if Russians were to do an analysis of the American education system without spending any significant time there – it’s silly. When a person comes from DC for health reform and visits two hospitals for two hours each, it’s not enough. And they stay in the national hotels and eat at the best restaurants... But [another] team I’m working with is good because the core members have been working with Russia for seven years. They’ve visited more regions than many Russians, they know lots of people in the ministries... they’ve traveled in trains and lived in dorms.”

Relying on status categories like cosmopolitan or local to determine which team members are likely to be able to offer valuable contributions to a team is imperfect, yet frequently necessary because relevant experience and expertise is often difficult to identify directly in organizations (Einhorn, Hogarth, Klempner, 1977; Yetton & Bottger, 1982). This is especially so when team members lack titles or roles that explicitly signal the depth of their experience (Olivera & Argote, 1999) and do not already know each other (Thomas-Hunt & Phillips, in press). In such situations of uncertainty, status categories can provide a useful way for team members to understand their own and their colleagues’ potential contributions to the task (cf. Podolny, 1993). At Quorum, it was an article of faith that all projects required extensive collection and application of knowledge that had been generated from past experiences in other countries, and also of relevant knowledge about the client country. Yet team members could not easily tell which of the various functional experts on a team really possessed the insight necessary to interpret such knowledge accurately and appropriately. Consequently, though they themselves did not often use the terms “cosmopolitan” or “local”, they recognized the potentially valuable contributions of these team members by granting status to individuals with cosmopolitan and local characteristics. These status attributions were based on the expectation that these team members could provide accurate and appropriate interpretations of external knowledge.

Such expectations are consistent with organizational theories that suggest that prior experience creates the cognitive frameworks needed to interpret new knowledge, thus increasing absorptive capacity (Cohen & Levinthal, 1990; Lane & Lubatkin, 1998). Following Swidler (1986), the cultural and cross-cultural understandings that cosmopolitan and local team members can offer may be viewed as providing teams with valuable cultural “tool kits” and the ability to wield these tools successfully.

In Quorum teams, a straightforward social exchange thus was expected, in which valuable help with the task would be received in exchange for the granting of status to team members with cosmopolitan and local characteristics (Blau, 1966). Cosmopolitans and locals were also valued both for their roles as team members with their own expertise, of course, and as boundary-spanners who could access particular sources of knowledge. But these roles did not distinguish them from non-cosmopolitan or non-local team members, who were all experts in their own fields and all engaged in extensive boundary-spanning activities. Rather, their high status was based primarily on their expected contributions as interpreters of external knowledge. While cosmopolitan and locals typically were regarded as higher in status than otherwise similar non-cosmopolitans or non-locals, however, considerable ambiguity surrounded the issue of whether cosmopolitans ranked higher in status than locals, or vice versa, as well as the issue of whether the views of cosmopolitans and locals were always or only sometimes superior to those of non-cosmopolitans or non-locals. Accordingly, status hierarchies in Quorum teams were contested and contingent on the situation. In the following section, I

extrapolate from these findings to address the likely implications of cosmopolitan and local team membership for team performance.

## **STATUS RIVALRY AND STATUS DEFERENCE**

In organizations like Quorum where there is ambiguity about the relative ranking of cosmopolitans and locals and the usefulness of their contributions in particular situations, status rivalries may emerge and create problems for team performance. Such status rivalries are most likely to surface when one high status member advocates a viewpoint that is then resisted by another high status member with a different viewpoint. Because of their different orientations, cosmopolitans and locals will often differ substantially in their perspectives on important issues facing the team. Whereas cosmopolitans usually will emphasize the generalizability of lessons and insights from other countries, locals will usually emphasize the unique conditions that prevailed in the client country. For example, in a meeting at Quorum to discuss the progress of the West African slum upgrading project, a local team member argued:

“NGOs [non-governmental organizations] that we’ve consulted tell us that the residents won’t be able to pay for all these new water and sanitation services [that we’re planning]... we should really think through the possibility of creating a micro-credit program to help them finance their utility payments.”

But a cosmopolitan who had worked on micro-credit schemes in other countries replied:

“Well, look at all the cases of schemes like that in [other countries]. What they show is basically that yes, we need to help residents pay for their services if the upgrading is going to succeed, but micro-credit is a very specialized area, it requires specific expertise and dedicated resources. It shouldn’t just be added on as part of the upgrading - it needs to be done separately and properly.”

While cosmopolitans and locals are likely to have different opinions, their relative abilities to influence their colleagues on the team may be unclear because their relative status within the team is ambiguous. Questioning of the opinion of one high status member by another therefore may be viewed as a status challenge. If the group decides in favor of the advice offered by the local, then the status of the cosmopolitan as a source of valuable insight is undermined. Likewise, if the group favors the cosmopolitan, then the high status of the local is compromised. Individuals usually value the esteem of their colleagues and wish to retain high status positions, and often harbor concerns that other high status members might dilute their influence (cf. Owens, Mannix, & Neale, 1998). It is likely, therefore, that cosmopolitans and locals each will attempt to defend their views vigorously against perceived challenges from potential status rivals, causing status-based conflicts to flare. Status similarity thus can lead to an increase in contested influence in the team (cf. Owens & Sutton, in press).

The implication of this jostling for influence among high status team members is that cosmopolitan and locals may potentially impede the team's performance, rather than improve it, if they perceive different views as status challenges and react defensively by refusing to compromise or engage with alternative perspectives in an effort to assert their dominance in the team's status hierarchy. Since conflicts that result from status rivalries are likely to focus at least in part on interpersonal issues of relative standing in the status hierarchy, rather than exclusively on task-related issues, they may be dysfunctional rather than functional for the team (cf. Jehn, 1995, 1997). The team might be torn in different directions by competing cosmopolitan and local members who will not listen to each

other, and so fail to converge on a project solution that is internally coherent. Instead, different parts of the project may end up being tailored to the views of different constituencies. The team may end up settling for a solution that is coherent but is also suboptimal, simply in order to assuage the tensions within the group and get the project completed. Or one or more of the team members may opt out of the team and refuse to pull their weight because they are unhappy with the team's dynamics, leaving the task short-staffed and the other team members overburdened.

Dynamics of status rivalry are not confined, however, to teams that include both cosmopolitan and local members. Though probably less common, they also may surface in teams that have only cosmopolitan or only local members. In such teams, the high status cosmopolitans or locals again may find their views challenged, though this time by lower status members rather than by members of equal status. Skepticism or criticism from lower status team members who are neither cosmopolitans nor locals is somewhat less threatening than similar attacks from higher status team members, but nevertheless might still be perceived as a status challenge, resulting in defensiveness and unwillingness to compromise on the part of the high status members and increased conflict aimed at protecting standing in the status hierarchy.

The possibility of status rivalries thus suggests that cosmopolitan and local members can cause problems for their teams in organizational settings where they are accorded high status. Contrary to widely-held status expectations, moreover, it is possible that these

problems may even become so disruptive that teams that include such members actually perform less effectively than teams without them.

The problems caused by status rivalries are likely to be offset, however, to the extent that teams collect more external knowledge and therefore provide more opportunities for cosmopolitans and locals to play valid and useful roles as interpreters of such knowledge. As this is where their value lies for their teams, the benefits of having these individuals on the team may be greater in part because they truly have important contributions to offer, based on their cosmopolitan and local experiences and expertise. Not only may they contribute more to the team, however, but they also may be viewed by their fellow team members as contributing more. Since their status derives from expectations about their abilities to interpret external knowledge for the team, their colleagues are likely to consider their opinions and views more carefully when they are based on interpretations of external knowledge.

As the cosmopolitans and locals present their different perspectives, their colleagues' expectations about their potential contributions to the task will be fulfilled, and their high status perceived as well deserved. As a result, cosmopolitans and locals will be accorded respect not only by lower status team members, but also by each other. This status deference might be due in part to their objectively superior abilities to interpret that knowledge. But it might be due also to a tendency for higher status individuals to be judged more competent at interpreting external knowledge than lower status individuals, even when no objective performance differences exist, as a result of double standards –



because high status members are expected to perform better, their contributions are evaluated against more lenient standards (Foschi, 2000). When teams use more external knowledge, therefore, cosmopolitans and locals may offer benefits that outweigh the potential problems caused by status rivalries because they are likely both to contribute more, and to be viewed as contributing more by their colleagues, resulting in greater status deference and fewer status challenges.

These dynamics suggest that the more knowledge the team obtains from outside sources, the more valuable it will be to have cosmopolitan and local team members. The benefits of having both types of members, furthermore, are likely to outweigh the benefits of having either type of member alone, because a local can correct any tendency of a cosmopolitan to overlook the distinctive characteristics of the situation in the client country, while a cosmopolitan can correct any tendency of a local to assume that the situation in the client country was unique. The advantages of having both a cosmopolitan and a local member were apparent in the case of a Quorum team that was working on a cultural tourism project for a different North African country. The team members collected large volumes of information from local consultants, ideas and insights from the client counterparts, and experiences from other countries where cultural heritage projects had been implemented in the past. As they did so, they heatedly discussed their views of this knowledge, each interpreting it within their own cognitive frameworks and then checking their assumptions and conclusions with each other, before arriving at a collective understanding of how to proceed. The two team members who were central to these processes of interpretation and integration were a cosmopolitan who had lived and

worked in Jordan, Lebanon, Egypt, and Morocco, and the team leader, who was very familiar with the client country, and although not born there, qualified as a local as she had lived and worked there and spoke the language. As a third team member noted:

“People at [Quorum] mostly take a European approach to economics and management issues, but [this team leader] understands what will work well in [the country]. When she talks to [the cosmopolitan team member], you can see her figuring out which ideas make sense and which don’t.”

Although divergences in the opinions and views of cosmopolitan and local team members still can create conflict within teams like this one, this conflict is likely to be underpinned by deference to the expertise of these high status team members if their views are based on interpretations of external knowledge. The conflict thus is likely to focus on constructive engagement over substantive task-related concerns. Such task-related conflict between two high status team members with different but equally valuable perspectives to offer is likely to benefit the team, resulting in improved performance (cf. Jehn, 1995, 1997). Indeed, this was the outcome of the West African team’s discussion of micro-credit schemes, where the conflicting views of the local and cosmopolitan were based on interpretations and applications of external knowledge, and therefore resulted in a constructive debate that advanced the team’s agenda rather than impeding it.

Teams that must interpret large quantities of external knowledge are likely to benefit most from having both cosmopolitan and local members, but having either cosmopolitans or locals alone also may help them to perform more effectively. While their contributions often will be useful for the team, however, the general tendency of lower status members to accord deference to the views of higher status members may lead the team to accept

the views of high-status cosmopolitans and locals too readily or uncritically, and problems of groupthink may result (cf. Janis, 1982). For example, if the cosmopolitan in the West African team had not challenged the view of the local, the team might have designed a micro-credit scheme that did not take into account the specific and dedicated resources that such a scheme required. Such an outcome is less likely in teams that include both cosmopolitans and locals, because the views of one high status member are more likely to be subjected to close scrutiny by another equally influential high status member.

The dynamics of status deference thus suggest that the problems of status rivalry are likely to be reduced or offset to the extent that cosmopolitans and locals have greater contributions to offer because the team uses knowledge from outside sources more extensively. Where the use of external knowledge is high, teams with only cosmopolitans or locals will perform better than teams with neither cosmopolitan nor local members, and teams with both will perform best. The more external knowledge a team uses, the greater will be the benefits of having high-status cosmopolitan and local team members.

## **DISCUSSION**

The analysis of status in work groups presented in this chapter has argued that cosmopolitans and locals can be important status categorizations for the members of international teams, and suggested that the dynamics of status rivalry and deference that emerge within these teams may have significant implications for team performance. While status rivalries can result in dysfunctional conflict that harms team performance,

these problems are likely to be offset by the benefits that cosmopolitans and locals can offer when they serve as interpreters of external knowledge.

International teams that need to interpret knowledge from outside sources rely on cosmopolitans and locals to perform this function in many organizational settings other than that exemplified by Quorum. Consider, for example, an international marketing team planning to launch a new cellphone in the Malaysian market. Or a management consulting team from Europe that has been assigned to advise a new banking client in South Africa on corporate strategy. Or an international joint venture team that is developing a new line of Indian packaged foods for sale in U.S. supermarkets. These teams all must draw extensively upon knowledge from outsiders, including customers, competitors, and collaborators, if they are to carry out their tasks successfully.

Accordingly, the Malaysian marketing team might benefit from the contributions of a member who has spent considerable time in Malaysia and knows the country well, and another member who can provide a more global comparative perspective on how conditions in Malaysia differ from conditions in other countries in which the company operated, thanks to their experience in those other countries. The cosmopolitan might steer the team toward marketing approaches that had worked well in other countries and away from those that had failed, while the local might provide insights in the likely barriers to acceptance in Malaysia. Similarly, the composition of the South African banking team might usefully include locals who understand the particular opportunities and constraints of operating retail banks in that country, as well as cosmopolitans who can check the team's assumptions and ideas against realities that they have observed in

other countries. The domains in which cosmopolitans and locals are likely to play important roles on international teams thus are wide-ranging.

In developing arguments about status attributions, expectations, and implications in such teams, this chapter extends existing theory and research on status in groups in four main ways: by considering the role that status characteristics, attributions, and expectations play in the specific context of international teams; by examining the dynamics that evolve between high status team members as well as those between high and low status members; by taking an external perspective that considers the roles of team members as interpreters of knowledge from outside the team; and by addressing the implications of status categorizations and expectations for performance outcomes.

In analyzing status dynamics in international teams in particular, the chapter addresses gaps in both the status literature and the international management literature. Although race, gender, tenure, and other relatively well-studied status characteristics may well create differential performance expectations in international teams as they do in groups generally (cf. Berger et al., 1972; Berger et al., 1974), the status categories of cosmopolitans and locals and the performance expectations associated with them are particularly relevant to the domain of teams that operate across international borders. Indeed, given the likely cross-cultural differences in attributing high or low status to standard demographic categories such as male/female or white/black, status categorizations such as cosmopolitans and locals that traverse cross-cultural boundaries may be more salient and powerful in shaping group dynamics and outcomes because they

are based on characteristics whose value is determined within organizations rather than by societies. It thus is important for status researchers to analyze the distinctive context of international teams. Likewise, it is also important for international management research to consider the challenge of combining local differentiation with global integration not just from a structural perspective, by examining relations between subsidiaries and headquarters (e.g., Bartlett & Ghoshal, 1989; Nohria & Ghoshal, 1997), but also from a team composition perspective, by addressing the ways in which this challenge can be met through staffing teams with members who can contribute both local and global insights.

Focusing on the status dynamics between cosmopolitans and locals addresses another issue that has received relatively little attention in the literature on status in groups to date: how interactions between team members with high status for different reasons influence the team's work. For example, does the division head interact with the chief financial officer on a top management team? How does the CEO interact with the chairman on an executive board? How does the technical wizard interact with the marketing guru on a cross-functional product development team? Current status research that assumes that team members can be ranked quite easily from high to low status can offer only limited insights into such situations, but considering the contested nature of status hierarchies and the dynamics of status rivalry and deference offers opportunities to advance our understanding of the way these teams function and perform. One limitation of the present study that should be noted here, however, is that in studying cosmopolitan and local members of international teams at Quorum, I have developed arguments about status dynamics that are based on an organizational setting in which both cosmopolitans

and locals are regarded as high status team members. Clearly, this may not be the case in every organization, since sometimes cosmopolitans may be regarded as more valuable team members than locals, or vice versa, and the arguments therefore must be bounded accordingly.

Another way in which this chapter builds on the existing status literature is by taking an “external perspective” on teams that recognizes the importance of teams’ interactions with external constituencies for their performance (cf. Ancona, 1987). Research from an external perspective has examined both the behavioral relations between teams and their environments, such as boundary-spanning activities, scouting behaviors, and influence attempts (e.g. Tushman, 1977; Ancona & Caldwell, 1992; Gresov & Stephens, 1993), and the structural relations between teams and their environments, such as task design and reward systems (e.g. Hackman, 1987; Wageman, 1995). Extending these concerns to the domain of status dynamics in international teams draws attention to how the contributions of cosmopolitans and locals to their teams depend on the extent to which teams are engaged in interpreting knowledge obtained from sources outside the team, and raises the question of whether and when teams’ interactions with their external environments may hurt rather than help team performance (cf. Haas and Hansen, 2002).

The discussion of performance implications in this chapter also contributes to advancing the insights of prior research on status in work groups. Most of this research examines the effects of status on team members’ participation levels and styles, but does not directly address the effects of these differential participation patterns on the team’s eventual

performance or else focuses on laboratory-generated performance measures such as decision quality. Nevertheless, the question of how team performance is affected in real organizational settings, whether negatively, positively, or not at all, is clearly central to the issues raised by the status-based participation patterns that have been identified in prior studies. Here, I suggest that performance implications of having cosmopolitan and local members may be contingent on the situation, depending on whether dynamics of status rivalry or deference dominate, which in turn depends on whether the team requires the services of these team members to interpret knowledge from sources outside the team.

The possibility that cosmopolitans and locals contribute to team performance in the ways suggested here raises some important questions for further investigation that are beyond the scope of this chapter. The argument proposed that team members with the status characteristics of cosmopolitans and locals are likely to offer and defend interpretations from different perspectives that have equal potential value to the team, and that a mix of these perspectives will benefit a team most when it uses external knowledge, or alternatively. This argument focuses on situations where a team includes at least one cosmopolitan and/or one local member, but there are other possible ways of analyzing a team's cosmopolitan and local membership. For example, the proportion of cosmopolitans and locals may matter more than the presence of at least one cosmopolitan and/or local on the team, since the status dynamics may be affected by the relative representation of the two status groups on the team (cf. Kanter, 1977; Allmendinger & Hackman, 1995). Alternatively, rather than the presence or number of team members who have the status characteristics of cosmopolitans or locals, it is possible that what



matters is the overall level of “cosmopolitanism” or “localism” on a team, measured by indices that capture the total time that all the team members have spent living and working in the client country and in other countries, and the total number of languages they speak. These alternative specifications might suggest different causal arguments about how status dynamics affect team performance to those presented here, and they therefore are worthy of examination.

Extending these speculations, another avenue for future research is suggested by a more political perspective on organizations, which highlights the possibility that coalitions will form around different high status members and engage in battles for dominance over the direction that the team will take (cf. Pettigrew, 1973; Bacharach & Lawler, 1981).

Because knowledge is usually socially constructed rather than absolute, teams can become contested terrain (cf. Edwards, 1966; Haas, 2003) in which the agendas and interests of external stakeholders are reflected and played out, to the possible detriment of the team’s espoused goals. Since cosmopolitans and locals are likely to be oriented to different reference groups (cf. Merton, 1957) and to be subjected to pressures from different external stakeholders, they may have more at stake in a confrontation within the team than their own personal status; they may also see themselves as defending the status of the broader community with which they identify outside the team. This may result in attempts to organize potential supporters within the teams into coalitions that will actively defend the views and pursue the interests of those high status members with whom they in turn identify themselves.

A final potential direction for future theory and research is the possibility that the concepts of cosmopolitan and local may offer insights into the functioning of teams that are not explicitly international, as well as those that are. In the original formulations of the concepts, cosmopolitans and locals were distinguished by their orientations to local versus wider communities (Merton, 1957) and to their employing organization versus their profession (Gouldner, 1957). Adapting these formulations, any team might be analyzed in terms of status hierarchies that distinguish, for example, those who prioritize the team and its task from those who prioritize their professional or wider community affiliations. For the more inclusive world of teams beyond those that operate across international borders, therefore, the concepts of cosmopolitans and locals might be more broadly defined in ways that offer intriguing avenues for further exploration.

In conclusion, the issues of status deference and status rivalry in teams are subtle but potentially powerful phenomena. As Geertz's (1973) seminal sociological analysis of the Balinese cockfight revealed, sometimes the way that interactions appear on the surface is really just a veneer that disguises the "deep play" of high stakes status games. Similarly, international teams that include cosmopolitan and local members might appear on the surface to be engaged in innocent information exchanges with no other purpose than to help the team to complete its task as successfully as possible, while underneath, status attributions, expectations, hierarchies, and contests shape their contributions in ways that sometimes may be rather less than helpful for the team.

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**TABLE 1. Manager and Staff Interviews**

Responsibility	Number of interviewees
Line management	2
Strategy/change	3
Project quality assessment	4
Human resources/staff association	5
Knowledge management	6
TOTAL	20 interviews



**TABLE 2. Team Interviews**

Region	Project focus	Project type
Africa	Civil service reform	Research
Africa	Infrastructure sector	Investment
Africa	Macro-economic restructuring	Investment
Africa	Private capital flows	Research
Africa	Social security reform	Research
Africa	Urban development strategy	Investment
Africa	Water transfer scheme	Investment
East Asia & Pacific	Macro-economic restructuring	Research
East Asia & Pacific	Macro-economic development	Research
Europe & Central Asia	Assorted (7 Russia interviews)	Assorted
Europe & Central Asia	Agriculture sector reform	Investment
Europe & Central Asia	Fiscal sustainability	Research
Europe & Central Asia	Public finance legal framework	Investment
Latin America & Caribbean	Environmental protection	Investment
Latin America & Caribbean	Poverty assessment	Research
Latin America & Caribbean	Urban slum upgrading	Investment
Middle East & North Africa	Agricultural policy	Research
Middle East & North Africa	Poverty assessment	Research
Middle East & North Africa	Public expenditure management	Investment
TOTAL		25 interviews

**TABLE 3. Case Study Interviews**

Region	Project focus	No. of team members	No. of interviewees
Africa	Urban slums	10	4
Europe & Central Asia	Education	9	5
Europe & Central Asia	Social services	4	3
Latin America & Caribbean	Urban slums	6	4
Latin America & Caribbean	Environment	5	4
Middle East & North Africa	Cultural heritage	7	3
Middle East & North Africa	Housing	4	2
TOTAL		45 team members	25 interviews