Team Effects of Bicultural Individuals:
Insights from Football Team Performance

by

Michal Szymanski

B.Sc., Warsaw School of Economics, 2009
B.Sc., University of Warsaw, 2010
M.A., Warsaw School of Economics, 2011
M.A., University of Warsaw, 2012

Dissertation Submitted in Partial Fulfilment of the Requirements for the Degree of

DOCTOR OF PHILOSOPHY

PhD Program in International Management & Organizations

In the Peter B. Gustavson School of Business

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University of Victoria

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ABSTRACT

The recent wave of globalization triggered by the end of the Cold War and stimulated by progressing liberalization of trade and international migration policies has led to a significant surge in numbers of bicultural individuals, i.e. people with more than one ethnic identity (Nguyen & Benet-Martinez, 2007), and thus, a surge in bicultural employees. An emerging stream of research from psychology and organizational studies indicates that bicultural individuals have a particular set of skills and competencies that can contribute to the performance of international teams and, in turn, organizations. However, to date there has not been a large sample empirical study investigating the oft-stated relationship between biculturals and performance. This dissertation seeks to fill this gap in the literature by examining said relationship by relating the composition of national association football teams to results in six consecutive FIFA World Cup and six UEFA European Championship tournaments (i.e. the results of 272 teams in 12 competitions). The results indicate that biculturalism improves team performance when moderated by the cultural diversity of the competitive environment of the team.

Keywords:

biculturals; team diversity; cross-cultural management; global leadership skills; team performance
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DEDICATION

I dedicate this dissertation to my mom, Urszula,

for her unconditional love and support.
ACKNOWLEDGEMENT

They say research and writing are lonely tasks, but one could not be more wrong. This dissertation deals with the issue of team performance and it was in itself a true team performance. I would like to thank my team for all their time and effort devoted to this project.

First, I need to thank Dr. Richard A. Wolfe, my committee chairman and mentor, for his patience throughout the entire process. Richard spent countless hours on reading, reflecting, commenting, and encouraging me to strive for excellence in research and writing. Richard, I will be forever indebted for your help.

Next, I would like to express my gratitude to Dr. Mary Yoko Brannen, who inspired me to work in the area of biculturalism. While I have always been surrounded by biculturals, I did not realize how fascinating individuals they are. It was Mary Yoko who triggered the thought of pursuing this research path.

I need to thank two other members of the dissertation committee: Dr. Roy Suddaby and Dr. Paul Schure, I will always appreciate your insights!

I must also thank Dr. Josh Ault (also a member of the dissertation committee) and Dr. Stacey Fitzsimmons for all their advice and encouragement. You are both true role models for me and I hope to become as good of a scholar as you are!

In every team performance, there are people hidden behind the scene, who make things happen. Wendy Mah, I was probably the most troubling and annoying Ph.D. student in Gustavson’s history – thank you for all your patience!

All credit for this work should go to the team; any errors that remain are mine alone.
I am also grateful to the Gustavson faculty for their encouragement and inspiration throughout my Ph.D. journey: Dr. Wade Danis, Dr. Ana Maria Peredo, Dr. Monika Winn, Dr. A.R. Elangovan, Dr. Carmen Galang, Dr. Yan Shen, and Dr. Sudhir Nair – thank you!

To my fellow Ph.D. students, it has been a great journey and it would not be the same without you. Special thanks go to Komal, Anir, Helena and Carlo – I will never forget your support!

Yours truly,

Mike
INTRODUCTION

The recent wave of globalization triggered by the end of the Cold War and stimulated by progressive liberalization of trade and international migration policies has led to a significant surge in the numbers of bicultural individuals, i.e. people with more than one ethnic identity (Nguyen & Benet-Martinez, 2007). It is estimated that by 2017, biculturals will be the largest ethnic group in Canada and by 2020 the largest ethnic group in the United States will be culturally mixed (Brannen & Thomas, 2010). This trend is also noticeable in Australia (21% of population is foreign born) and in Europe (EU Census Bureau, 2008). The growing number of people of mixed cultural background provides companies operating internationally with “an unacknowledged opportunity to better bridge across cultural contexts and integrate and meld knowledge from around the world” (Brannen, Garcia, & Thomas, 2009: 207). Research evidence from psychology and sociology indicates that biculturals exhibit personal skills that could be of great importance to international organizations and may contribute positively to organizational performance (Brannen & Thomas, 2010). Hence it should come as no surprise that the phenomenon is gaining significant traction in the international business and cross-cultural management literatures. However, to date there has not been an empirical study examining the oft stated, proposed, positive relationship between biculturals and performance, and more directly related to this study, the relationship of bicultural team members and team performance. Extant research has tended to be at the individual level of analysis, or case studies at the organizational level of analysis. Importantly, a large sample quantitative study, as conducted here, moves beyond individual level analysis, and case studies in assessing the relationship of bicultural team members and team performance, and allows for the examination of potential systematic differences in the magnitude of the effect of biculturalism on performance of teams operating within various environments.
This dissertation examines the effect of bicultural team members and leaders on team performance. In doing so, it seeks to answer two questions:

(1) What is the effect of the biculturalism of team members and leaders on team performance?

And subsequently:

(2) How does the diversity of the competitive environment of the organization moderate the effect(s) of biculturalism?

In doing so, the dissertation involves both theory testing (the relationship proposed in the literature) and theory building through an extension of the biculturalism literature to the external environment of the organization.

This dissertation develops as follows. In Chapter 1 relevant literature streams are reviewed and analyzed. The existing bodies of literature on team diversity, biculturalism and metacognition are synthesized, pointing out potential literature gaps that should be addressed. In Chapter 2 all relevant constructs are described and three hypotheses are developed. Chapter 3 outlines the research design, including methods and measurement of constructs. In Chapter 4 data analysis and results are presented. Chapter 5 covers a discussion of the results and potential implications for theory and practice. In Chapter 6 limitations and future research avenues are outlined. The dissertation ends with a brief Conclusion section.

Because this research draws on two broad literature streams, namely organizational studies and sport management, there is a risk of confusion concerning the terminology used. Therefore, definitions of important terms are provided throughout. What follows is a brief overview of terminology; detailed definitions grounded in the literature are provided in Chapter 1 and Chapter 2, while measurement methods are described in Chapter 3.

Bicultural individuals (biculturals) and multicultural individuals (multiculturals) are
individuals with, respectively, two and more national/ethnic identities. Despite not being perfect synonyms, these two terms are used interchangeably as every multicultural individual is at least bicultural. While there are different types, levels, and measurements of culture (Caprar, Devinney, Kirkman, & Caligiuri, 2015), in this research it is only the national culture that is taken into consideration when assessing biculturalism (please refer to section 2.2. for a more detailed discussion).

This study uses association football as the research context. Both terms: football and soccer refer to association football and are used interchangeably in this dissertation. In cases where North American football research is cited, the sport is referred to as American football or National Football League (NFL) football. The Fédération Internationale de Football Association (FIFA; English: International Federation of Association Football) and The Union of European Football Associations (UEFA) are two international governing bodies of association football and are the organizers of two international tournaments: the World Cup and the European Championship, respectively. In these tournaments, only national teams are allowed to participate. Every team consists of 23 players, called in this research team members, who must be citizens of the country they are representing, and a coach (referred to as a manager or team leader), who can be of any nationality. A national team represents a given country in international competitions and tournaments, and is controlled by a national football association, which in this study is considered an organization.
CHAPTER 1 – LITERATURE ANALYSIS

The number of multicultural individuals is rapidly growing worldwide and therefore it should come as no surprise that bicultural research is gaining momentum in numerous fields, including psychology, sociology and international management. Despite being a relatively young sub stream in social science, the body of literature on biculturalism is significant. In order to ground this study in the existing literature, this chapter describes three relevant areas of scholarly work. First, because bicultural individuals draw from two, often diverse, sets of cultural schema, the vast body of literature on team diversity is summarized. Second, the existing literature on biculturals, with a focus on bicultural identity integration and biculturals in organizations, is discussed. Because improved cultural metacognition is often seen as an advantage of biculturals over their monocultural peers, metacognition research is presented next. Subsequently, advantages of sport as a research context are outlined. Finally, the chapter ends with a brief summary, pointing out to potential gaps in the literature.

1.1. Diversity literature

Heterogeneity of team member characteristics can have an effect on team processes and outcomes (Chen et al., 2004). Diversity is a complex and multifaceted construct and is seen as a key determinant of team performance (Mathieu, Maynard, Rapp, & Gilson, 2008; Webber & Donahue, 2001). There is a substantial body of literature on the influence of diversity on team performance; however, empirical studies have provided inconclusive findings (Webber & Donahue, 2001; Mathieu et al., 2008).

Empirical studies have found that demographic diversity may have beneficial, detrimental or no effect on team processes, states, and performance (Webber & Donahue, 2001). Kilduff and colleagues (2000) found that diversity in age of team members has a positive effect on performance. However, previous findings had yielded contradictory results. A positive relationship between age diversity and performance was reported by Maznevski
and DiStefano (1996), and Pelled and colleagues (1999), while research done by Wiersema and Bantel (1992) and Simons and colleagues (1999) found a negative relationship. When it comes to the effect on states such as cohesion, the results are also mixed. O’Reilly and colleagues (1989) found a positive relationship between age diversity and team cohesion, while Harrison and colleagues (1998) reported a negative relationship. Ethnic diversity research has also yielded mixed results: Mayo and colleagues (1996), Maznevski and DiStefano (1996); and McLoed and colleagues (1996) found a positive relationship between ethnic diversity and performance; and Harrison and colleagues (1998) found a positive relationship between ethnic diversity and team cohesion. However, Watson and colleagues (1993), and Pelled and colleagues (1999) found a negative relationship between ethnic diversity and performance. Additionally, research on other dimensions of diversity, such as race, gender, tenure and education have also found negative relationships (e.g., Watson et al., 1998; Simons, Pelled, & Smith, 1999; Timmerman 2000; Kirkman, Tesluk, & Rosen, 2001; Jackson, Joshi, & Erhardt, 2003). On the other hand, Jehn and Bezrukova (2004) found a positive relationship between tenure diversity and performance.

Upper-echelon diversity and its impact on organizational performance constitute an important sub stream of diversity research. Sicilianno (1996) found that wider diversity in board member characteristics (such as occupational diversity, gender and age) resulted in higher levels of social and organizational performance. Carter, Simkins and Simpson (2003) found a significant positive relationship between the fraction of women and minorities on the board and firm value. Erhardt, Werbel and Shrader (2003) reported that board diversity is also positively associated with financial indicators of firm performance (such as return on asset and investment). Allen and colleagues (2008) found strong correlation between employee perceptions of diversity at the senior management levels and perceptions of organizational performance. Miller and Triana (2009) examined potential mechanisms
through which top management team (TMT) racial and gender diversity increase firm performance. They found that reputation and innovation partially mediate the relationship between racial diversity and performance. A particularly relevant study conducted by Glick, Miller and Huber (1995) revealed that diversity stimulates comprehensive decision-making (which in turn influences organizational performance) in turbulent environments, but the correlation is negative in extremely stable environments. These findings were consistent with previous research on the effects of turbulent environments (e.g., Eisenhardt, 1989), in which it is suggested that the state of the environment of the organization might be an important moderator of diversity effects.

Time is another important factor in determining the effects of diversity. Harrison and colleagues (1998) found that negative effects of surface-level diversity (e.g., age) were neutralized over an extended period of collaboration. Team members working together for a long time may get accustomed to differences caused by surface-level diversity such that team processes are not affected. These findings were echoed with a follow-up study (Harrison et al., 2002), where extended collaboration was found to weaken the effects of demographic diversity on team outcomes. However, as time passes psychological diversity (differences in values and attitudes) increases and may affect team performance (Harrison et al., 2002).

In sum, diversity in teams, including TMTs, has been described as a “double-edged” sword (Miliken & Martins, 1996). Early research on diversity in work groups suggested that increased diversity leads to an increase in innovation and performance and less team cohesion (Jackson et al., 1995; Miliken & Martins, 1996). Pelled and colleagues (Pelled, 1996, Pelled et al., 1999) suggested a theoretical distinction of two different types of diversity – highly job-related and less job-related, however a meta-analysis conducted by Webber and Donahue (2001) found no differential impacts on work group cohesion or on performance. While
contemporary research continues to yield mixed result, diversity remains an important research stream in organizational research.

1.1.1. The concept of faultlines

Faultlines is a concept closely related to composition and diversity issues in organizational research. The concept introduced by Lau and Murnighan (1998), refers to hypothetical dividing lines, splitting a group into subgroups based on an attribute, such as age, demographic characteristic, geography, etc. Intuitively, faultline strength affects team processes and emergent states such as cohesion and integration. While a significant body of literature reported a negative relationship (e.g., Thatcher, Jehn, & Zanutto, 2003; Li & Hambrick, 2005; Polzer, Crisp, Jarvenpaa, & Kim, 2006; Rico, Molleman, Sanchez-Manzanares, & Van der Vegt, 2007), Lau and Murnighan (2005) found that faultline strength was associated with less conflict and more group learning, team satisfaction and psychological safety. These findings echoed the study by Thatcher and colleagues (2003), who reported a curvilinear relationship between the strength of faultlines and levels of conflict and satisfaction. Groups with no or strong faultlines exhibit higher levels of conflict and lower levels of satisfaction than teams with moderate faultlines. These mixed findings suggest that the construct of faultlines and its effect on team processes and states are not yet fully understood. Research of more complex relationships has found that the effect of faultlines depends on autonomy (Molleman, 2005) and that faultlines affects communication effectiveness (Lau & Murnighan, 2005). In sum, the literature on faultlines is still growing and can be expanded (Matthieu et al., 2008). Recent studies have indicated that bicultural individuals may be more capable of mitigating the negative effects of cultural faultlines than their monocultural peers (Fitzsimmons, 2013; Hong & Doz, 2013).
1.2. Biculturalism

An individual’s behaviours, attitudes and values are closely tied to social identity, i.e. are based on the feeling of membership in an important social group (Tajfel & Turner, 1979; Devine & Monteith, 1999). Social identification leads to activities and behaviours that are consistent with the values of the social group (Ashforth & Meal, 1989). National, ethnic and cultural affiliations are important factors shaping the social self and may become a critical element for shared identity (Roccas & Brewer, 2002). Individuals may have many social identities and thus may exhibit different sets of values and schemas of behaviours (Higgins, 1996; Fiske, 1998). Research on multiculturals has shown that multicultural individuals identify not only with countries as a source of cultural values, but also with nations (Lehman, Chiu, & Schaller, 2004), regions (Lu & Yang, 2006), and religious groups (Verkuyten, 2007). This potential conflict (or synergistic effect) of two or more cultures within one individual has received significant attention in the psychology, sociology and organizational studies literatures.

1.2.1. Early research on cultural identity integration

Research on bi- or multicultural individuals, i.e. individuals who have internalized two (biculturals) or more (multiculturals) cultures (Hong, Morris, Chiu, & Benet-Martinez, 2000) can be traced back to the late 1920s, when Park (1928) proposed an early conceptualization of biculturalism as an individually detrimental state, yet beneficial for the society as bicultural individuals did not seem to be bound by cultural limitations. Park (1928) and Stonequist (1937) both believed that biculturalism had negative consequences for individuals as they could be marginalized in both cultures, hence experiencing stress and anxiety. This belief of marginalization has changed in the literature. Erikson (1956) and Prelinger and Zimet (1964) proposed that that individual identity lies at a point between firm (singular) identity and a diffused (diffuse-conflicted) identity. Baumeister, Shapiro and Tice (1985)
proposed a new, integrated, continuum and identified two types of identity crises: (1) the individual cannot make consistent choices due to the lack of adequate self-definition; (2) the individual is torn apart between multiple (sometimes incompatible) self-definitions. Noteworthy is that the early models and conceptualizations of biculturalism focused on negative individual consequences, mostly overlooking the potential benefits.

1.2.2. Bicultural Identity Integration (BII)

A prevalent model in the cultural or ethnicity identity management domain is the four-way acculturation process proposed by Berry (1980). He conceptualized the process of acquiring a new (second) culture as: (1) assimilation (acquisition of host culture); (2) integration (keeping both home and host cultures); (3) separation (keeping only home culture); and (4) marginalization (keeping neither culture). Research shows that multiculturals can use all four approaches (Berry, 2001).

Individuals’ perception of the difference between social (and cultural) identities may shape the way they integrate them (Roccas & Brewer, 2002). Benet-Martinez and Haritatos (2005) found that bicultural individuals vary on cultural identity integration. There are several ways that multicultural individuals deal with multiple cultural identity integration. Based on social identity theory, Roccas and Brewer (2002) proposed four strategies: (1) intersection – the individual identifies only with individuals belonging to both social groups; (2) dominance – identification with one of the social groups is stronger than with the other; (3) compartmentalization – the individual identifies with a particular social group depending on circumstances; and (4) merger – the individual identifies with both social groups.

Similarly, Brannen, Garcia and Thomas (2009) identified four types of biculturals based on their cultural identity integration patterns: (1) One-home – biculturals who identify predominantly with one of their cultures; (2) Neither/Nor – individuals, who do not feel a part of either of their cultures; (3) Either/Or – biculturals who identify with both of their
cultures, but “change their orientation and behaviour based on context (Brannen, Garcia, & Thomas, 2009: 209); and (4) Both/And – biculturals who identify with both of their cultures and often create their own idiosyncratic cultural blend. Multicultural individuals with high levels of identity integration may perceive their two (or more) cultural identities as compatible and complementary and thus exhibit consistent and homogenous attitudes and behaviour patterns. On the other hand, multicultural individuals with low levels of identity integration, who prefer to keep their cultural identities separate, may exhibit two distinct attitudes and behaviours patterns, depending on the cultural context and particular circumstances. Benet-Martinez (2010) found that multiculturals are able to report their identity patterns. Fitzsimmons (2013) proposed an extended framework for understanding how identity integration and identity plurality interact in an organizational setting and what the outcomes at the individual and organizational levels are. Based on identity integration and identity plurality, she proposed four patterns: (1) prioritizing (single identity); (2) hybridizing (plural identities that are integrated); (3) compartmentalizing (plural identities that are separated); and (4) aggregating (individual prioritizes a number of cultural identities over others). While Mok and Morris (2010; Mok, Cheng, & Morris, 2010) found that bicultural identity integration affects biculturals’ behaviour in groups, Fitzsimmons, Lee and Brannen (2013) proposed that even biculturals who do not identify strongly with either or any culture possess cross-cultural skills, helping them excel as global leaders.

In conclusion, *biculturals* do not constitute a homogenous group, but represent people who have extensively experienced a number of cultures. While biculturals differ on the way they negotiate and reconcile their two or more culture, some skills and abilities such as cross cultural skills and global leadership skills are common for the entire group.
1.2.3. Biculturals in an Organizational Setting

Biculturalism is a nascent area in management and organizational behaviour research. Numerous scholars have proposed the potential positive effect of biculturals on organizational performance, presenting a number of mechanisms through which bicultural individuals can contribute. Table 1 (pp. 12-13) presents an overview of previously published conceptual and theoretical studies on biculturals in an organizational setting published in management and organizational behaviour literature.

Brannen, Garcia and Thomas (2009) proposed that intercultural skills and cultural metacognition of bicultural individuals might be instrumental for organizations operating across cultural barriers. Brannen and Thomas (2010) proposed that biculturals could be useful for their multinational organizations because of their ability to integrate cultures and to mediate between them. Biculturals in multinational organizations may 1) excel as boundary spanners; 2) bridge culturally different contexts; 3) be catalysts for creativity and innovation.

Hong (2010) proposed a complex conceptual model of bicultural competence and its impact on multicultural team effectiveness. Hong proposes that bicultural competence (stemming from appropriate cultural frame switching and increased cultural metacognition) leads to biculturals playing two important roles in multinational teams: 1) boundary spanning; and 2) conflict mediating.

Fitzsimmons, Miska and Stahl (2011) proposed three ways multicultural individuals might contribute to team performance: 1) act as bridges across cultural faultlines; 2) reduce the process time required to tap multiple perspectives; and 3) safeguard groups against groupthink. Fitzsimmons (2013) outlined a framework for analysis of how multicultural employees contribute to organizations. At the group level outcomes, she proposed that higher identity plurality would be related to higher levels of relational social capital and higher levels of structural social capital. At the task level of analysis, she proposed that identity plurality would be positively related to actions skills and analytical
<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Outlet</th>
<th>Year</th>
<th>Type</th>
<th>Unit of Analysis</th>
<th>Findings/Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Richard &amp; Grimes</td>
<td>The Midatlantic Journal of Business</td>
<td>1996</td>
<td>Lit Review and Conceptual</td>
<td>Organization</td>
<td>The authors argue that &quot;a move from the commonly expected assimilation strategy through an alternation strategy to multiculturalism will improve organizational success and individual satisfaction&quot;</td>
</tr>
<tr>
<td>Bell &amp; Harrison</td>
<td>Human Resource Management Review</td>
<td>1996</td>
<td>Conceptual</td>
<td>Individual</td>
<td>Biculturals exhibit similar knowledge, skills, and abilities as those required for successful expatriates</td>
</tr>
<tr>
<td>White</td>
<td>Public Administration &amp; Management</td>
<td>1999</td>
<td>Conceptual</td>
<td>Organization</td>
<td>A need for a new multicultural paradigm: a shift from assimilating minorities to acknowledging racial, cultural and gender differences</td>
</tr>
<tr>
<td>Krishna</td>
<td>Human Resource Development Internat</td>
<td>2009</td>
<td>Conceptual</td>
<td>Individual</td>
<td>Development of organizational commitment of bicultural employees</td>
</tr>
<tr>
<td>Brannen, Thomas, &amp; Garcia</td>
<td>Conference Proceedings</td>
<td>2009</td>
<td>Conceptual</td>
<td>Organization</td>
<td>Biculturals can contribute positively to organizational performance through: (1) intercultural skills; and (2) cultural metacognition.</td>
</tr>
<tr>
<td>Friedman &amp; Liu</td>
<td>Book chapter</td>
<td>2009</td>
<td>Conceptual</td>
<td>Individual and Organization</td>
<td>Bicultural managers can excel in global business thanks to: (1) improved decision making; (2) boundary spanning; and (3) conflict resolution skills.</td>
</tr>
<tr>
<td>Brannen &amp; Thomas</td>
<td>International Journal of Cross Cultural Management</td>
<td>2010</td>
<td>Conceptual</td>
<td>Organization</td>
<td>Biculturals can contribute to organizational performance through: (1) access to multiple cultural knowledge systems; (2) ability of cultural frame shifting; (3) may possess more complex cognitive representations.</td>
</tr>
<tr>
<td>Hong</td>
<td>International Journal of Cross Cultural Management</td>
<td>2010</td>
<td>Conceptual</td>
<td>Organization</td>
<td>A concept of bicultural competence is outlined. Biculturals can contribute to team effectiveness through two team mechanisms: (1) boundary spanning; (2) conflict mediating.</td>
</tr>
<tr>
<td>Fitzsimmons, Miska, &amp; Stahl</td>
<td>Organizational Dynamics</td>
<td>2011</td>
<td>Conceptual</td>
<td>Individual and Organization</td>
<td>Biculturals can contribute positively in global business through: (1) acting as bridges across cultural faultlines; (2) reducing the process time required to tap multiple perspectives; (3) safeguarding groups against groupthink.</td>
</tr>
</tbody>
</table>

**Table 1.** Overview of conceptual studies on biculturals in an organizational setting.
<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Outlet</th>
<th>Year</th>
<th>Type</th>
<th>Unit of Analysis</th>
<th>Findings/Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zander, Mockaitis, &amp; Butler</td>
<td><em>Journal of World Business</em></td>
<td>2012</td>
<td>Conceptual</td>
<td>Individual</td>
<td>Biculturals exhibit some traits necessary for successful global team leaders.</td>
</tr>
<tr>
<td>Fitzsimmons</td>
<td><em>Academy of Management Review</em></td>
<td>2013</td>
<td>Conceptual</td>
<td>Organization</td>
<td>At the group level outcomes, higher identity plurality would be related to higher levels of relational social capital and higher levels of structural social capital. At the task level of analysis, identity plurality would be positively related to actions skills and analytical skills.</td>
</tr>
<tr>
<td>Lakshman</td>
<td><em>Journal of International Business Studies</em></td>
<td>2013</td>
<td>Conceptual</td>
<td>Individual</td>
<td>Higher levels of attributional complexity and attributional knowledge contribute to cross-cultural competence, thus influencing biculturals' leadership effectiveness.</td>
</tr>
<tr>
<td>Heo &amp; Kim</td>
<td><em>Journal of Intercultural Communication</em></td>
<td>2013</td>
<td>Literature Review</td>
<td>Individual</td>
<td>Three frameworks dominant in the literature: (1) Outcome Oriented; (2) Process Oriented; and (3) Transitional Framework.</td>
</tr>
<tr>
<td>Fitzsimmons, Lee, &amp; Brannen</td>
<td><em>European Journal of International Management</em></td>
<td>2013</td>
<td>Conceptual</td>
<td>Individual</td>
<td>Marginals, i.e. bicultural individuals who have internalized more than one culture, but do not identify strongly with either or any of them, may possess certain advantages helping them excel as global leaders.</td>
</tr>
<tr>
<td>Brannen &amp; Lee</td>
<td>Book chapter</td>
<td>2014</td>
<td>Conceptual</td>
<td>Individual</td>
<td>(1) Biculturals have skills that are useful for global organizations; (2) There are differences between various types of biculturals; (3) Training and development of bicultural skills and capabilities is an important avenue for future research.</td>
</tr>
<tr>
<td>Barner-Rasmussen</td>
<td>Book chapter</td>
<td>2015</td>
<td>Literature Review</td>
<td>Organization</td>
<td>Reviews streams of literatures where biculturals play a role in the organizational context (1) Transfer of knowledge and competencies in multinational organizations, (2) cross-cultural skills, (3) faultlines</td>
</tr>
<tr>
<td>Dau</td>
<td><em>Journal of International Management</em></td>
<td>2016</td>
<td>Conceptual</td>
<td>Team/Organization</td>
<td>(1) Bicultural team members have a latent potential to enhance the transactive memory systems and performance of their teams. (2) Characteristics of the individual and the team must be synchronized to realize this potential.</td>
</tr>
</tbody>
</table>

**Table 1 (continued).** Overview of conceptual studies on biculturals in an organizational setting.
skills. Lakshman (2013) linked biculturals and their higher levels of attributional complexity and attributional knowledge to their cross-cultural competence. He proposed that managerial decisions resulting from these attributions might lead to cross-cultural leadership effectiveness. Fitzsimmons, Lee and Brannen (2013) argued that even biculturals who do not identify with all their culture might possess cross-cultural skills that help them excel as global leaders.

In conclusion, potential effects of biculturals on organizations have been widely discussed in the management literature. Most scholars seem to agree that biculturals contribute positively to organizational performance. A stream of empirical research soon followed theoretical foundations laid by the aforementioned scholars. Empirical studies in organizational settings seem to be dominated by qualitative organizational studies and small sample quantitative studies focused on the individual. Table 2 (pp.15-16) presents an overview of empirical studies on biculturals in the management and organizational behaviour literature.

Gillespie, McBride and Riddle (2010) surveyed 124 managers (of whom only 17% were bicultural) in Mexico City. Mok, Cheng and Morris (2010) conducted an experiment on 80 East Asian-Americans to investigate how bicultural employees adjust to differing cultural settings in performance appraisal. In her dissertation research on bicultural competence and multicultural team effectiveness, Hong (2012) conducted an ethnographic study in a multinational corporation based in France. In the second part of her study, Hong used the ethnographic approach to investigate cultural brokerage roles of bicultural employees in an auditing multinational company based in Paris. Friedman and colleagues (2012) examined cultural switching abilities of 50 managers working for companies in Taiwan. Kiesel and Haghirian (2012) interviewed “five half-Japanese half-Western origin managers” working at a Japanese headquarters of a large multinational corporation. Okamoto and Teo (2012)
<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Outlet</th>
<th>Year</th>
<th>Type</th>
<th>Unit of Analysis</th>
<th>Sample</th>
<th>Findings/Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mok &amp; Morris</td>
<td><em>Journal of Experimental Social Psychology</em></td>
<td>2010</td>
<td>Experiment</td>
<td>Individual</td>
<td>50</td>
<td>Biculturals with low BII play an important role in resisting groupthink that results from cultural homogeneity</td>
</tr>
<tr>
<td>Mok, Cheng, &amp; Morris</td>
<td><em>International Journal of Cross Cultural Management</em></td>
<td>2010</td>
<td>Experiment</td>
<td>Individual</td>
<td>80</td>
<td>Bicultural Identity Integration influences bicultural managers will orientation toward cultural norms in employee evaluations.</td>
</tr>
<tr>
<td>Gillespie, McBride, &amp; Riddle</td>
<td><em>International Journal of Cross Cultural Management</em></td>
<td>2010</td>
<td>Survey</td>
<td>Individual</td>
<td>124 (17% bicultural)</td>
<td>Bicultural (or culturally independent) managers are more likely to be in upper management positions in Mexico.</td>
</tr>
<tr>
<td>Yagi &amp; Kleinberg</td>
<td><em>Journal of International Business Studies</em></td>
<td>2011</td>
<td>Qualitative</td>
<td>Individual</td>
<td>1 organization; 54 members</td>
<td>(1) Biculturals can be effective boundary spanners; (2) Organizations do not recognize full potential of bicultural employees;</td>
</tr>
<tr>
<td>Friedman et al.</td>
<td><em>International Journal of Intercultural Relations</em></td>
<td>2012</td>
<td>Experiment</td>
<td>Individual</td>
<td>50</td>
<td>Managers who have experienced living overseas switch their cultural orientation as a result of being shown cultural primes. The effect occurs for those managers with high bicultural identity integration.</td>
</tr>
<tr>
<td>Hong</td>
<td>PhD Dissertation</td>
<td>2012</td>
<td>Qualitative</td>
<td>Organization</td>
<td>2 organizations</td>
<td>Biculturals can contribute to team effectiveness and organizational performance serving as <em>cultural brokers</em>.</td>
</tr>
<tr>
<td>Kiesel &amp; Haghirian</td>
<td>Book chapter</td>
<td>2012</td>
<td>Qualitative</td>
<td>Individual/Team</td>
<td>5</td>
<td>Biculturals can positively influence team performance through: (1) cross-cultural expertise; and (2) conflict mediation.</td>
</tr>
</tbody>
</table>

**Table 2.** Overview of empirical studies on biculturals in an organizational setting.
<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Outlet</th>
<th>Year</th>
<th>Type</th>
<th>Unit of Analysis</th>
<th>Sample</th>
<th>Findings/Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Okamoto &amp; Teo</td>
<td><em>The International Journal of Human Resource Management</em></td>
<td>2012</td>
<td>Qualitative</td>
<td>Organization</td>
<td>25 organizations</td>
<td>Cultural mediators are perceived to be effective in reducing role stress; however potential negative consequences exist. Reliance on cultural mediators must be cautiously managed.</td>
</tr>
<tr>
<td>Tadmor, Galinsky, &amp; Maddux</td>
<td><em>Journal of Personality and Social Psychology</em></td>
<td>2012</td>
<td>Survey &amp; Experiment</td>
<td>Individual</td>
<td>S1: 78, S2: 54, S3: 100</td>
<td>Biculturals exhibited more fluency, flexibility, and novelty on a creative uses task (Study 1) and produced more innovations at work (Study 2).</td>
</tr>
<tr>
<td>Brannen, Moore, &amp; Mughan</td>
<td><em>Ethnographic Praxis in Industry Conference Proceedings</em></td>
<td>2013</td>
<td>Based on an ethnography project</td>
<td>Individual</td>
<td>9 managers</td>
<td>Skill sets, which help individuals to act as “bicultural bridges”: (1) Cognitive complexity; (2) Perceptual acuity; (3) Reflexivity.</td>
</tr>
<tr>
<td>Hanek, Lee, &amp; Brannen</td>
<td><em>International Studies of Management &amp; Organization</em></td>
<td>2014</td>
<td>Experiment</td>
<td>Individual</td>
<td>99</td>
<td><em>Globals</em>, i.e. individuals who have had exposure to multiple foreign cultures starting at an early age, show lower levels of cultural adaptation compared to other multiculturals (1) Biculturals are a recognized pool of talent in Japanese MNCs, but (2) HRM practices are not appropriate to attract and use them in their global talent management programmes.</td>
</tr>
<tr>
<td>Furusawa &amp; Brewster</td>
<td><em>Journal of World Business</em></td>
<td>2015</td>
<td>Survey</td>
<td>Individual and Org’ n</td>
<td>180 organizations and 157 individuals</td>
<td>(1) Extend to which individuals function as boundary spanners is related to their cultural background; (2) the key boundary spanners are hard to imitate.</td>
</tr>
<tr>
<td>Barner-Rasmussen et al.</td>
<td><em>Journal of International Business Studies</em></td>
<td>2014</td>
<td>Mixed Methods</td>
<td>Individual</td>
<td>145</td>
<td>(1) Links bicultural identity to economic engagement behaviour; (2) cultural boundary spanners are most likely to engage in economic engagement behaviour.</td>
</tr>
<tr>
<td>Chand &amp; Tung</td>
<td><em>Asia Pacific Journal of Management</em></td>
<td>2014</td>
<td>Mixed Methods</td>
<td>Individual</td>
<td>148 (quantitative) 25 (qualitative)</td>
<td>Individuals with bicultural competence play a vital role in the knowledge transfer between organizations from country of origin and country where they are employed.</td>
</tr>
<tr>
<td>Liu et al.</td>
<td><em>Journal of World Business</em></td>
<td>2015</td>
<td>Qualitative</td>
<td>Individual</td>
<td>25</td>
<td></td>
</tr>
</tbody>
</table>

**Table 2 (continued).** Overview of empirical studies on biculturals in an organizational setting.
interviewed 68 informants (although not all of them could be defined as bicultural) to examine the role of biculturals in stress reduction and as cultural mediators. In sum, qualitative studies by international management researchers interested in the potential organizational effects of biculturals have been limited small sample sizes. While a number of studies (e.g., Friedman & Liu, 2009; Kiesel & Haghirian, 2012; Okamoto & Teo, 2012) reported positive effects of biculturals on team effectiveness and organizational performance, there is a risk that some of the organizations were positive outliers – companies that excel at using biculturals in their operations. A large sample study would be welcome to test these findings and confirm their external validity. Only Furusawa and Brewster (2015) conducted a survey of 180 Japanese MNCs and found that biculturals are an important resource recognized by human resource departments, yet the actual policies and procedures fail to take full advantage of it. While this was a large sample study, it did not examine the actual impact of biculturals on organizational performance.

In conclusion, empirical research on biculturals in organizational settings is gaining momentum in the management and organizational behaviour literatures, but the scope and scale of hitherto published studies have been limited. Since theoretical groundwork has already been laid out by a number of scholars (e.g., Brannen, Thomas, & Garcia, 2009; Friedman & Liu, 2009; Fitzsimmons; 2013), a large sample study of the effect of biculturals on organizational performance seems to be a next logical step in research on biculturals impact on organizations.

1.3. Metacognition

Metacognition is another concept closely related to research on biculturalism. Metacognition is commonly defined as “thinking about thinking“ or “knowing about knowing“ (Samuelson, 1982). It has been argued that metacognition contributes to benefit of biculturalism. In what follows, I briefly describe the metacognition literature. The term “metacognition” was
originally coined by John Flavell (1979), who described it as “cognition about cognitive phenomena.” Hennessey (1999) stressed the “awareness of one’s own thinking, awareness of the content of one’s conceptions, an active monitoring of one’s cognitive processes, [and] an attempt to regulate one’s cognitive processes in relationship to further learning,” as important elements of metacognition. Most simply, metacognition is defined as “awareness and management of one’s own thought” (Kuhn & Dean, 2004: 270) or “monitoring and control of thought” (Martinez, 2006: 696). In cognitive psychology metacognition is often described as a form of self-control, involving monitoring and regulation of one’s learning and thinking processes (McLeod, 1997; Schneider & Lockl, 2002). It is often conceptualized as a multidimensional set of general, rather than context-specific, skills (Schraw, 1998; Lai, 2011). Metacognitive skills are distinct from general intelligence and are thought to compensate for a deficit of expertise in a subject domain during problem solving (Lai, 2011).

Kuhn and Dean (2004) and Martinez (2006) stress two constituent elements of metacognition: (1) awareness of one’s thought (monitoring); and (2) management (control) of thought. These two components, cognitive knowledge and cognitive (self-)regulation, have been widely recognized as two constituent parts of metacognition (Cross & Paris, 1988; Schraw & Moshman, 1995; Schraw et al., 2006). Cognitive knowledge encompasses knowledge about one’s cognitive process (Flavell, 1979), including: (1) knowledge about oneself as a learner and factors affecting cognition; (2) awareness and understanding of cognition (including knowledge about cognitive strategies); and (3) knowledge about why and when to use a given strategy (Flavell, 1979; Schraw et al., 2006; Lai, 2011). The second component of metacognition, cognitive regulation, entails (1) identification and selection of appropriate cognitive strategies (planning); (2) attending to and awareness of comprehension and task performance (monitoring); and (3) assessment of processes and products of one’s learning (Cross & Paris, 1988; Schraw et al., 2006; Whitebread et al., 2009; Lai, 2011). It
should be noted that cognitive knowledge and cognitive regulation are intertwined. Flavell (1979) argues that cognitive experiences that allow one to control and regulate one’s cognition contribute to the development and refinement of cognitive knowledge. Schraw (1998) argues that cognitive knowledge may facilitate cognitive regulation as the two are often correlated in empirical studies. Undoubtedly, both cognitive knowledge and cognitive regulation are critical elements shaping and contributing to one’s metacognitive skills.

In cognitive psychology research, metacognition has been linked to a number of other constructs, including motivation and critical thinking. Although there are numerous definitions of critical thinking, Ennis (1985) provides a list of component skills that are closely related to metacognitive skills, namely: (1) analyzing arguments; (2) making inferences; (3) judging or evaluating; and (4) making decisions. Flavell (1979) and Martinez (2006) argue that critical thinking is a type of metacognition, whereas Kuhn (1999) maintains that critical thinking is the same as metacognition. Hennessey (1999) provides a list of metacognitive skills that are similar to critical thinking skills: (1) considering the basis of one’s beliefs; (2) withholding one’s conceptions to assess competing explanations; (3) evaluating evidence and the link to one’s conceptions; (4) considering explicitly the status of one’s own conceptions; (5) evaluating the consistency and generalizability inherent in one’s conceptions. In other words, there is a significant overlap between metacognitive and critical thinking skills, leading to a conclusion that metacognition plays an important role in assessment and sense making of different, often contrary, conceptions and assumptions. Hence, it comes as no surprise that the concept has been applied to cross-cultural research.

There is a growing body of literature in organizational studies and cross-cultural research on individual differences and traits affecting intercultural interactions and effectiveness of communication in multinational teams (e.g., Earley & Ang, 2003; Johnson, Lenartowicz, & Apud, 2006; Ang & Van Dyne, 2008). Johnson and colleagues (1996) and
LaBahn & Harich (1997) claim that mindfulness of one’s own and others’ cultural characteristics (values, beliefs and assumptions) play a pivotal role in effective cross-cultural communication. Thomas and colleagues (2006; 2008) define this skill in reflecting on various cultural assumptions in order to engage in successful intercultural interactions as cultural metacognition. Ang and colleagues (2007) defined cultural metacognition as mental processes directed at acquiring, comprehending, and calibrating of cultural knowledge. In other words, cultural metacognition is the ability to monitor and regulate one’s cognitive processes and affective states related to or stemming from different experiences, and to abstract knowledge from specific culture-related experiences to broader knowledge of principles of cross-cultural interactions (Thomas et al., 2008; Hong, 2010). Scholars have examined a number of individual factors affecting intercultural interactions, including personality traits (Caligiuri, 2000), values (Kagan & Cohen, 1990), self-efficacy (Palthe, 2004), and interpersonal skills (Hechanova, Beehr, & Christiansen, 2003). Earley and Ang (2003) proposed some of these, such as knowledge, motivation, behavioural flexibility, and cognitive awareness, as multiple dimensions of cultural intelligence. However, it has been unclear how these dimensions interact with one another, but some scholars (Thomas et al., 2008) suggest that cultural metacognition may be the central linking mechanism. Early research on intercultural collaboration emphasized the importance of self-awareness and awareness of others’ responses (Johnson et al., 1996), and cultural sensitivity (LaBahn & Harich, 1997). Ang et al. (2007) stress the effect of cultural metacognition on contextualized thinking and cognitive flexibility.

Bicultural individuals tend to have higher levels of cultural metacognition than their monocultural peers (Brannen et al., 2009), because of their extensive experience in understanding and adapting to different, often contradictory, cultural settings. LaFromboise and colleagues (1993) suggested that biculturals often demonstrate better cross-cultural
communication skills due to their deep understanding and knowledge of cultural beliefs and values. Benet-Martínez and Haritatos (2005) found that biculturals possess more cognitively complex cultural representation than monoculturals and are more able to successfully adapt their behaviour to changing cultural environments. Recent research on the role of biculturals in organizational settings (e.g., Brannen, Garcia, & Thomas, 2009; Friedman & Liu, 2009; Brannen & Thomas, 2010; Hong, 2010) suggests that higher levels of cultural metacognition may contribute positively to organizational effectiveness and performance in multinational/multicultural teams and organizations through better communication skills and conflict management.

1.4. Sport as a research context

Although the world of sports may seem unique, it can be seen as a microcosm of society at large (Madigan & Delaney, 2009). More specific to the world of management and organizations, the sport context is a rich context within which to study various organizational phenomena because sport provides researchers with advantages infrequently found in non-sport domains. As examples: the frequency and regularity of athletic events, the transparency of changes in strategies and human resources, and clarity of outcomes, result in unique opportunities to observe, measure, and compare variables and relationships of interest over time; the availability of many relevant variables which are measured with great accuracy minimizes the need to test hypotheses using proxies (Goff & Tollison, 1990); and, the relatively controlled field environments within sport mimics laboratory research without the challenge of motivating subjects found in laboratory research (Wolfe et al., 2005: 184-185). Hence, it comes as no surprise that a number of organizational scholars have used sport as a research context for studying a vast array of phenomena, including effects of executive succession (Peffer & Davis-Blake, 1986); escalating commitment (Staw & Hoang, 1995), the pay distribution-performance relationship (Bloom, 1999), resource divestment and capability
building (Moliterno & Wiersema, 2007), the importance of managerial ability for resource value creation (Holcomb, Holmes, & Connelly, 2009), the determinant of perception of rivalry (Kilduff, Elfenbein, & Staw, 2010), and interpersonal networks (Cotton, Shen, & Livne-Tarandach, 2011).

1.4.1. Football and team sports

Association football (soccer) has been deliberately selected as a sample for this study as it is a sport with a high (and growing) number of bicultural players (Overdorf, 2014). Elias and Dunning (1966) were among the first scholars to appreciate team sports in general, and association football in particular, in studying dynamics of groups and team processes. Hoffmann, Ging and Ramasamy (2002) found that culture and cultural differences have a significant effect on national team performance in FIFA World Cup tournaments; hence cross-cultural skills developed by biculturals are likely to exhibit their effect in the game. In a seminal piece on soccer skill development, Ward and Wiliams (2003) found that cognitive skills play an important role to the development of soccer expertise. The study confirmed the suggestions put forward by Williams and colleagues (1993) that cognitive skills and knowledge have a positive effect on soccer performance. Maynard, Smith and Warwick-Evans (1995) found that different cognitive strategies tend to have an effect on competitive state anxiety, and thus on performance of soccer players. Williams (2000) proposed that perceptual and cognitive skills are important components in talent identification and development. Wolfson and Neave (2007) found that soccer referees use different cognitive strategies to maintain confidence and cope with stress. In sum, cognitive skills and knowledge have been shown to have a significant effect on football performance and general football skill development. Therefore, the more sophisticated metacognitive strategies demonstrated by biculturals might have an effect in this context.
There are a number of studies examining the importance of communication, including cross-cultural communication in team sports. Grehaigne and Godbout (1995) proposed a dynamic view of team sports, stressing the cognitivist perspective of team sports teaching and coaching. Light Shields and colleagues (1997) studied the relationship between leadership behaviours and group cohesion in team sports. Sullivan and Feltz (2003) and Sullivan and Callow (2005) studied effective communication in team sports and its importance for group performance. Reimer, Park and Hinsz (2006) studied shared and coordinated cognition in competitive and dynamic task environments in team sports, arguing that direct communication between team members is a critical factor. Communication is found to play an important role in team sports and has an effect on team effectiveness. These reasons and the research advantages of using sport samples make association football an appropriate context for this study of the effect of biculturalism on team effectiveness.

1.5. Summary

The biculturalism literature draws heavily from and contributes significantly to a number of literature streams in social sciences, including sociology, psychology, and organizational studies. The growing number of bi- and multicultural employees has triggered increased interest in the role of biculturals in international management. Despite being a nascent field, the body of literature is extensive, covering both the theoretical foundations of bicultural research, through potential explanations of mechanisms through which biculturals excel in multicultural settings, to empirical research on organizations leveraging this potential organizational resource. However, the literature falls short on examining the relationship between the biculturalism of employees and the performance of the team and the organization. Although there are a number of studies on organizations that excel at using biculturals and on biculturals who excel at their job, there are no large sample studies that examine the relationship between bicultural employees and team effectiveness and/or
organizational performance. While case studies contribute significantly to better understanding of the mechanisms, a large sample quantitative study would allow not only to statistically test hypotheses linking biculturalism to positive team performance, but also to capture any systematic variance in the effect across teams operating in environment of various levels of diversity. More methodological benefits of conducting a large sample random coefficient model analysis are described in section 3.2.

Furthermore, the existing literature tends to be focused on the individual, trying to uncover the underlying mechanisms of bicultural identity integration and foundations of cross-cultural skills. Those studies focused on the team and/or organization are primarily concerned with the bicultural individual and his/her relations with other employees. However, those studies tend to overlook the effect of the external environment. Despite the fact that progressing globalization leads most markets to become increasingly international and multicultural, the level of international competition varies. The competitive environment of a multinational organization is not homogenous, but rather consists of different heterogeneous sub-environments. The levels of cultural heterogeneity (diversity) in each of these environments vary; hence it is likely that the usefulness of an individual with superior cross-cultural skills also varies depending on the level of cultural heterogeneity of the environment.
CHAPTER 2 – THEORY TESTING AND DEVELOPMENT

In this chapter I describe the main constructs used in this study and explain the relationships among them. Next, I outline the current state of research on the effect of biculturals on team effectiveness and organizational performance, and suggest how the theory can be further developed. Subsequently, I develop three hypotheses linking biculturalism to team effectiveness.

2.1. Construct definitions

This study focuses on team-level effects stemming from individual-level characteristics of team members. Theorizing across levels is a difficult task, requiring careful definition of all concepts and constructs (Hitt, Beamish, Jackson, & Mathieu, 2007), therefore in what follows I define the following key concepts: (1) biculturalism; (2) team and (3) team effectiveness; (4) team potential based on (5) the attributes of team members and managers; and (6) diversity of the competitive environment.

2.1.1. Biculturalism

Biculturalism is the pivotal construct of this study. Individuals who have internalized two cultural identities and/or cultural schemas are biculturals, while those who have internalized two or more are multicultural. This study is focused on individual team members who have internalized more than one culture. Although some of the team members to be analyzed in the study are multicultural, the vast majority are bicultural. Therefore, for consistency purposes, in this study all are referred to as biculturals. There are numerous definitions of bi- or multiculturalism coined by sociology and organizational studies scholars. The definitions range from general (i.e. based on demographic or ethnic characteristics) to psychological and sociological (i.e. based on cultural identifications or orientations). Hong, Morris, Chiu and Benet-Martinez (2000: 710) define multiculturals as “people who have internalized two
cultures to the extent that both cultures are alive inside of them.” Luna, Ringberg and Peracchio (2008: 279) describe biculturals as “individuals who have internalized two cultures [and have] distinct cognitive frameworks associated with each of their cultures.” Tadmor, Tetlock and Peng (2009) stress the integration acculturation strategy adapted by individuals: “simultaneously maintaining one’s cultural heritage and adopting a new cultural identity.” Brannen and Thomas (2010: 6) define multiculturals as individuals who “identify with two (or more) distinct cultures because of having internalized more than one set of cultural schemas.”

In this study Benet-Martinez, Leu, Lee & Morris’ approach is adopted, defining biculturals as individuals “who have experienced and internalized more than one culture” (2002: 493). Brannen and Thomas (2010) emphasize identification with two (or more) cultures in their definition of biculturalism, but as described in their earlier work (Brannen, Garcia, & Thomas, 2009) some types of biculturals may not identify (intentionally) with one of the cultures. Benet-Martinez’s definition emphasizes experience in a culture. In this study, consistent with much of the management literature, Hofstede’s (1980) approach of identifying culture with a country is adopted.¹

It must be also noted that in this study only individuals with two or more national culture background are considered bicultural. Some researchers consider indigenous people, ethnic minorities, those in interethnic relationships, mixed-race and mixed-ethnic individuals to be bicultural (Padilla, 1994; Berry, 2003). In the psychology literature bicultural individuals are defined as those whose self-label and/or group self-categorization reflects their cultural dualism (Nguyen & Benet-Martinez, 2007). Because of methodological (Stephan & Stephan, 2000) and ethical challenges (Blascovich, Wyer, Swart, & Kibler, 1997) and individual (self-)categorization biases (e.g., Hogg, 2000; Bavel, & Cunningam, 2009; Rosette, ¹ Feliciano (2001) and Chen, Benet-Martinez and Bond (2008) considered using language proficiency as a proxy for culture, but this raises issues with a level of proficiency required in both languages to be qualified as bicultural.
Leonardelli, & Phillips, 2008), this study uses eligibility for citizenship (which indicates a strong link to national culture of a country) as the proxy of culture. Since most countries do not allow dual citizenships, it is the eligibility for two or more citizenships that is used as an indicator of biculturalism.

Therefore, in this study bicultural individuals are players and managers who: (1) have dual citizenship; or (2) are eligible for citizenship of a country different than their country of origin. The second option applies to individuals who: (1) were born to migrant parents or to culturally mixed families; or (2) at the time of the tournament were eligible to apply for citizenship based on the time they had spent in their host country. The median time required by countries to be eligible for citizenship is five years. Benet-Martinez and colleagues (2002) proposed the same time period as a proxy for sufficient exposure to a new culture. Although this definition and measurement method does not cover all aspects and caveats of biculturalism, it succinctly covers the key elements of the complex construct. Details of the coding process and classification of bicultural players and managers are described in section 3.5.1.

2.1.2. Team and Organization

The second key construct used in this study is the team. Work team research has been one of the most prolific and influential streams of the organizational studies literature (Cohen & Bailey, 1997). Hundreds of studies using primary and secondary data have been published in top management journals (Mathieu, Maynard, Rapp, & Gilson, 2008) as have been numerous meta-analyses and literature reviews (e.g., Sundstrom, McIntyre, Halfhill, & Richards, 2000; Kozlowski & Bell, 2003; Salas, Stagl, & Burke, 2004; Mathieu, Maynard, Rapp, & Gilson, 2008). This considerable body of literature results in a plethora of definitions, having many attributes in common, but also having subtle differences. This study utilizes the definition of the team proposed by Salas, Dickinson, Converse, and Tannenbaum (1992: 4):
“a distinguishable set of two or more people who interact, dynamically, interdependently, and adaptively toward a common and valued goal/objective/mission, who have been assigned specific roles or functions to perform, and who have a limited life-span of membership.”

There are two terms related to national association football teams, namely “project teams” and “work teams.” National teams can also be considered project teams as they consist of players, who normally work for other organizations and belong to other teams, but are called to participate in a particular tournament. Cohen and Bailey (1997) define project teams as teams “specifically designed to include people with different expertise and experiences in order to solve complex problems.” Further, Kozlowski and Bell (2003: 334) define work teams as “collectives who exist to perform organizationally relevant tasks, share one or more common goals, (…) and are embedded in an organizational context.” National association football teams are in fact specifically designed and established by their parent organization, i.e. a national football association, to compete in international sport events. Therefore, national teams participating in regular competitions can be perceived as work teams (or a string of project teams as the members can change before every game). This study focuses on World Cup and European Championship teams. Although the differences between regular national teams and tournament teams are subtle, they are significant for this study. First of all, tournament teams are selected before the tournament and no changes can be made during the tournament. Hence the selection process is more complex as it must take into account a series of games instead of just one game. Secondly, in the case of tournament teams organizational goals and team objectives are identical: to win the trophy. This may not be the case for regular national teams, as they might be created to reach different organizational goals (such as promoting the sport and the nation, selection and assessment of current and potential players, experience building and tactics honing) or team objectives (for instance not losing a particular game). Finally, tournament teams spend up to two months as a group, thus internal team
dynamics are different than those of a regular national team that spends up to two weeks together. Moreover, tournament teams compete in a foreign country (except for the hosts), often experiencing cross-cultural challenges.

Arrow and McGrath (1995) offered another typology of work groups: (1) task forces, characterized by a short lifespan limited to the duration of a project (e.g., a hiring committee); (2) teams which include a set of people with specific skills and abilities who are then assigned projects (e.g., a human resource management team); and (3) crews, that is a group of people assigned to operate an existing set of tools (e.g., an airplane crew). International tournament football teams meet the criteria of a task force (given the short term nature of the tournament); however, they are more accurately seen as teams (which evolved from task forces: Arrow & McGrath, 1995: 380-381). Arrow and McGrath emphasize that teams are characterized by developed member-member interactions, thus biculturals’ skills of the manager and team members are expected to be an important element influencing team performance.

For construct clarity purposes, this study defines a team as a group of 23 players, a manager, and supporting staff chosen by a national football association (an organization) to compete in a tournament organized under the auspices of FIFA (fr. Fédération Internationale de Football Association; English: International Federation of Association Football) or UEFA (Union of European Football Associations).

2.1.3. Team performance

Effectiveness and performance are two related, often used interchangeably, yet not identical constructs (Hirsch & Levin, 1999). In the 1960s and 1970s the field of organizational behaviour was dominated by research on organizational and team effectiveness. Cameron and Whetten found that “the construct of organizational effectiveness lies at the very center of all organizational models” (1983: 1). However, neither did a single theoretical definition of effectiveness emerge (Hirsch & Levin, 1999), nor were consistent methods of measurement
proposed (Campbell et al., 1974). Quinn & Rohrbaugh (1983) discussed a number of different understandings of “effectiveness” pointing out its three dimensions: (1) organizational focus, (2) organizational structure, and (3) organizational means and ends. March and Sutton (1997) highlight some difficulties with using performance as a dependent variable in organizational research as organizational effectiveness is subjective, thus affecting effectiveness perceptions. Wolfe, Hoeber and Babiak (2002) also pointed out that perceptions of effectiveness are a challenge in management research. They suggest that two questions should be considered in designing effectiveness/performance research: (1) from whose perspective is effectiveness considered, and (2) what values are used to determine the assessment of organizational effectiveness. Richard and colleagues (2009) elaborate on the difference between “organizational effectiveness” and “organizational performance” indicating that effectiveness is the more general construct – “organizational effectiveness is broader and captures organizational performance plus the plethora of internal performance outcomes normally associated with more efficient or effective operations” (Richard et al., 2009: 722).

Kahn (1977) suggested dropping the “organizational effectiveness” construct in favour of the more specific construct of organizational performance. Goodman and colleagues (Goodman et al., 1983) proposed replacing studies of organizational effectiveness with more specific research on organizational outcomes, such as satisfaction or productivity. As a result, organizational performance became the dominant construct in organizational behaviour and strategic management literatures (Shenhav et al., 1994). In this study I examine the effect of biculturalism on team performance. In what follows I explain how team performance is conceptualized and what the boundary conditions are.²

McGrath (1964) proposed an input-process-outcome (IPO) framework for studying team effectiveness. The model has been used extensively in organizational research (Mathieu,

² This study examines the effect of biculturals on team performance, which is not identical with team effectiveness. “Team effectiveness” and “organizational effectiveness” are used only when referring to previous studies and reflect the original term used by the author(s).
Maynard, Rapp, & Gilson, 2008) and expanded (e.g., Hackman & Morris, 1975; Salas, Dickinson, Converse, & Tannenbaum, 1992). The main premise of the framework is relatively straightforward. Inputs include antecedent factors that affect (positively or negatively) team processes. The antecedent factors include: (1) individual team member factors; (2) team-level factors; and (3) organizational and contextual factors (Mathieu et al., 2008). The factors determine team processes, i.e. members’ actions and interactions aimed at task accomplishment. In other words, processes transform inputs into process outcomes. Finally, team activity leads to outcomes, i.e. by-products and end results that are valued by one or more constituencies (Mathieu, Heffner, Goodwin, Salas, & Cannon-Bowers, 2000; Mathieu et al., 2008). Outcomes may include performance (e.g., quality and quantity) and member’s affective reactions (Mathieu et al., 2008).

This study utilizes the IPO framework for the analysis of the effect of biculturalism on team performance. Inputs include: (1) team sport potential (please refer to 2.1.4.), which is an amalgamate of knowledge, skills, and abilities of all 23 players; (2) knowledge, skills, and abilities of the manager; (3) biculturalism of the team members (the manager included); set in (4) a particular organizational context. Team processes are (1) idiosyncratic to each team; and (2) are only means to achieving the team’s goal, thus are not subject of analysis in this study. While member’s affective reactions are important elements of team “effectiveness” (Mathieu et al., 2008), in this study I research only the main outcome, which is the end result valued by one or more constituencies (Mathieu et al., 2000). This research uses the ration of wins per game as a measure of team performance (main outcome), as winning the tournament is the ultimate goal of every team participating in the event.

Finally, it is noteworthy that international tournament teams are a unique sample for studying team performance, as there are no overarching organizational goals that may inhibit team performance. Professional football teams are sometimes affected by organizational (e.g.,
maximizing revenue) or stakeholder preferences (e.g., playing attacking football vs. the most effective tactics). In the case of tournament teams there is a perfect alignment between organizational and team objectives.

2.1.4. Team potential

Quality and quantity of input are essential elements of team performance analysis. Working in a team demands knowledge, skills, and abilities (KSAs) that are different from those needed for effective individual performance (Morgeson, Reider, & Campion, 2005). Task-related knowledge is important for teams that perform a task over a prolonged period (Mathieu et al., 2008). Mathieu and Schulze (2006) found that teams with high levels of task-related knowledge perform better over time and exhibit higher adaptability. Therefore, task-related knowledge and skills are an important component of team potential. Research has shown that team performance is facilitated not only by pure task-related skills, but also by cognitive ability of team members (Devine & Philips, 2001). Since many bicultural individuals are argued to have higher levels of cultural cognition than their monocultural peers (Brannen et al., 2009), biculturalism might be a valid indicator of increased cognitive abilities of the given team member or manager. Harrison, Price and Bell (1998) found that the length of time team members work together weakens some of the negative effects of surface-level diversity and strengthens the effects of deep-level diversity. Therefore, experience (tenure on the national team) of the team members is a crucial factor shaping team potential.

This study takes into account knowledge, skills, abilities, and experience of the 23 players in determining team potential. While the role of the staff (coaches, trainers, nutritionists, etc.) is important for professional teams, where they contribute significantly to skills and abilities development (Smith, 2003; Stafford, 2005), in preparations for major international tournaments their role is limited (Bangsbo, 1998). Although the input of other (secondary) team members contributes to overall performance of the team, the effect is
mediated through players’ individual and team performance. Moreover, the support staff is technically not considered part of the tournament team by FIFA/UEFA.

2.1.5. Team members, leaders and managers

In this study head coaches (also called managers) are considered team leaders. According to Zaleznik’s (1977) categorization of leaders and managers, head coaches would be managers (as they do not participate directly in the game and manage other players) and top-performing players would be team leaders (since they contribute directly to team performance through their exception knowledge, skills and abilities). Scouller (2011) proposed that the purpose of a team leader is to address all four dimensions of leadership: (1) a shared team objective; (2) action, progress and results; (3) collective unity and team spirit; (4) attention to individuals. This description clearly matches responsibilities of association football head coach. Therefore team managers (head coaches) can be seen as team leaders. For consistency purposes, in this study head coaches are considered *team leaders*.

Team membership and interactions among members have been exhaustively researched in psychology, sociology and organizational studies. According to Mathieu and colleagues (2008) team, job, and organizational satisfaction (e.g., Janz, Colquitt, & Noe, 1997; Tesluk & Mathieu, 1999) and team and organizational commitment (e.g., Kirkman & Rosen, 1999) have received considerable scholarly attention. Interpersonal processes, including conflict resolution, motivation and confidence building, have also been thoroughly researched (e.g., Dreu & Weingart, 2003; Raver & Gelfand, 2005). Mathieu and colleagues (2005) examined the role of shared mental models, i.e. “an organized understanding or mental representation of knowledge that is shared by team members.” While individual competencies (knowledge, skills, and abilities) are important determinants of team performance (e.g., Stevens & Campion, 1999; Hirschfeld, Jorda, Feild, Giles, & Armekanis, 2005), research shows that personality traits are also important (e.g., LePine, 2003; Pearsall & Ellis, 2006).
Personality traits are even more important for team managers and leaders (e.g., Kenny & Zaccaro, 1983; Lord, De Vader, & Alliger, 1986; Arvey, Rotundo, Johnson, Zhang, & McGue, 2006). Despite the fact that the role of leadership is often overrated (Meindl, Ehrlich, & Dukerich, 1985), leaders can contribute positively to team performance and thus should be taken into account when analyzing team inputs, performance, outputs (Zaccaro & Banks, 2001). In organizational studies the terms “management” and “leadership” (“manager” and “leader”) have often been used interchangeably, but some scholars make clear distinction between the two. Burns (1978) suggests that “transactional leadership” (i.e. emphasis on procedures, contingent reward) should be described as management, whereas “transformational leadership” (characterized by charisma, personal example) is “real” leadership. Zaleznik (1977) differentiates leaders and managers by: (1) individual’s personality; (2) conceptions of work; (3) relations with others; and (4) senses of self. He also argues that leaders contribute to team effectiveness mostly through their own exceptional knowledge, skills, abilities, and motivation, whereas managers contribute through exceptional efficiency in using team members’ KSAs and motivation.

In the case of FIFA and UEFA tournaments, a team consists of 23 registered players led by a manager. However, any participating national association can delegate up to 50 people for the tournament. However, for the purposes of this study only the 23 players are considered team members and the coach/manager is considered the team leader. As stated previously, the supporting staff (26 non-playing members of the delegation) contributes significantly to team preparation; however, the processes they are involved in are not directly linked to team outcomes during the tournament.

2.1.6. Cultural diversity of competition as an element of task environment

Environmental complexity is one of antecedent factors (inputs) described in the input-process-outcome framework (McGrath, 1964; Mathieu et al., 2008). Most of the adoptions of
the IPO framework (e.g., Cohen & Bailey, 1997; McGrath et al., 2001) stress the contextual
and multilevel nature of team performance. According to Mathieu and colleagues (2008: 412)
“individuals are nested in teams, which in turn are nested in organizations, which exist in
environments.” The importance of the external environment is not a new concept in
organizational studies. Selznick (1949), Simon and March (1958), and Cyert and March
(1963) were among the first to suggest that organizations do not exist in a void, but have to
negotiate with external actors. In strategic management research, Lawrence and Lorsch
(1967) and Michael Porter (1981, 1985) investigated the role of the external environment on
firms’ performance. Undoubtedly, the environment and external actors play an important role
and have an effect on organizational performance.

At the team level, Mathieu and colleagues (2000) suggested that not only does the
environment have an effect, but also team members may understand the role of the
environment differently, thus affecting team performance. Through task shared mental models
(Mathieu et al., 2005) the team represents a shared understanding (or a lack thereof) of the
potential role the broader environment plays. Task shared mental models have an indirect
impact on performance, since their effect comes through their effect on team processes
(Mathieu et al., 2000).

There are two main conceptualizations of the external environment of the
organization, namely a more traditional task environment conception, and an institutional
perspective on organizational environment (Oliver, 1997; Baum & Rowley, 2001). The task
environment approach has been more concerned with the role of markets, resources, and
competition in determining organizational performance (Lawrence & Lorsch, 1967;
Williamson, 1975), whereas institutional researchers are more focused on “the elaboration of
rules and requirements to which individual organizations must conform” (Scott & Meyer,
1983: 140).
Task environment has been traditionally defined as “part of the total environment of management which was potentially relevant to goal setting and goal attainment” (Negandbi & Reimann, 1973: 203). Dill and colleagues (Dill, 1958; Thorelli, 1967) identified competitors as a crucial element of the task environment. Dess and Beard (1984) proposed that homogeneity-heterogeneity was an important environmental dimension in researching organization-environment relationships. Research has also shown that environmental dynamism has an effect on managerial decision-making (e.g., Kerstholt, 1994) and organizational effectiveness (e.g., Bourgeois, 1980). This study examines the effect of key elements of the task environment, the heterogeneity of competitors, on team performance.³ In the case of international association football tournaments, it is all the participating teams that are competitors of the team/organization, thus are an important element of the task environment. All teams participating in the tournaments are relatively homogeneous culturally as all players on the roster must be citizens of the respective country. The number of bicultural players adds cultural diversity to the team, but the team theoretically remains monocultural. However, there are significant cultural differences among teams participating in the tournaments as they represent countries from all over the globe (World Cup) or Europe (UEFA Championship). The cultural diversity of the competitive environment construct, thus, reflects between-team cultural distances. The variable is calculated for each tournament by computing the average cultural distance (Kogut & Singh, 1988) for all teams participating in the tournament. World Cup tournaments tend to have highly diverse competitive environments, whereas UEFA Championships are moderately diverse.

2.2. Biculturalism and team performance

Despite the fact that individuals with more than one ethnic identity have existed for millennia, biculturalism, as a research phenomenon, is a relatively new field in organizational studies.

³ For clarity and simplicity purposes all teams participating in a given tournament are referred to as “competitive environment.”
As discussed previously (please refer to 1.2.), number of important articles has shed light on the nature of the phenomenon and its potential effects on organizations. Brannen and Thomas (2010) discussed potential organizational opportunities implied by the presence of biculturals. They introduced a number of studies examining the phenomenon from different theoretical and empirical perspectives, two of which are of great importance to this study. Firstly, a stream of research from psychology and management indicates that bicultural individuals have a particular set of skills and competencies that can contribute to the performance of international firms and organizations (Osland, 2008). Research within psychology and sociology indicates that biculturals exhibit higher levels of creativity than their monocultural peers (Leung et al., 2008), hold more complex views of social issues (Benet-Martinez, Lee, & Leu, 2006; Tadmor, Tetlock, & Peng, 2009), and can be more effective in using cultural knowledge (Benet-Martinez & Haritatos, 2005), which in turn leads to greater flexibility (Chiu & Hong, 2004, 2005) and higher levels of psychological and sociocultural adjustment (Benet-Martinez et al., 2002; Nguyen & Benet-Martinez, 2013). Biculturals also demonstrate better awareness and understanding of cultural differences and are capable of regulating their behaviour in cross-cultural situations (Benet-Martinez & Haritatos, 2005; Brannen, Garcia, & Thomas, 2009). Gillespie, Riddle and McBride (2010) found that in multinational firms, biculturals were more likely to demonstrate characteristics expected from leaders operating in a culturally diverse and competitive environment. Cross-cultural expertise and conflict mediation skills are often seen as assets of bicultural managers in multinational organizations (Kiesel & Haghirian, 2012).

A second area of research concerning biculturals involves the organizational level of analysis. Cultural diversity can result in contrasting consequences as it may lead to both organizational advantages, such as increased innovation, and to organizational challenges, such as miscommunication, cultural fault lines, and culture-based conflict (Li & Hambrick,
Friedman and Liu (2009) pointed out potential contributions of biculturals to managerial activities, including team building, decision-making, leadership, and dispute resolution. Nevertheless, the relationship between cultural diversity and team performance remains vague with some contradictory research findings (Stahl et al., 2010).

In considering the effect of bicultural individuals on team performance, different types of culture must be outlined. While a specific definition of culture and integration of various models of culture remain a matter of an academic debate (e.g., Leung et al., 2005; Nardon & Steers, 2009; Jahoda, 1984; Leung & Ang, 2009), researchers have been able to identify and discuss the importance of different types of culture, including: national/regional culture (e.g., Hofstede, 1984; 1991; House et al., 2004), ethnic group culture (e.g., Barth, 1998; Cox, Lobel, & McLeod, 1991), industry culture (e.g., Gordon, 1991; Chatman & Jehn, 1994), team culture (e.g., Earley & Mosakowski, 2000); occupational/functional culture (e.g., Van Maanen & Barley, 1982); social group culture and gender (e.g., Aaltio & Mills, 2003), and family culture (e.g., Dyer, 1986; Ram & Holiday, 1993). When it comes to organizational performance and culture, it is organizational (corporate) culture that has been established as an important source of sustainable competitive advantage (Ouchi, 1982; Schein, 1984, 1995; Barney, 1986; Denison, 1990).

This study examines the contribution of bicultural players and managers on team performance in the context FIFA World Cup and UEFA European Championship football tournaments. In this study it is the national culture, which is hypothesized to play an important role in explaining the effect of bicultural individuals on team performance, because of its impact on and overlap with organizational culture in this particular context. Literature suggests the national/regional culture affects the organizational culture of national football association, leading to a formulation of a national playing style. Bangsbo and colleagues
(Bangsbo, Reilly, & Hughes, 1997; Bangsbo & Peitersen, 2000) outlined a number of
national (and regional) soccer playing styles, including the British style, the Italian style, the
Norwegian style, the Northern style, the Continental style, the African style, the Central
American style, the South American style, and the Latin style. Bangsbo and Peitersen (2000:
41) stressed that national teams display unique characteristics resulting from not only the
team and coach’s talents, but also from the country’s culture and heritage. Winner (2012;
2013) shared this view and elaborated on the link between history and national culture of the
United Kingdom, The Netherlands, and Italy, and their respective national football styles.
Maguire and Pearton (2000) examined international migration of elite soccer players and
found that it cannot be explained solely by an economic theory. They reported significant
cultural and social factors behind signing foreign players, stressing the importance of
perceived playing styles based on national (regional) characteristics. Miguel, Saiegh and
Satyanath (2008) and Caruso and Di Domizio (2013) examined violent behaviours on a
soccer pitch and found a significant effect of national cultural differences. In sum, a national
(regional) culture of a given country has an effect on the national (regional) playing style.
Moreover, the organizational culture of the national football association embraces the national
playing style; hence the organizational culture of the football association is expected to reflect
the national culture of the country.4

When it comes to research on the effect of (national) cultural diversity and differences
on organizational performance, association football has been used on numerous occasions.
Hoffmann, Ging and Ramasamy (2002) examined the effect of cultural characteristics on
national football team performance, reporting significant results. Brandes and colleagues
(2009) examined the number of different nationalities within a professional football team, but
reported no significant effects. Haas and Nuesch (2012) found that professional multinational

4 This is particular to this study. The argument here is consistent with the overarching goal of the organization,
which is to represent the given country.
teams perform worse than teams with less national diversity. Maderer and colleagues (2014) examined the impact of various cultural factors on team performance and reported a negative effect of cultural diversity and of intercultural experience of a manager.

It should be noted that all these studies (except for Hoffmann et al., 2002) examined the effects of cultural diversity on professional teams within one league, which is influenced by a national playing style. Because of institutional pressures (DiMaggio & Powell, 1983; Hannan & Freeman, 1977) organizations within the same institutional environment (i.e. governed by the same national football association in this context) adapt a fairly similar organizational culture. In a homogenous competitive environment (i.e. within one league) the positive effect of foreign players involves bringing a skillset different from local players (Kahane et al., 2013), but can be mitigated by negative effects of diversity on team cohesion as the foreign players face not only adaptation to the organizational culture (the professional club), but also to the national playing style. In this case, the local players have an advantage as they are already familiar with the national playing style. In an international competition, all teams are placed within a new institutional environment; therefore the monocultural (local) players lose their advantage over bicultural players stemming from familiarity with the dominant culture.\(^5\) Moreover, in this unfamiliar environment cognitive skills of the player resulting from professional experience (Ward & Williams, 2003) based in one national playing style should be overshadowed by metacognitive skills exhibited by biculturals (Benet-Martinez & Haritatos, 2005; Brannen et al., 2009).

The effect of industry culture differences is controlled for as all studied teams operate in the same industry. In considering occupational culture, there is a potential clash between the manager and team members. Hence, this study controls for previous experience of the

\(^5\) In this study I control for previous experience in international competitions both at the player and the organizational level.
coach as an international-level player. Considering social group culture, all players and coaches are male and the study controls for age-related cultural effects (standard deviation of players’ age).

2.2.1. Biculturalism as an additional skillset increasing individual contribution

Friedman and Liu (2009) and Brannen and Thomas (2010) proposed that biculturals may contribute positively to organizational performance through a combination of global leadership competencies and benefits of cultural diversity, without (or with minimized) process losses stemming from cultural faultlines (Fitzsimmons, 2013; Hong & Doz, 2013), thus minimizing potential negative effects of team diversity. The team level outcome can be therefore achieved through two effects: (1) team leader/manager effect; and (2) team members’ effects.

(1) Team Leader Effect. Brake (1997) developed a global leadership triad, which consists of three sets of competencies: (1) relationship management; (2) personal effectiveness; and (3) business acumen, i.e. “the ability to pursue and apply appropriate professional knowledge and skills to achieve optimal results of the company global stakeholders” (Brake, 1997: 45). In terms of relationship management (i.e. “the ability to build and influence collaborative relationships in a complex and diverse global network;” Brake, 1997: 48), Brannen (1994) found that biculturals tend to be more empathetic. Hong (2010) and Kiesel and Haghirian (2012) suggested that bicultural managers bring in additional skills to their multinational organizations, highlighting their conflict-mediating role. Okamoto and Teo (2012) also found that biculturals are effective in conflict-mediating roles. In terms of personal effectiveness (i.e. “the ability to attain increasing levels of maturity to perform at peak levels under the strenuous conditions of working in a global enterprise;” Brake, 1997: 52), biculturals

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6 Virtually all coaches in this sample have been professional football players before becoming coaches. Controlling for managerial experience of the players is unnecessary as no active players had international coaching experience.
demonstrate greater flexibility (Chiu & Hong, 2004) and exhibit higher levels of creativity (Leung, Maddux, Galinsky, & Chiu, 2008). Brannen, Lee, and Mughan (2013) found that perceptual acuity, reflexivity and cognitive complexity contribute to bicultural managers’ effectiveness to act as “bicultural bridges.” Nguyen and Benet-Martinez (2013) found that biculturals tend to exhibit higher levels of psychological and sociocultural adjustment. In terms of business acumen (i.e. “the ability to pursue and apply appropriate professional knowledge and skills to achieve optimal results of the company’s global stakeholders;” Brake, 1997: 45), biculturals demonstrate depth of (cultural) knowledge, which “refers to demonstrating the willingness and an ability to switch perspectives between local and global/functional and cross-functional needs and opportunities” (Brake, 1997:45; Osland, 2008: 38). Benet-Martinez and colleagues (2006) and Tadmor and colleagues (2009) found that biculturals hold more complex views of culture and social issues. Brannen and colleagues (2009) suggested that bicultural individuals have better awareness of cultural differences and are capable of regulating their behaviours in cross-cultural situations.

In addition to the global leadership skills, higher levels of cultural metacognition (Brannen et al., 2009) can be considered as additional skills and abilities contributing to team performance through team cognitive processes. Friedman and Liu (2009) proposed that biculturals could excel as managers due to improved decision-making and conflict resolution skills. Lakshman (2013) proposed that higher levels of attributional complexity demonstrated by bicultural leaders contribute to cross-cultural competence, thus enhancing biculturals’ leadership effectiveness. Hence, I hypothesize the following:

Hypothesis 1a. Bicultural team leaders have a positive effect on team performance.
(2) Team members’ effect. There is a significant overlap of skills and abilities making biculturals both potential effective global leaders and team members (Brannen & Thomas, 2010; Brannen, Garcia, & Thomas, 2009; Furusawa & Brewster, 2015). Fitzsimmons (2013) and Hong and Doz (2013) proposed that bicultural individuals bring the benefits of cultural diversity, but minimize the risk of process losses, because of the ability to overcome cultural faultlines. Biculturals also bring important individual skills and abilities such as creativity (Leung et al., 2008), high levels of psychological and sociocultural adjustment (Nguyen & Benet-Martinez, 2013), flexibility (Chiu & Hong, 2004), more complex cognitive strategies and complex views of culture and social issues (Benet-Martinez et al., 2006; Brannen et al., 2009). Bicultural individuals exhibit certain skills and abilities that make them effective and important team members. Friedman and Liu (2009) pointed out potential contributions of biculturals to team dynamic, including team building and dispute resolution. Mok and Morris (2010) reported that biculturals might play an important role in resisting groupthink that results from cultural homogeneity. Hong (2010) and Kiesel and Haghirian (2012) proposed that the main contribution of bicultural individuals to organizational performance might come through conflict management/conflict mediating roles and skills. Hong (2012) found that biculturals contribute to team effectiveness and organizational performance by serving as cultural brokers and explaining cultural differences to their peers. Okamoto and Teo (2012) found that biculturals are effective cultural mediators. Kiesel and Haghirian (2012) reported that biculturals contribute to team performance through conflict mediation.

In summary, cross-cultural and conflict management skills, increased cultural cognitive skills and abilities, better cultural awareness and simple knowledge of other cultures can be seen as additional knowledge, skills, and abilities constituting a large part of team potential. Using the Input-Process-Output framework, bicultural individuals bring additional KSAs, hence increasing the Input and, in turn, the Output. Hence, I hypothesize the following:
Hypothesis 1b. Bicultural team members have a positive effect on team performance.

As shown in Figure 1., biculturalism of the leader and team members is hypothesized to contribute positively to team performance due to a combination of global leadership competencies, cultural metacognition, cross-cultural awareness, flexibility and capability of regulating their behaviour in various cultural settings. In other words, the effect stems from individual (team member’s and manager’s) skills and competencies.

Figure 1. A simplified model of the direct effect of biculturalism on team performance.

2.2.2. Moderating effect of leader’s biculturalism

Many leadership theories based on team processes treat leaders as moderators (Zaccaro, Rittman, & Marks, 2001) and indicate that effectiveness of leaders and leadership behaviours varies in different circumstances (e.g., Kerr & Jermier, 1978; Kerr et al., 1974). The functional perspective of leadership defines it as social problem solving and defines leaders’ responsibilities as: (1) diagnosing problems that could affect group and organizational goal attainment; (2) generating and planning solutions; and (3) implementing solutions within complex social domains (Mumford et al., 1993; Zaccaro et al., 1995). Fleishman and colleagues (1992) proposed four superordinate dimensions of leadership: (1) information search and structuring; (2) information use in problem solving; (3) managing personnel resources; (4) managing material resources. Brannen and colleagues (2009) proposed that
biculturals exhibit higher levels of cultural metacognition; hence it is likely that bicultural leaders can contribute positively through moderation of the first two team processes, i.e. information search and structuring, and information use in problem solving (at least when it comes to culture-related tasks). Friedman and Liu (2009) outlined potential contributions of biculturals to managerial activities, including team building, decision-making, leadership, and dispute resolution, all of which are processes more related to team dynamics than to particular, task-related skills. Hong (2010) and Kiesel and Haghirian (2012) proposed that the main contribution of bicultural individuals to organizational performance might come through conflict management/conflict mediating roles and skills, thus it is likely that bicultural leaders can contribute positively through moderation of the last two team processes, i.e. managing personnel resources and managing material resources.

However, to be effective in managing personnel resources, a leader must be able to recognize knowledge, skills and abilities available within the team. When it comes to skills and knowledge of bicultural individuals, proper recognition and assessment is particularly difficult. Deeply socialized culture specific knowledge is by definition tacit (Brannen, 2004; Brannen & Thomas, 2010), and thus difficult to transfer (Johnson et al., 2006). Tacit knowledge and skills are not only difficult to transfer (Leonard & Sensiper, 1998; Haldin-Herrgard, 2000; Osterloh & Frey, 2000), but they are also difficult to recognize in the first place (e.g., Senker, 1995; Evans et al., 2004). While tacit skills and knowledge are “key elements of mastery” (Evans, 2002: 77), recognizing tacit skills of an individual group member might be difficult both to the rest of the team, including the manager (Evans, 2002), and the individual him/herself (Kersh & Evans, 2005).

Positive effects of biculturalism at the individual level such as flexibility (Chiu & Hong, 2004, 2005), adaptability (Benet-Martinez et al., 2002; Nguyen & Benet-Martinez, 2013), creativity (Leung et. al., 2008), more cognitive complexity (Benet-Martinez, Lee, &
Leu, 2006; Tadmor, Tetlock, & Peng, 2009), and cultural awareness (Benet-Martinez & Haritatos, 2005) are important tacit skills and abilities, which help biculturals become successful employees of multinational corporations (Mol, Born, Willemsen, & Van der Molen, 2005; Shaffer, Harrison, Gregersen, Black, & Ferzandi, 2006) and excel as global leaders (Gillespie, Riddle, & McBride, 2010). Research suggests that biculturals are important individual assets contributing to team performance. Furusawa and Brewster (2015) found that Japanese multinational corporations recognize biculturals as a strategically important potential talent pool, yet their human resource management policies and procedure fail to take advantage of this resource. Brannen and colleagues (2004) argued that managers operating in complex global organizations “must understand people – themselves and those with whom they work” to effectively manage teams and organizations (Brannen et al., 2004: 27). Hong (2010) stated that biculturals and their skills are not fully utilized yet, because researchers and practitioners do not fully understand the potential of bicultural individuals. Dau (2016) proposed that while bicultural individuals have latent potential to enhance performance of their teams, characteristics of the individual and the team must be aligned. Previous literature on leadership indicates that it might play a moderating role in the relationship between team inputs and outputs through its effects on team processes. In order to fully utilize the potential of bicultural individuals the team leader must be able to recognize their skills and knowledge. Bicultural leaders ought to better understand the potential of biculturalism. Hence, the following is hypothesized:

**Hypothesis 2. Biculturalism of the leader has a positive moderating effect on the relationship between team members’ biculturalism and team performance. A team with a certain level of biculturalism led by a bicultural leader performs better than a team with the same level of biculturalism led by a monocultural leader.**
Figure 2 presents a model of the moderating role of a bicultural leader on team potential on the biculturalism and team performance relationship. Figure 3 illustrates the proposed interaction effect.

**Figure 2.** A simplified model demonstrating the moderating effect of a bicultural leader on the relationship between biculturalism and team performance.

**Figure 3.** The hypothesized interaction effect between biculturalism of the team and the leader.
2.2.3. Effect of biculturalism in a culturally diverse competitive environment

Most research on biculturals is focused on the individual (e.g., Benet-Martinez & Haritatos, 2005) or on within team interactions (e.g., Friedman & Liu, 2009). However, interpersonal and cross-cultural skills such as empathy and awareness and understanding of cultural differences (Brannen, Garcia, & Thomas, 2009) contribute to successful management of external stakeholders (Hart & Sharma, 2004). Cross-cultural skills developed by biculturals may therefore be of great importance for organizations operating in highly diverse competitive environments. The ability of international organizations to compete successfully in a diverse environment may be enhanced by the skills of bicultural leaders and organization members. In today’s world, teams are increasingly required to operate in complex and dynamic environments (Zaccaro, Rittman, & Marks, 2001). Nowadays the external environment for organizational teams is characterized by high information load, dynamic situational contingencies, high pace of change, and multiple, often conflicting, stakeholders’ agendas (Zaccaro, Rittman, & Marks, 2001). As a result, high levels of internal coordination and effective adaptation to changing environmental conditions are necessary.

As discussed previously, the functional leadership approach describes the leader’s responsibilities to the team: (1) diagnosing potential problems affecting team’s ability to meet its goals; (2) generating and planning appropriate solutions; and (3) implementing solutions within complex social domains and environment (Zaccaro et al., 2001: 454; Lord, 1977; Hackman & Walton, 1986). According to Katz and Kahn (1978) one of the main roles of the leader is to link the team to its broader environment. Ancona (1987; Ancona & Caldwell, 1988) argues that most team problems stem from their organizational and broader environment, therefore proper diagnosis of the problems and solutions require leaders to understand developments and events outside of the team. Leaders are expected to notice, interpret and take into account environment events for the team.
While many organizational scholars have focused on the organizational context of teams, relatively few studies have examined the role of external environmental factors (Matthieu et al., 2008). Keck (1997) found positive relationships between each of team tenure heterogeneity, member replacements, stratification, and performance in turbulent versus stable environmental periods. Carpenter (2002) investigated the relationship between top management team (TMT) educational, functional, and tenure heterogeneity and performance in complex and simple environments, finding that the positive effects of heterogeneity are contingent on complexity of the firm’s international strategy. Hough and White (2003) found that pervasiveness of knowledge among team members was positively related to decision quality in moderate and stable environments, but not in dynamic settings. Although most research on environmental factors has focused on top management teams, the underlying nature and mechanisms are thought to be fairly generalizable across team types (Barrick et al., 2007; Matthieu et al., 2008).

Glick, Miller and Huber (1995) found that team diversity stimulates comprehensive decision-making in turbulent environments, but in stable environments the correlation is negative. The findings were consistent with previous research on turbulent environments (e.g., Eisenhardt, 1989), thus suggesting that the state of the environment of the organization might be an important moderator of the diversity effects.

Recent research implies that bicultural advantages might come to the face in culturally diverse environments. According to Benet-Martinez, Lee and Leu (2006) and Tadmor, Tetlock and Peng (2009) biculturals hold more complex views of social issues. They also tend to demonstrate better awareness and understanding of cultural differences (Benet-Martinez & Haritatos, 2005; Brannen, Garcia, & Thomas, 2009), and can be more effective in using cultural knowledge (Benet-Martinez & Haritatos, 2005). Biculturals also demonstrate better awareness and understanding of cultural differences and are capable of regulating their
behaviour in cross-cultural situations (Benet-Martinez & Haritatos, 2005; Brannen, Garcia, & Thomas, 2009). Gillespie, Riddle and McBride (2010) found that in multinational firms biculturals were more likely to demonstrate characteristics expected from leaders operating in a culturally diverse and competitive environment. Based on these findings, the following is hypothesized:

*Hypothesis 3a. The effect of bicultural leaders is moderated by the diversity of the competitive environment. The positive effect is the strongest in most diverse competitive environments.*

*Hypothesis 3b. The effect of bicultural team members is moderated by the diversity of the competitive environment. The positive effect is the strongest in most diverse competitive environments.*

![Figure 4](image.png)

*Figure 4. A simplified model of the moderating effect of the Cultural Diversity of the Competitive Environment on the effect of biculturalism on team performance.*

According to the functional theory of leadership adopted in this study, the role of the leader is to analyze the external environment of the team and explain it to the team members (Zaccaro et al., 2001). Since biculturals exhibit higher levels of cultural metacognition and cultural
awareness, they should be able to analyze the external cultural environment more efficiently, providing their team with valuable insights. If there is not much difference between the team and the environment (in terms of culture), these insights would be of negligible value, however, if the environment is highly diverse, this effect would be more significant.
CHAPTER 3 – RESEARCH DESIGN

In this chapter I outline research design and methods. This study takes a hypothetico-deductive approach to theory testing and building, using quantitative methods as its primary tools for theory testing. First, the overall research design and reasoning model are discussed. Second, statistical methods and a model applied in this study are described, followed by a detailed discussion on sample selection and operationalization of independent, control and dependent variables.

3.1. Rationale for the hypothetico-deductive approach

Despite being a nascent stream of literature, bicultural research has yielded numerous high-quality studies investigating the phenomenon of biculturals in organizations. However, most of this research is either conceptual (e.g., Brannen, Garcia, & Thomas, 2009; Hong, 2010; Fitzsimmons, Miska, & Stahl, 2011; Fitzsimmons, 2013; Lakshman, 2013) or is based on qualitative research (e.g., Hong, 2012; Friedman et al., 2012; Kiesel & Haghrian, 2012). While qualitative methods are appropriate and extremely useful for analysis of new and complex organizational phenomena (Gummesson, 2000; Birkinshaw, Brannen, & Tung, 2011; Doz, 2011), quantitative methods play an important complementary role for theory testing (Cooper & Schindler, 2003; Nord & Connell, 2007). In contrast, this is an empirical study using a number of large, differentiated samples. I used random coefficient modelling to capture potential variance in performance of teams nested within 12 competitive environments.

Theory testing in this study is done by testing Hypotheses 1a, 1b, and 2, which are built on theoretical foundations laid by the aforementioned scholars. Hypotheses 3a and 3b are designed to expand the models of bicultural contributions to organizational performance by incorporating the effect of the external environment.
Before describing the multilevel model specification, one core assumption must be acknowledged. In this study I build on Furusawa and Brewster (2015), and assume that biculturalism is not a trait influencing managers’ decisions to select particular players. In other words, coaches do not choose players because they are bicultural, but because of their other characteristics. If managers recognize the full value of biculturalism at the player selection stage, then the effect cannot be captured and one could not conclude that bicultural players on the team contribute more than monoculturals. When players are selected on the same characteristics (e.g., skills, experience, age) regardless of their biculturalism, then any additional effect *might* be attributed to their biculturalism.

3.2. Multilevel models and random coefficient modelling

As the data are based on two different levels of analysis (i.e., team and competitive environment), this study employs a two-level random coefficient modeling approach (Raudenbush & Bryk, 2002). Individual level variables, such as age, international experience, biculturalism and team/organizational level variables, such as organizational age, population of the country, gross domestic product (which in the case of national tournament teams determine resources available to the organization) are at the first level, and diversity of the competitive environments is the second level of analysis. At the first level of analysis, the study takes into account differences between teams. At the second level, the study investigates differences between the teams nested in competitive environments.

Random coefficient models enable one to control for any systematic variance among observations (Raudenbush & Bryk, 2002). For instance, players on one team are more likely to share common (underlying) characteristics with players on the same team than with players on different teams. Random coefficient modelling allows one to control for any such systematic variance among observations to avoid potential endogeneity issues. More details on robustness tests and endogeneity analysis are presented in Chapter 4.
Random coefficient models have been suggested as a valid inquiry method for investigating multilevel organizational phenomena (Hitt et al., 2007), including areas as innovation (e.g., Drazin & Schoonhoven, 1996), organizational ambidexterity (e.g., Simsek, 2009), strategic entrepreneurship (Hitt et al., 2011), human capital (e.g., Ployhart & Moliterno, 2011) and social capital (e.g., Oh, Labianca, & Chung, 2006). Random coefficient models have also been used extensively in diversity research (e.g., Sacco & Schmitt, 2005; Hooghe et al., 2009; Jackson & Joshi, 2004), including the effect of diversity on transformational leadership and adaptive performance (Charbonnier-Voirin, El Akremi, & Vandenbergh, 2010), motivational cultural intelligence (Chen & Portnoy, 2012), and individual creativity and group ability to utilize individual creative resources (Taggar, 2002).

Multilevel models in general and hierarchical linear models in particular have also been widely used in sport research at different levels of analysis and in various contexts. Vallerand and colleagues (Vallerand, 2000, 2007; Vallerand & Ratelle, 2002; Vallerand & Rousseau, 2001; Gillet, Vallerand, Amoura, & Baldes, 2010) have used multilevel models to study intrinsic and extrinsic motivation in sport. Bloom (1999) used hierarchical modeling to examine performance effects of pay dispersion on individuals and sport organizations. Baio and Blangiardo (2010) used hierarchical models for the prediction of football results, whereas Bragada and colleagues (2010) used multilevel models to study performance of male runners. Kahane (2001) examined team and player effects on NHL player salaries using a hierarchical linear model. Wicker, Breuer and Pawlowski (2009) used hierarchical models to study effectiveness of sport promotion. In sum, hierarchical linear models are an important statistical method gaining significant momentum in both organizational and sport research.

3.3. Model specifications

In this study I developed a two-level hierarchical model in which the team is level 1 and the competitive environment is level That is, characteristics related to the national team (e.g.,
manager’s tenure, biculturalism of the team, population of the country) are level 1. Level 2 is the cultural diversity of the competitive environment of a particular World or European Cup tournament (please see specific variables on pages 55-56). Any two-level hierarchical model can be algebraically described in the following form:

\[ Y_{ij} = \beta_0j + \beta_1X_{ij} + r_{ij} \]

\[ \beta_{0j} = \gamma_{00} + \gamma_{10}W_1 + \mu_{0j} \]

Where \( i \) indicates level 1 units and \( j \) indicates level 2 units.

Or in a reduced form:

\[ Y_{ij} = \gamma_{00} + \gamma_{10}W_1 + \beta_{1j}X_{ij} + \mu_{0j} + r_{ij} \]

The hierarchical model used in this study can be described in the following form:

\[ TP = \beta_0 + \beta_1BC_L + \beta_2BC_T + \beta_3BC_L*BC_T + (\beta_4FM + \beta_5IE_L + \beta_6MT + \beta_7IE_T + \beta_8AE_T + \beta_9ILE + \beta_{10}FS + \beta_{11}Pop + \beta_{12}GDP + \beta_{13}Host) + r_{ij} \]

\[ \beta_{0j} = \gamma_{00} + \beta_{1j}CD + \mu_{0j} \]

\[ \beta_{1j} = \gamma_{10} + \beta_{2j}BC_L*CD + \mu_{1j} \]

\[ \beta_{2j} = \gamma_{20} + \beta_{3j}BC_T*CD + \mu_{2j} \]

**Equation 1.** Random coefficient model used in this study. Where \( i \) indicates level 1 units and \( j \) indicates level 2 units. The brackets ( ) enclose control variables.

The following abbreviations were used:

**Dependent variable:**

TP – team performance

**Level 1 variables:**

BC\(_L\) – bicultural manager (dummy)

FM – foreign manager (dummy)
IEₗ – manager’s international experience
MT – manager’s tenure
BCₜ – biculturalism of the team
IEₜ – players’ international experience
AEₜ – team’s average age
ILE – team’s average international-level experience
FS – team’s average football skills/team potential
Pop – population of the country
GDP – gross domestic product per capita in the country
Host – the tournament’s host (dummy)
r – error term.

**Level 2 variable:**
CD – cultural diversity of the competitive environment.

**3.4. International football tournaments as a research setting**

This study utilizes a sample of 272 national football teams that participated in six consecutive FIFA World Cup final tournaments (1992-2014) and six UEFA European Championship tournaments (1992-2012). Although the phenomenon of bicultural players on national teams dates back to the early days of football, the recent wave of globalization has led to a significant surge in numbers of bicultural football players. Personal biographies of 6,208 players and 272 managers (coaches) participating in the twelve tournaments were accessed to assess their cultural backgrounds and determine each national team’s extent of biculturalism. It should be noted that some players played more than once, however their cultural characteristics were independently assessed for the time of each tournament as their cultural background and skill level might have changed. All data have been collected from official databases of FIFA and the World Bank, and the two most reliable sources of information
about football: the International Federation of Football History and Statistics, and Transfermarkt.

Berman, Down and Hill (2002) suggested that data used to test performance (and competitive advantage) should meet the following criteria: (1) the structure and completeness of the data set must allow for isolation of the effect of intangible assets; (2) performance (or other dependent variables) must be easy to measure; (3) the data must allow to get at the focal constructs and, when necessary, there must be good proxy measures for unobservable constructs. The data set used in this research meets the above criteria. First, the data set is complete for the period of 1992-2014 and covers all 272 teams that participated in the tournaments. What is more, the official tournament rules related to team size remained unchanged, thus eliminating some potential confounding factors. Second, the dependent variable is clear and easy to measure as it is the official end result of the tournament. Finally, abundance and availability of information on players and managers allows determining the focal construct of biculturalism.

3.5. Operationalization of variables

In this section, the independent, dependent, and control variables are described and discussed. Table 3 (page 59) outlines how the variables are measured, what construct they represent, at which level, and where they fit in the hierarchical linear model used in this study.

3.5.1. Independent Variables

*Biculturalism* is a key construct of this study. As described in section 2.1.1., Benet-Martinez, Leu, Lee & Morris’ approach is adopted, defining biculturals as individuals “who have experienced and internalized more than one culture” (2002: 493). Therefore, bicultural individuals are considered players and managers who: (1) have dual citizenship; or (2) are eligible for citizenship of a country different than their country of origin. However, biculturalism is not the same for each bicultural player, thus placing them all in one category
might obscure the findings and would eliminate potential avenues for future research. Therefore, each player and manager was coded into one of the following categories:

(0) – monocultural individual, who have never lived in a foreign country for more than five years;

(1) – individuals who have dual (or more) citizenship;

(2) – individuals born to parents from different cultures;

(3) – individuals born to parents from the same culture, who migrated and stayed in a given country for more than five years before the child turned 19 years old (Pollock & Van Reken, 2009; Tarique & Weisbord, 2013);

(4) – individuals who migrated and stayed in a given country for more than five years after they turned 19 years old. Psychology research suggests that adolescence is time when social identity is formed (Baumeister, 1986). Hanek, Lee, and Brannen suggested that there might be differences among individuals based on the number of cultures they were exposed to during this critical identity-formation time (2014: 77).

(5) – individuals who have been exposed to three or more cultures before age 19 (Hanek, Lee, & Brannen, 2014).

There are a number of limitations stemming from this measurement of biculturalism. First, this method does not account for the bicultural identity integration mechanisms, thus does not allow differentiating between the types of biculturals identified by Brannen, Garcia and Thomas (2009). Secondly, this study does not differentiate what the individual’s second culture is, thus it does not control for what cultural behaviours and attitudes they may bring to the team based on their culture of origin as suggested by Gee and Leith (2007). Finally, this study does not take into consideration the internal, “bicultural diversity” of the team, i.e. the extent to which biculturals on a roster come from the same second cultures. A more
<table>
<thead>
<tr>
<th>HLM Level</th>
<th>Level of Analysis</th>
<th>Construct</th>
<th>Variable</th>
<th>Measurement</th>
<th>Alternative Measures for Robustness Tests</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dependent</td>
<td>Output</td>
<td>Performance</td>
<td>Wins Per Game (WPG)</td>
<td>Continuous (0.0-1.0)</td>
<td>1. Tournament End Result (1-32, where the winner gets 32 and the worst team gets 1 (using FIFA and UEFA Ranking) 2. Goals Scored and Conceded per game (as secondary performance measures)</td>
</tr>
<tr>
<td>1</td>
<td>Individual</td>
<td>Biculturalism</td>
<td>Bicultural Manager</td>
<td>(0) – monocultural manager, who has never lived in a foreign country for more than five years. (1) – manager who has dual (or more) citizenship; (2) – manager born to parents from different cultures; (3) – manager born to parents from the same culture, who migrated and stayed in a given country for more than five years before the child turned 19 years old; (4) – manager who migrated (and stayed in a given country for more than five years) after he turned 19 years old; (5) – manager who has been exposed to three or more cultures before age 19.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Elite Coaching</td>
<td>Foreign Manager</td>
<td>Dichotomous 0/1</td>
<td>Continuous (in years)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Manager’s tenure</td>
<td>Time with the team</td>
<td>Continuous (in years)</td>
<td></td>
</tr>
<tr>
<td>Team</td>
<td>Biculturalism</td>
<td>Biculturalism of the team</td>
<td>Percentage of bicultural players on the roster</td>
<td>Coded: (0) – monocultural players who have never lived in a foreign country for more than five years; (1) – players, who have dual (or more) citizenship; (2) – players born to parents from different cultures; (3) – players born to parents from the same culture, who migrated and stayed in a given country for more than five years before the child turned 19 years old; (4) – players who migrated (and stayed in a given country for more than five years) after they turned 19 years old. (5) – players who have been exposed to three or more cultures before age 19. Average international experience (in years)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Elite Players (used for endogeneity analysis with biculturalism)</td>
<td>Players’ international experience</td>
<td>Average international experience (in years)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Football potential</td>
<td>Team’s average age</td>
<td>Average age of all 23 players</td>
<td>FIFA Team Ranking published the month before a given tournament.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Team’s average international level experience</td>
<td>Team’s age standard deviation</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Team’s average football skills</td>
<td>Average number of international caps</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>Organization</td>
<td>Country sport potential</td>
<td>Log of population</td>
<td>Log of GDPpc</td>
<td>Quadratic GDP</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Organizational learning</td>
<td>Log of GDPpc</td>
<td>When the national football association was founded</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Home field advantage</td>
<td>Dichotomous 0/1</td>
<td>1. Dummy variable world cup</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Environment</td>
<td>Cultural Diversity of the competitive environment</td>
<td>Average Cultural Distance</td>
<td>$ACD = \sum 1/n \sum (D_{1i} - D_{1Av})^2 + \sum 1/\sqrt{n} \sum (D_{5i} - D_{5Av})^2$,</td>
<td></td>
</tr>
</tbody>
</table>

**Table 3.** Summary of the variables used in this study.

comprehensive discussion on limitations and future research possibilities related to measurement of biculturalism is presented in Chapter 6.
**Cultural Diversity of the Competitive Environment.** Although international business research is gradually departing from the country-to-culture identification, country-level culture remains relevant. Teams participating in the UEFA and FIFA competitions are by definition culturally homogenous as the players on a team represent the same country.

Kogut and Singh (1988) proposed a model to determine cultural distance between two countries, using Hoefstede’s (1980; 1984) cultural dimensions. The proposed method was meant to illustrate cultural differences between two cultures. This study follows the logic of Kogut and Singh’s (1988) model to determine the cultural differences among teams participating in the same competition. The Cultural Diversity of the Competitive environment was measured by a sum of standard deviations of Hofstede’s five cultural dimensions of all teams participating in the same event, calculated with the formula presented in Equation 2:

$$ACD = \sum \left( \frac{1}{N} \sum (D1i - D1Av)^2 + \ldots + \frac{1}{N} \sum (D5i - D5Av)^2 \right),$$

where $D1$-$D5$ stand for Hofstede’s five cultural dimensions, and $N$ is the number of teams participating in a given tournament.

**Equation 2.** Cultural distance of the competitive environment in an N-team tournament.

By design, the World Cup tournaments are more culturally diverse than the European Championship events as in the latter only teams from two cultural circles (Huntington, 1996) participate. This study is interested in comparing biculturals’ effect on team performance in competitive environments characterized by different levels of cultural diversity. Therefore, the second level model consists of a continuous variable *cultural diversity of the competitive environment*. As a robustness test, this variable was replaced with a categorical (dummy) variable *world cup*, indicating an environment with higher cultural diversity.
3.5.2. Dependent Variable

*Team performance.* In this study, team performance is measured as the final tournament standing as published in the official FIFA World Cup and UEFA European Championship reports. Team effectiveness and performance are complex constructs that revolve around organizational goals and ability of the firm to achieve the goals. A more detailed conceptual analysis of the performance construct is provided in section 2.1.3. of this dissertation.

When it comes to operationalization of performance in association football research, notational analysis is commonly applied to examine the technical-tactical aspects of football performance (Lago-Penas & Lago-Ballesteros, 2011). The analysis is performed through recording of behaviour incidence and outcomes (Taylor et al., 2008). A common approach to performance measure suggested a three-level division of measures: primary, secondary, and tertiary (Tucker et al., 2005). Primary measures represent fundamental skill execution (e.g., free throw percentage, passing percentage, shots on target), secondary measure reflect the scoring required to win a contest (i.e. points or goals scored); while tertiary measures represent the final outcomes (win/loss). According to Carron and colleagues (2005) most sport research articles analyzing football performance focused on secondary and tertiary performance measures. Tucker and colleagues (2005) suggested that tactics and strategies (influencing utilization of primary performance measures) are idiosyncratic team characteristics; hence what is a successful tactic for one team may not be for another. In other words, there might be little to no correlation between primary and tertiary performance measures. Possession is an interesting example of a common misconception about the correlation between primary and secondary and tertiary performance. It is a primary performance measure widely thought of as central to success in modern football. However, its effect on team outcomes remains in question (Hughes & Franks, 2005; Pollard & Reep, 1997). For example, Hughes and Franks (2005) and Lago and Dellal (2010) argued that top
teams are capable of maintaining their pattern of play despite the score. Bloomfield and colleagues (2005) found that the top three teams in the English Premier League 2003-2004 season dominated in terms of possession regardless of the final score. In other words, they were able to maintain superior primary performance, while trailing in secondary and tertiary performance. Finally, Collet (2013) found that possession (and passing) were poor predictors at the individual game level; in fact, the effect of greater possession was consistently negative in domestic leagues, and insignificant in continental competitions.

*Team performance* is the wins per game ratio. The final tournament rating as published in the official FIFA World Cup and UEFA European Championship reports was used as a robustness test. The winner is ranked no. 1, the runner-up no. 2, and so forth. Other performance measures, such as the stage reached in the tournament (finalist, semi-finalist, quarterfinalist, play-off round 1, and group stage). Similarly, goals scored per game and goals conceded per game (secondary performance measures) were used as robustness tests.

### 3.5.3. Control variables

**The Manager and Elite Coaching**

Sport and education literatures have long established the importance of the elite coach in coaching and training processes (e.g., Readhead, 1987; Lyle, 2000). The coach must possess knowledge of the specific nature of the sporting environment and know how to apply it efficiently. Gould and colleagues (1987; 1990) examined the origins of knowledge gained by elite coaches, finding that personal experiences of the coach were fundamental to his or her educational development. Irwin, Hanton and Kerwin (2004) reported that international experience was an important factor in coaching knowledge development. It can also be an indicator of the manager being an elite coach, i.e. having the highest level of coaching qualifications. Therefore, this study uses two variables to control for the effect of bicultural coaches and foreign coaches and coaches with international experience:
Manager’s international experience is a continuous variable indicating how much time the coach has spent in any foreign country in a professional (coaching) capacity (measured in years).

Foreign manager is a dummy variable indicating whether the coach is a foreign national. International football regulations allow national federations to hire coaches that are not nationals of the country of the national team they are coaching (contrary to players’ situation as the latter must be citizens of a given country). In other words, the manager/coach position is the only one on the tournament team, where the organizations are not limited by the national rule and are free to handpick the most suitable candidate. Indeed, some associations do that to address (perceived) lack of coaching know-how in their countries, generally with mixed-to-bad effects (Biderman, 2010; Kainja, 2013; Asher, 2014). The effects of foreign coaches on professional football teams were examined by Maderer, Holtbrugge and Schuster (2014), but no significant results were reported. Del Corral, Maroto and Gallardo (2015) found that foreign coaches were more efficient in the top Spanish basketball leagues.

Tenure of the manager is an important indicator of how well the manager is nested within the team and the organization. Cyert and March (1963) and Hambrick and Mason (1984) have found that over time organizations become reflections of their top executives. Strategic management scholars have studied the relationship between CEO job tenure and organizational performance for decades and found significant positive effects (Hambrick & Fukutomi, 1991; Simsek, 2007). Hambrick and Fukutomi (1991) suggested that new top executives begin with a technical knowledge deficit (of the organization), but steadily learn their organizations and environments. However, Miller and Shamsie (2001) found that organizational performance grew for the first 8-10 years of CEOs’ tenures and then began to fall. The result is an inverted-U-shaped relationship between top executive tenure and
organizational performance (Henderson, Miller, & Hambrick, 2006). Tenure of the manager is measured in years.

**Football potential of the team**

Rosch and colleagues (2000) argued that the most important constructs and variables for measuring and determining performance in association football are fitness, technical skills, and tactical performance. However, in team sports it is difficult to differentiate among these three measures and their relative importance (Rosch et al., 2000). Age of an athlete has been found to be a valid proxy of the three constructs. Age as a construct in sport research has a two-fold effect on performance: (1) physical performance; and (2) cognitive/expertise effect. In order to control for the effect of age on football potential of the team, this study uses *team average age* and *team average international experience* as two important proxies for football potential.

*Team’s average age*. Research has shown that age has a curvilinear effect on physiological capacity, i.e. positive effect of age is observable to a certain age, and then the age effect becomes insignificant or negative. Junior athletes (older than their peers) perform better (relative age effect – Musch & Grondin, 2001; Davids & Baker, 2007). This effect has been reported in a number of sport settings (Barnsley & Thompson, 1988; Thompson, Barnsley, & Steblesky, 1991; Barnsley, Thompson, & Legault, 1992), but was also found significant in education (Barnsley & Thompson, 1985; Hauck & Finch, 1993). However, sport medicine studies have found that physiological functional capacity, after reaching a certain peak, declines with age (e.g., Donato et al., 2003; Reaburn & Dascombe, 2008; Tanaka & Seals, 2008), suggesting a curvilinear relationship between age and physical performance. In this study *team’s average age* is measure in years.

*Team’s average international level experience*. While age is valid proxy of physical fitness, it is also correlated with a cognitive/expertise effect on sport performance. Scholars have
reported that knowledge base and cognitive strategies develop gradually with age and have a
significant effect on performance. French and colleagues (1996) and McPherson (1999) found
that younger players were unable to discriminate task-relevant from task-irrelevant
information, but this ability develops over time. French and McPherson (1999) found that
more experienced players are more likely to adopt better strategies to resolve problems when
under the pressure of time. Therefore, the study uses team’s average number of international-
level caps (games played for the country) as a control football potential of the team.

*Team’s average football skills.* In the McGrath (1964) input-process-output framework, input
factors have a crucial effect on the final outcome. In most sport and management studies,
quality of the input, i.e. knowledge, skills and abilities of the team members and/or the team
are a cornerstone of performance analysis. However, in team sports it is difficult to
differentiate between physical fitness, technical skills and tactical cleverness, not to mention
such qualities as flair or flamboyancy (Rosch et al., 2000). In their studies on Major League
Baseball teams Smart and Wolfe (2003) and Humphrey, Mannor and Morgeson (2009) use
players’ past performance as a measure of job-related skills. This logic is followed by
Kahane, Longley and Simmons (2013) in their study on National Hockey League teams.

Kahn (1993) used players’ salaries as a proxy of skill and indicator of future performance.

Hoffmann, Ginga and Ramasamy (2002) used country population as a proxy for the pool of
talent that a given country has at its disposal. Maderer, Holtbrugge and Schuster (2014) used a
simple number of players on the roster as a proxy of football potential of professional German
football teams. Collet (2013) used a different measure for team quality, namely UEFA
coefficients, and allocated the teams into three categories, indicating quality of the team. The
aforementioned conceptualizations of the input factors represent two distinct logics: (1) past
performance as a measure of skills (e.g., Smart & Wolfe, 2003; Humphrey, Mannor, &
Morgeson, 2009); (2) external assessment of quality (Collet, 2013).
Past performance is generally used when two or more seasons of games between the same teams (within the same league) are analyzed (NHL, MLB). Although significant in- and outflow of players exists, most of them stay within the same league. Moreover, in cases of both major American leagues, the list of teams is the same every season. As a result, consecutive iterations of the same game between teams with relatively stable rosters happen over consecutive seasons. Moreover, the players (and coaches) perform in a by and large stable environment, thus making their future performance likely to regress to the theoretical mean (which should reflect knowledge, skills and abilities). The other logic focuses on the perceived value of skills (and potentially the performance they contribute to).

Kahn (1993) used players’ salaries, which is a valid measurement of skills within one league, where all organizations have to adhere to the same standards. However, research has shown that notable exception exists, including free agent bonuses (Idson & Kahane, 2000; Poppo & Weigelt, 2000). Macdonald and Reynolds (1994) found that experienced baseball players are paid according to their productivity, whereas younger players are paid less than their marginal revenue product. These authors suggested that this situation is caused by the market structure of the Major League Baseball. Torgler and Schmidt (2007) reported that salary and individual performance are related, but the relationship is nonlinear as individual performance is affected not only by absolute income, but also by relative income position. Frick and Simmons (2008) found that managerial compensation has a significant positive effect on organizational success, but also reported that coaches are paid below their marginal revenue products (the market is allocatively inefficient). Hall, Szymanski and Zimbalist (2002) tested causality between team performance and payroll in two environments: Major League Baseball and the English Premier League. The authors reported that in MLB causality (from payroll to performance) cannot be established, but in the EPL such a hypothesis cannot be rejected. They argue that this difference may be a consequence of different transfer market
structures as in soccer the market for player talent is open, whereas significant restrictions exist in MLB.

National teams for international association football tournaments are in fact one-time project teams, which consist of players of one nationality, who in the regular season play for professional organizations in various leagues. For example, German players (representing Germany at the World Cup) can come from various professional organizations playing in various leagues (e.g., the French Ligue One and the English Premier League). Moreover, most players participate in one or two World Cups (the tournament is organized every four years) over their career. Hence, the past performance approach to skill-assessment cannot be applied in this case for conceptual and empirical reasons. Past performance in the World Cup cannot be used as the World Cup list of participants is quite different each time and rosters of the national teams who appear in consecutive editions is also quite different. In Major League Baseball every regular season consists of games between the same thirty (as of 2015) teams. Moreover, each team plays nineteen games against each of its four divisional opponents, resulting in at least 76 out of 162 regular seasons games (per team) repeating the previous years schedule. In other words, every WC edition is a new tournament and not a next iteration of the last competition as it is in the MLB case. For the same reason, using objective individual performance measures (e.g., goals scored, passes completed, etc.) from players’ respective professional organizations is problematic, as a large number of professional leagues of different quality exists. Finally, scholars have argued individuals actions and performance in some sports, including football, are much more interdependent than in more individual-focused sports, such as baseball (Myers, Feltz, & Short, 2004; Dare & MacDonald, 1996), sometimes leading to role ambiguity and role conflict (Beauchamp & Bray, 2001), thus confounding team analysis based on previous performance - as the previous statistics of players are less predictive of team performance in interactive sports - such as football.
The salary approach to skill measurement could be advisable if all players played professionally in the team or the same league, where salaries would be comparable. Moreover, players’ salaries are determined not only by performance, but also by age and experience, the number of international games, player position and nationality (Lehmann & Weigand, 1999; Lucifora & Simmons, 2003; Frick, 2006). A similar pattern is observable on the transfer market in Germany (Frick & Lehmann, 2001; Eschweiler & Vieth, 2004) and in England (Carmichael, Forrest, & Simmons, 1999; Dobson & Gerrard, 1997). European soccer leagues analyses demonstrate that players’ nationality has a significant effect on off-the-pitch performance of the organization (ticket and replica shirts sales), thus being likely to be reflected in salary levels (Kalter, 1999; Wilson & Ying, 2003). As a result of these problems of using the above-described measures of skills, another proxy of football potential is required. It is not to say that these proxies have been invalid measures of skills, but rather that they can (and should) be applied within certain conceptual and empirical limits, other than the international football tournaments.

Therefore, in this study I used a new measure of players’ football skills. If one assumes that the market for talent in soccer is free or at least less restricted than in other team sports (Hall, Szymanski, & Zimbalist, 2002), then the most skilled players join the best professional organisations in the best leagues. In other words, it is the same difference as between a baseball player playing in the minors and a one playing in major leagues. The most skilled/best performing athletes will be promoted next year, and the poor performing will be demoted (due to the free market); on average a major league player is better than a minor league player. This assumption allows comparison between and across players playing different positions, which is not always possible using past performance- or salary-based methods (Lehmann & Weigand, 1999; Lucifora & Simmons, 2003; Frick, 2006).

7 The overarching assumption is that players are not only after the money, but also want to win trophies. The real life shows that top quality players move to clubs in the United Arab Emirates, Saudi Arabia, Mexico, USA (where they can get salaries higher than in Europe and/or Brazil) only after they are past their career peak.
The following procedure was used to assess each player’s football skills: (1) for each tournament year regional rankings (e.g., UEFA league ranking) was retrieved to assess each national league’s strength. The use of UEFA league ranking (the so called: country coefficient) as a proxy for the leagues relative strength has been an accepted practice in sport research (e.g., Schorer et al., 2015; Xu, 2014; Goossens & Spieksma, 2012; Griggs & Rosa, 1996). An important advantage of the country coefficient is the fact that it takes into consideration a five-year performance span. (2) All leagues were divided into eight categories, reflecting the number of teams they are allowed to field in continental competitions. For example, Primera Division (the Spanish Football League) in 2014 was allowed to field seven teams in European competitions, whereas the Irish Premier Leagues (ranked 43rd) was allowed to field four teams. (3) Player’s professional affiliation was checked against the table created in Step 2. Therefore, a player affiliated with any of the Spanish professional teams (top-tier) was given seven points as a proxy of his football skills, whereas any player affiliated with any of the Irish top-tier professional teams was given four points. (4) Scores of all players on the national team roster were added up and divided by the number of players on the roster (22 or 23, depending on the tournament). The result is a proxy for the skill of the player.

*Team’s average international experience* is an average of individual-level variables indicating the players’ years of international experience in a professional capacity. This does take into account only seasons spent in a foreign professional team and not international competitions.

**Organization and country-level variables**

The tournament team in FIFA/UEFA competitions is in fact a project team put forward by a national football association to represent the country. In other words, it is the national football association that is the larger organization within which the team is nested. A football association also represents the country, as it is the only national level football organization in
a given country. Organization (and hence the country) level constructs can influence team performance. In fact, both team and sport research confirms this. Therefore, in this study a number of organization- and country-level variables will be taken into consideration, including the organization's age; country’s population and gross domestic product; favourable climate; and home field advantage.

Age of the organization. Scholars have long acknowledged the importance of experience in organizational performance. Experience is not only accumulated at the individual level, but also at the organizational level. Kallenberg and Leicht (1991) suggested that an organization’s age is generally positively correlated with its performance. Two important streams of management literature considering age of an organization are the innovation and organizational learning literatures. The former indicates that established organizations accumulate innovative knowledge and engage in more innovation than younger organizations (Garvin 1983; Sorensen & Stuart, 2000). The latter literature points out that an organization’s age moderates the relationship between organizational learning and performance. Older organizations are simply more experienced at selecting, processing and employing information (Lukas, Hult, & Ferrell, 1996; Dixon, 1992; Sinkula, 1994). In the case of international football competitions, age of the organization might indicate valuable experience at the international level and familiarity with the World Cup/European Championship proceedings. It is also a potential proxy for football tradition/popularity in a given nation, which is an important, yet elusive factor in football performance research (Hoffmann, Ging, & Ramasamy, 2002). In this study, age of the organization is measured as the age of the national football association of a given country.

Country population is a country-level control variable. Populous countries are able to select football players from a larger pool of potential athletes. Population has been found to be an important determinant of success in the Olympic Summer Games (Condon et al., 1999;
Szymanski, 2000; Bernard & Busse, 2000) and association football (Hoffmann, Ging, & Ramasamy 2002). Logarithm of total population will be used in this study.

*Gross Domestic Product per capita* is another important factor for consideration in sport research. Developing sport talent requires adequate physical and organizational infrastructure. However, GDP per capita does not have a linear effect on sport performance. Hoffmann and colleagues (2002) found diminishing returns of an increase in per capita wealth. Hoffmann, Ging and Ramasamy (2002b) found a quadratic relationship between GDP per capita and football performance. Bernarn and Busse (2000; 2004), Kuper and Sterken (2001), and Bosscher and colleagues (2008) used a logarithm of Gross Domestic Product per capita as a proxy of country’s economic potential and this measure was used in this study.

*Home field advantage.* The home field advantage in team sports, especially in association football, is a well-documented phenomenon. The earliest research on this subject was published in the 1980’s, with seminal pieces by Morris (1981), Dowie (1982), and Pollard (1986). However, the causes and mechanisms of home field advantage are yet to be precisely determined (Pollard, 2008). The main mechanisms proposed to have a positive effect on home team performance are: (1) crowd effects (Pollard & Pollard, 2005; Pollard, 2006; Nevill, Newell & Gale, 1996; Boyko, Boyko, & Boyko; 2007; Heuer & Rubner, 2008); (2) travel effect disadvantaging the away team (Clarke & Norman, 1995; Brown et al., 2002; Pollard, 2006); (3) referees favouring the home team (Nevill, Balmer, & Williams, 1999, 2002); and finally (4) psychological effects triggered by awareness of the existence of home advantage (Pollard, 1986; Pollard & Pollard, 2005; Pollard, 2006).

In this study, home field advantage was coded as a dummy variable, with a positive value (1) for the host of the tournament. In four cases (2000; 2002; 2008; 2012) two teams hosted the same tournament, however two hosts never played each other.
3.5.3. Other potential control variables

The aforementioned control variables do not exhaust all potential confounding factors influencing team performance. Sport management and economics literatures offer several other control variables, including country climate (Hoffmann et al., 2002) and historical idiosyncrasies of some nations (Bernard & Busse, 2000). While adding more control variables is sometimes tempting, overspecification of regression models (multilevel in particular) can make it more difficult to reject null hypotheses, thus affecting theoretical implications of research (Hartmann & Moers, 2003). However, additional control variables were added to the main model in a series of robustness tests (please see section 4.4.), including country climate (measured with the annual average temperature in the capital city – Hoffmann et al., 2002) and a dummy variable for teams coached by managers coming from Brazil, Italy, and Germany – historically, the three most successful nations in football.
CHAPTER 4 – DATA AND RESULTS

In this hypothetico-deductive study, I developed a random coefficient model to test the Hypotheses conceptualized in Chapter 2. In this Chapter I present information about the collected sample and describe data analysis process and its results.

4.1. Sample

Initially, all 272 teams participating in 12 major association football tournaments in 1992-2014 were identified. In terms of the number of team members, 184 teams in the World Cup tournaments consisted of a total of 4,208 team members, while 88 European Championship teams consisted of 2,000 players, for a total of 272 manager- and 6,208 player-observations. Biographical information was available for all managers, but in 47 cases (less than 1%) players’ background was unclear (or unavailable). A cut-off of 3 missing players (i.e., more than 10% of the team) on a team roster was adopted, resulting in three teams dropped from the sample. The final sample included 182 out of 184 (99%) teams participating in the World Cup tournaments and 87 out of 88 (99%) teams participating in the European Championship.

To test repeatability of the biculturalism coding procedure, a test-retest variability was measured (Bland & Altman, 1986). A sub-sample of two teams in every tournament (24 teams in total) and all 272 manager-observations were recoded three months after the initial coding. As a result, two managers were recoded (repeatability coefficient of 99.26%) and in one case the proportion of bicultural players on the team changed (repeatability coefficient of 95.83%).

The descriptive statistics are presented in Table 4 (on page 74) and the correlation matrix is presented in Table 5 (on page 75).
### Table 4. Descriptive statistics of all variables used in this study.
<table>
<thead>
<tr>
<th>Variables</th>
<th>1.</th>
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<td>1. Wins Per Game</td>
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<td>2. Population</td>
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<td>3. GDP per capita</td>
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<td>4. Host (dummy)</td>
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<td>5. Football Tradition</td>
<td>0.30***</td>
<td>0.05</td>
<td>-0.61***</td>
<td>-0.09</td>
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<td>6. Age of the Manager</td>
<td>0.04</td>
<td>-0.02</td>
<td>0.01</td>
<td>0.05</td>
<td>-0.03</td>
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<td>7. Tenure of the Manager</td>
<td>0.14**</td>
<td>-0.09</td>
<td>0.28***</td>
<td>-0.06</td>
<td>-0.24***</td>
<td>0.18***</td>
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<td>8. Foreign Experience of the Manager</td>
<td>0.02</td>
<td>-0.08</td>
<td>-0.07</td>
<td>0.13**</td>
<td>-0.04</td>
<td>0.26***</td>
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<td>9. Foreign Manager</td>
<td>-0.16***</td>
<td>-0.06</td>
<td>-0.33***</td>
<td>-0.01</td>
<td>0.34**</td>
<td>0.21**</td>
<td>-0.16***</td>
<td>0.18***</td>
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<tr>
<td>10. Bicultural Manager (dummy)</td>
<td>0.10*</td>
<td>-0.02</td>
<td>0.00</td>
<td>0.14**</td>
<td>-0.01</td>
<td>0.05</td>
<td>0.03</td>
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<tr>
<td>11. Average Age of the Team</td>
<td>-0.01</td>
<td>-0.13**</td>
<td>0.30***</td>
<td>-0.10*</td>
<td>-0.26***</td>
<td>0.08</td>
<td>0.25***</td>
<td>-0.07</td>
<td>-0.16***</td>
<td>-0.04</td>
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<tr>
<td>12. Average Number of Caps</td>
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<td>0.11*</td>
<td>0.12*</td>
<td>-0.08</td>
<td>0.06</td>
<td>0.09</td>
<td>0.17***</td>
<td>-0.01</td>
<td>0.05</td>
<td>0.04</td>
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<td>13. Average Skills</td>
<td>0.47***</td>
<td>0.12**</td>
<td>0.39***</td>
<td>-0.03</td>
<td>-0.44***</td>
<td>0.17***</td>
<td>0.24***</td>
<td>0.07</td>
<td>-0.29***</td>
<td>0.07</td>
<td>0.15**</td>
<td>-0.12*</td>
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<tr>
<td>14. Average Foreign Experience</td>
<td>-0.05</td>
<td>-0.31***</td>
<td>-0.26***</td>
<td>-0.07</td>
<td>0.24***</td>
<td>0.19***</td>
<td>0.10</td>
<td>0.18***</td>
<td>0.12*</td>
<td>0.17***</td>
<td>0.14**</td>
<td>0.10*</td>
<td>0.07</td>
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<tr>
<td>15. Proportion of Bicultural Players</td>
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<td>-0.11*</td>
<td>0.00</td>
<td>0.02</td>
<td>0.16***</td>
<td>0.17***</td>
<td>0.09</td>
<td>0.21***</td>
<td>0.04</td>
<td>0.21***</td>
<td>0.02</td>
<td>0.05</td>
<td>0.28***</td>
<td>0.69***</td>
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<tr>
<td>16. Diversity of the Environment</td>
<td>-0.03</td>
<td>0.05</td>
<td>-0.24***</td>
<td>-0.10</td>
<td>0.23***</td>
<td>-0.01</td>
<td>-0.16***</td>
<td>0.02</td>
<td>0.13**</td>
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<td>-0.02</td>
<td>0.13*</td>
<td>-0.22***</td>
<td>0.14**</td>
<td>0.02</td>
</tr>
</tbody>
</table>

* p < 0.1; ** p < 0.05; *** p < 0.01.

**Table 5.** Correlation matrix of all variables used in this study.
4.2. Data analysis and results

To test all hypotheses, analyses were conducted on three random coefficient models of increasing complexity. The first (base) model included only variables at two levels: (1) team and manager control variables; and (2) the cultural diversity of the competitive environment variable. The second model (base + biculturalism) controlled for the effect of bicultural managers and proportion of bicultural players. The final model included the interaction effects described in Hypothesis 2 and Hypotheses 3a and 3b. The results of all three models are displayed in Table 6 (on page 78). In terms of control variables, only three of them have a significant effect on team performance. At the country-level football tradition and host (dummy) had positive effect on team performance ($b =0.01$, $p <0.05$, and $b =0.11$, $p <0.05$, respectively). At the team-level, the average skills level had a significant positive effect on team performance ($b =0.09$, $p <0.01$).

When it comes to Hypotheses 1a and 1b, neither biculturalism of the manager nor the proportion of bicultural players on the team have a significant effect of team performance in all environments. Interestingly, the proportion of biculturals on the team has a negative effect on team performance (although the effect is not significant at $p >0.1$). Hypothesis 2 (positive effect of the interaction between bicultural manager and bicultural team members) was not supported as the positive effect was not significant ($b =0.12$; $p >0.1$).

A positive significant effect was observed for the interaction between a bicultural manager and the cultural diversity of the competitive environment ($b =0.01$; $p <0.05$), thus supporting Hypothesis 3a. However, Hypothesis 3b was not supported as the effect of the interaction between the proportion of bicultural individuals on the team and the cultural diversity of the competitive environment was negative and not significant ($b =0.00$; $p >0.1$). Figure 5 (on page 77) illustrates the effect of the interaction term. Bicultural managers perform statistically significantly better as the cultural diversity of the environment increases.
(Interestingly, monocultural managers perform worse with increasing cultural diversity, but the effect is not statistically significant).

Figure 5. The effect of bicultural managers on team performance with increasing cultural diversity of the competitive environment (model estimates).

Figure 6 presents the actual historical results, further supporting both the effect and model estimates.

Figure 6. The effect of bicultural managers on team performance with increasing cultural diversity of the competitive environment (historical data).
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<td>GDP</td>
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<td>0.02</td>
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<tr>
<td>Host</td>
<td>0.11*</td>
<td>0.06</td>
<td>0.11*</td>
<td>0.06</td>
<td>0.11**</td>
<td>0.06</td>
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<tr>
<td>Football Tradition</td>
<td>0.01***</td>
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* p < 0.1; ** p < 0.05; *** p < 0.01.

Table 6. Main and interaction effects of biculturalism and diversity of the environment on team performance (RCM estimation).
## Table 7. Main and interaction effects of biculturalism and diversity of the environment on team performance (OLS estimation).

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* p < 0.1; ** p < 0.05; *** p < 0.01.
4.3. Robustness tests

The likelihood ratio test, comparing the random coefficient model against ordinary least square regression model, revealed that the former did not perform better than the latter, hence OLS should be used as the preferred method. Therefore, the analysis was redone using three analogical models of increasing complexity. OLS model specification is presented in Equation 3 in Appendix A. Table 7 (on page 79) shows the results of OLS estimation. The direction and significance levels of all predictor variables remained stable (except for the average number of caps which became significant at a reduced standard of \( p < 0.1 \)). Importantly, the hypothesized effects remained stable, with the interaction between a bicultural manager and the cultural diversity of the competitive environment having the only significant effect at \( p < 0.05 \).

A battery of additional robustness tests was performed to check the reliability of the results. First, other control variables, including country climate (Hoffman, Ging, & Ramasamy, 2002), human development index, and a dummy variable for managers who were from Brazil, Italy, or Germany (which are the countries with the most successful football history) were added to the final model, but no changes appeared in the significance levels of the predictor variables.

Second, another measure of team performance was used as the dependent variable. The \( \text{wins per game} \) ratio was replaced with the final tournament standing as published in the official FIFA World Cup and UEFA European Championship reports. The winner is ranked no. 1, the runner-up no. 2, and so forth. No changes to significance levels or direction\(^8\) of the predictor variables was observed.

Third, to ensure that the results are not sensitive to the selected method, another estimation technique was applied. Generalized least squares (GLS) fixed effects models have been employed in similar research contexts and data structures (Smart & Wolfe, 2003). Fixed effects models allowed us to control for constant, but unmeasured differences due to year-specific and team-specific

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\(^8\) The dependent variable was reverse-coded to simplify interpretation of the results.
factors. Table 8 (on page 83) displays GLS estimation results. The direction and significance levels of the predictor variables remained stable (with the exception of the effect of the average number of caps in the team, which became significant at the level of $p < 0.1$).

Fourth, managers who became bicultural after the age of 19 (based on research that shows that identity develops primarily during childhood and adolescence – please see section 3.5.1. for more details) were excluded. The direction of the hypothesized effect remained positive and, despite the smaller sample size, the effect remained significant at 0.90 confidence levels.

Finally, additional data was collected. An additional sample of 92 teams participating in another regional football competition (Copa America – Football Championship of South America) was added to the original sample. Due to data unavailability: (1) only a sample of 355 teams was used; (2) no team-level controls were applied (country- and manager-level independent variables remained); (3) diversity of the environment was dummy-coded (highly diverse/global environment $= 1$). Because of these limitations the additional sample was not used in the main analysis, but was only used to test reliability of the original results. Complete results are presented in Appendix B (Table 10 on page 138). Compared to the original model, no changes to significance levels or direction of the predictor variables was observed.

4.4. Endogeneity analysis

Endogeneity refers to a situation when an independent/control (explanatory) variable is correlated with the error term. The situation might be caused by unobserved heterogeneity, reverse causality, and self-selection bias and can significantly affect the validity of research findings (Heckman, 1979). Accounting for potential endogeneity is especially important when it comes to making any causality conclusions based on correlations (Bascle, 2008).

There are several potential sources of endogeneity problems when examining the effect of biculturalism on team performance in the football context. In what follows I describe how potential self-selection bias was addressed. The best football managers and players are valuable on the
international market, so they are more likely to be signed by international professional teams and move overseas, thus gaining international experience and in turn becoming bicultural. Hence, there is a selection effect built into the sport that can build a correlation between player and manager quality and biculturalism. When such individuals return home for national team competitions, they help their national teams be successful.

Therefore, teams with more excellent players (led by more experienced managers) might tend to have more bicultural players. However, this problem affects only one subset of bicultural individuals analyzed in this study, namely those who became bicultural by emigrating and staying in a country for more than five years. In such cases, it is unclear whether: (1) the players/managers are bicultural, because they are skilled footballers/effective managers (selection bias); (2) they are skilled players/effective managers, because they are bicultural; or the two characteristics are unrelated. In other words, biculturalism might not be a randomly distributed characteristic, thus causing endogeneity concerns. To ensure that endogeneity does not affect the validity of the results, a Heckman’s (1979) two stage model procedure was applied. This approach has been used in several recent studies facing self-selection challenges (e.g., Georgakakis & Ruigrok, 2017) as it allows well informed judgments on whether the results are outcomes of endogeneity (Brown et al., 2011).

Selecting a suitable instrument variable (i.e., an additional variable introduced to account for unexpected correlations between explanatory variables) is a critical step in an effective application of the Heckman’s (1979) procedure. First, there must be theoretical reasoning behind selecting an instrument variable. In other words, there must be a theoretically justified threat that the instrument variable is a source of endogeneity in the model. Second, an appropriate instrument must be significantly correlated with the independent variable (i.e. biculturalism) and uncorrelated with the dependent variable (i.e. team performance – wins per game). Because one category of biculturalism includes individuals who have spent at least five years in a foreign country, foreign experience was
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</table>

* p < 0.1; ** p < 0.05; *** p < 0.01; DV: Wins Per Game.

**Table 8.** Main and interaction effects of biculturalism and diversity of the environment on team performance (GLS estimation).
selected as an appropriate instrument variable in this study. Better footballers and managers are more likely to emigrate for work, hence gaining foreign experience which in turn makes them bicultural (after spending at least 5 years in a given country). *Foreign experience* is significantly correlated with *biculturalism* ($r = 0.55, p < 0.01$) and not correlated with the dependent variable ($r = 0.02, p > 0.10$).

In the first stage of the Heckman’s (1979) procedure, a probit analysis predicting the likelihood of an individual being bicultural was conducted. The results of the probit analysis are presented in Appendix B (Table 10 on page 138). In the second stage, the predicted values of the probit model were used to calculate the inverse Mill’s ratio, which was then included as an additional control variable in the regression analysis. The new variable served as a control for potential endogeneity bias in the main analysis. Table 11 in Appendix B presents the results of the augmented regression analysis. The results show that the addition of the inverse Mill’s ratio did not have any substantive effect on the direction nor the significance levels of the predictors. In conclusion, the results hold when endogeneity concerns are accounted for in the analysis.

### 4.5. Summary

Statistical support was observed only for Hypothesis 3a, indicating a positive effect of biculturalism of the manager on team performance in highly diverse competitive environments. In other words, bicultural managers contribute to team performance only when the environment of the team is highly diverse. When the environment is relatively homogeneous (or rather, *less* diverse), there are no significant differences between mono- and bicultural managers. Additional robustness and endogeneity tests did not reveal any concerns with the reliability of the model.
CHAPTER 5 - DISCUSSION

The results described in Chapter 4 shed light on the effect of biculturalism of team members and team managers on team performance. The statistical analysis confirmed a moderating role of the external environment, but hypotheses of the direct positive effect of biculturalism on performance were not supported, thus raising questions about existing theories and models. In this Chapter, the results are discussed and related to the current literature. The Chapter develops as follows: each hypothesis and corresponding results are discussed and theoretical contributions are outlined. Then the main finding, the moderating effect of the environment is discussed in more detail, suggesting the potential importance of this study to the microfoundations of strategy literature.

5.1. Hypotheses tested – results and commentary

The main objective of this study was to test three hypotheses. Hypotheses 1a and 1b were based on the existing biculturalism literature and were to test a direct positive effect of biculturalism of the manager and team members, respectively. Hypothesis 2 examined a potential interaction effect between a bicultural manager and biculturalism of the team. Hypotheses 3a and 3b tested a moderator – the external environment – on the effects proposed in the bicultural literature. Since the results did not confirm Hypotheses 1 or 2, additional literatures, and potential methodological explanations are addressed to explain the lack of hypothesized effects.

5.1.1. A test of the positive effect of biculturalism on team performance.

The empirical analysis did not confirm Hypothesis 1a and 1b, testing a main positive effect of bicultural managers and bicultural team members on team performance. While the absence of evidence is not the evidence of absence (Altman & Bland, 1995), the lack of positive effect raises questions whether bicultural individuals, in fact, contribute positively to team
performance. Knowledge, skills, and abilities of bicultural individuals are thought to be beneficial for organizations operating across national boundaries (Brannen, Garcia, & Thomas, 2009). However, no such effect was observed in the studied sample of teams operating in a multicultural environment. One explanation for the lack of effect is a claim that bicultural skills are simply not useful for organizations or are not being used. This claim is supported by empirical research by Furusawa and Brewster (2015), who found that multinational organizations are aware of biculturals and their potential, but do not have any policies or strategies in place to actively take advantage of this resource. However, there are other potential explanations for the lack of positive effect of biculturalism, such as (1) negative effects of biculturalism mitigating the benefits; (2) a misfit of the skills and task characteristics; and/or (3) methodological challenges. Each of these potential explanations is addressed next.

A potential explanation for the lack of positive effect of bicultural team members, despite their potential for contribution to performance, might be due to potential negative effects. While many scholars (e.g., Brannen, Garcia, & Thomas, 2009; Friedman & Liu, 2009; Hong, 2010) theorize that bicultural individuals have potential positive effects on organizational performance, there is little research on negative aspects of biculturalism. Biculturals are thought to contribute to organizational performance both through individual knowledge, skills, and abilities, and team-related skills and processes. Conversely, the negative influence of biculturals could be described in terms of negative individual effects, and potential negative team effects.

Initially, biculturalism was thought to have a detrimental effect on the individual (Park, 1928; Stonequist, 1937) as the person could be marginalized in each culture, hence experiencing stress and anxiety. Baumeister, Shapiro, and Tice (1985) identified potential identity crises related to the lack of adequate self-definition. Yet the much referred to
research by LaFromboise and colleagues (1993) and subsequent studies showed that individuals are able to hold to different cultural frames without having to suffer, which was assumed previously. Nevertheless, albeit that it has been shown in numerous studies – led by the pioneering research on cultural frame switching by Hong and colleagues (2000) – that individuals can hold and effectively function with two distinct cultural schemas - research looking at the relationship between stress susceptibility and biculturals is rare to nonexistent in the management literature. The literatures on education and counseling informs us that growing up in two cultural environments could lead to higher stress levels in bicultural youths (Romero & Roberts, 2003; Romero et al., 2007) and minority-stress was found to be positively related to depressive symptoms (Wei et al., 2010). However, related findings are mixed and inconsistent. While, for example, Vivero and Jenkins (1999) report that individuals who grew up in culturally diverse environments report cultural homelessness experienced as confusion and isolation, Moore and Barker (2011) found that these individuals feel multicultural rather than confused. In sum, the negative consequences of two cultures coexisting within one individual may result in inferior performance of the individual, which in turn leads to worse team performance or could, perhaps, counterbalance benefits of biculturalism.

Friedman and Liu (2009) and Kiesel and Haghirian (2012) and other scholars (e.g., Hong, 2010; Fitzsimmons, 2013) proposed positive effects of biculturals on team processes. However, the key role of cultural bridges (Friedman & Liu, 2009) or cultural brokers (Hong, 2010; Fitzsimmons, Miska, & Stahl, 2011) might put biculturals in a very important and sensitive position. When playing such a pivotal role between cultures, they might be at risk of willingly or unwillingly affecting team performance not only in a positive but also in a negative way. The literature has proposed that biculturals use their skills to improve their own and/or their teams’ performance. However, when put in a central position facilitating
information processing or communication, bicultural team members may face moral hazard (Holmstrom, 1982). Withholding information or manipulating the magnitude of cross-cultural differences may be a way for some biculturals to exaggerate their role as cross-cultural bridges/brokers, thus improving their status within the team and their performance assessment (Holmstrom, 1982, 1999). Edmondson, Roberto, and Watkins (2003) found that information withholding could be used as a tool to increase a team member’s power. As a result, biculturals might be seen as critical elements of the team and their individual contribution appreciated, while it is not required in the first place. In other words, potential positive effects of biculturals due to their cross-cultural skills might be mitigated by team-process losses generated by bicultural individuals themselves.

Another potential explanation for the lack of a main positive effect of biculturalism on team performance might be a misfit between the task characteristic and biculturals’ skills. In other words, association football – as a task – is not a context where biculturals can take advantage of their knowledge, skills, and abilities. The appropriateness of football as a research context for this study was discussed in detail in Chapter 1 (section 1.4.), Chapter 2 (section 2.1.6.), and Chapter 3 (section 3.4.). What follows is a concise discussion of the relationship between a sport setting and biculturalism.

Tadmor and colleagues (Tadmor et al., 2010) found that bicultural skills are not limited to the cultural domain, but some researchers (e.g., Hong, 2010) have pointed out that biculturals exhibit enhanced skills and abilities (e.g., cognitive skills, adaptability) only in the cultural domain, thus in order to contribute positively to organizational/team performance the main task ought to be embedded in the cultural domain. Therefore, another explanation for the lack of a main positive effect might be that football is not a culture-dependent task, hence bicultural skills are irrelevant in this context. Previous sport research has found that team sports in general and association football in particular are culture-related and there are
significant cross-cultural differences (e.g., Hoffmann et al., 2002; Brandes et al., 2009; Bangsbo et al., 1997). Other streams of research have found cognitive skills and strategies (such as those found in biculturals) contribute to both individual and team performance in team sports (Ward & Williams, 2003; Williams et al., 1993). However, task characteristics might be partially responsible for the lack of general effect of biculturalism. Shanteau (1989, 1992) studied experts’ performance in various fields and found that task characteristics were one of five key determinants of performance. Shanteau (1992: 258) found that poor performance of experts was observed in fields where “the stimuli is dynamic and generally involve human behaviour.” Knowledge of culture is an understanding of behaviours and values of a given group of people, hence it is a dynamic field, where it might be difficult for experts to perform significantly better.

Finally, there are two potential methodological explanations for the lack of statistical support for Hypotheses 1a and 1b: (1) biculturalism is already recognized as one of the specific traits on which players are selected to the team, thus its effect cannot be captured (please see section 3.1. for more detail); (2) the proposed statistical model is inappropriate. These possible methodological limitations, potential remedies, and future research avenues to further test and validate findings of this study are presented in Chapter 6.

To sum up, this study found no evidence for a universal positive effect of bicultural managers and team members on team performance. The lack of the effect could be potentially explained by negative effects of biculturalism canceling out the positive effects, or a misfit between the task environment examined in this study and bicultural skills. No significant performance improvements do not confirm previous propositions of general positive contribution of biculturals on organizational performance. The relationship between biculturalism and team performance – although proposed in the literature – was not observed; hence a more detailed analysis of potential factors moderating this relationship was
necessary. Two moderators were tested in this study: (1) a potential interaction between a bicultural manager and biculturalism of the team; and (2) the moderating role of the external environment.

### 5.1.2. Bicultural manager and bicultural team members interaction

The first factor moderating the impact of biculturalism on team performance examined was an interaction effect between a bicultural manager and biculturalism of the team. Dau (2016: 48) proposed that “bicultural team members have a latent potential to enhance (...) performance of their teams,” but “this potential is only fully realized when the characteristics of the individual and team are synchronized.” Dau adapts a configurational fit perspective arguing that biculturalism could contribute to team performance, but only when there is a ‘fit’ between the bicultural individual and the team. For instance, when the team is culturally homogeneous, the bicultural individual does not get a chance to serve as a cultural bridge, hence its contribution to team performance might be negligible. On the other hand, where significant cultural faultlines within the team exist, the bicultural individual could bridge the gap between the two (or more) cultures, thus improving team performance. Since in the sample selected for this study, all teams were culturally homogeneous (all team members were nationals of the same country, but some of them were bicultural), the fit between a bicultural manager and bicultural team members was analyzed. Most of the cross-cultural skills developed by biculturals are tacit in nature (Brannen, 2004) and are difficult to recognize and use (Evans et al., 2004). Bicultural managers were hypothesized to be able to recognize these skills and use them more efficiently. However, the empirical analysis did not confirm Hypothesis 2.

Hypothesis 2 assessed the effect of the fit between bicultural managers and the team. The lack of positive effect on team performance might be explained along the same lines as the explanation for Hypothesis 1 not being supported (please refer to section 5.1.1.). The lack
of empirical support might serve as a starting point for further discussion of the interaction between individuals’ biculturalism and the team and/or the manager. Hypothesis 2 was based on bicultural managers being able to recognize and use skills of bicultural team member more efficiently, because they are bicultural themselves. However, the hypothesis focused on positive effects on team performance without looking at individual performance. Potentially, bicultural individuals in teams managed by another bicultural might perform better individually, and yet the team might not benefit. However, to test such a hypothesis a different type of individual-level data would be necessary.

5.1.3. The moderating role of the external environment

Early literature on biculturals in organizations (e.g., Brannen, Garcia, & Thomas, 2009; Hong, 2010; Fitzsimmons, Miska, & Stahl, 2011) proposed that bicultural individuals have the potential to contribute to performance of multinational organizations and global businesses. The underlying reasoning was based on the fact that multinational companies (MNCs) operate across national borders (Brannen & Thomas, 2010), hence employees with superior cross-cultural skills could be an important resource. Friedman and Liu (2009) and Kiesel and Haghrian (2012) pointed out biculturals’ role as “culture bridges” when employees from two cultures are to cooperate. However, even within multinational corporations not all teams operate in international environments (or consist of individuals coming from various countries). For example, a local sales team might operate in an environment that is familiar and the team might consist of individuals who are well-versed in the local culture (e.g., nationals of the local country). In such a situation, task performance is driven mostly by their experience and the fit of the skills with the given market. In such an environment, the effect of bicultural managers and/or team members is likely to be limited because the task environment does not call on cross-cultural skills. Conversely, in cases where top management teams (or R&D teams) consist of diverse individuals coming from
various countries and are often engaged in activities that span national borders, hence their exposure to cross-cultural challenges is much greater. The empirical findings of this study suggest that the level of cultural diversity of the external environment indeed plays a moderating role in the relationship between biculturalism of the manager and team performance (Hypothesis 3a).

The idea of a fit between organizational elements and the external environment is not at all new in the management literature, early examples include ideas of an “internal” fit between strategy and structure (Chandler, 1962) and an “external” fit between structure and environment (Lawrence & Lorsch, 1967). Miles and colleagues (1978) proposed that organizational performance is dependent upon the fit that managers establish between organizational and environmental elements. Organization-environment fit was a dominant approach in management and strategy research. However, Meyer, Tsui, and Hinings (1993) proposed that there is potential for interesting research at the individual-environment intersection. Katz and Kahn (1978) argued that one of the roles of leaders and managers is to connect the team to the external environment; hence bicultural managers, who hold more complex understandings of culturally diverse environments might be able to link their teams to the environment more effectively. In the strategic management literature there is an emerging stream of research on microfoundations, i.e. individual level underpinnings of organizational-level (or even macro-level) outcomes (Abell, Felin, & Foss, 2008). The importance of configurational fit between a bicultural manager and a diverse external environment contributes both to the biculturalism literature, and, potentially, to the microfoundations of strategy stream of research.

Interestingly, the interaction of the cultural diversity of the environment and biculturalism of the team (Hypothesis 3b) was not statistically supported. Furthermore, the direction of model coefficient indicated a potential negative effect of extent of bicultural
individuals on the team. The effect was not statistically significant; hence any conclusions must remain speculative. Nevertheless, these results raise important questions about differences in effects of bicultural team members and managers. The difference could potentially be explained by difference in tasks and activities due to different roles of team leaders and team members. This explanation is consistent with the argument for a fit among characteristics and bicultural skills. In this context, managers are more concerned with the external environment of the organization (therefore, taking advantage of their biculturalism), while team members are focused on interactions within the team (seems less dependent upon the external environment).

5.2. Implications for theory

Biculturalism is an important phenomenon, drawing significant scholarly attention. It is, however, hardly a well-defined academic field or a consistent stream of literature. In fact, it is more of a common phenomenological thread of several literatures, spanning across sociology, psychology, organizational behaviour, international business, and strategic management. This study builds on this multi-literature background and, in turn, offers insights, that could be grouped into: (1) insights for the biculturalism literature, mainly by theory testing and adding new moderators; and (2) contributing to a new, growing stream in strategic management literature, namely the microfoundations of strategy.

5.2.1. Implications for the biculturalism literature

The main contribution of this study to the biculturalism literature is two-fold. First, the study examined a large group of organizations, operating in environments characterized by different levels of cultural diversity, and hence allowed a quantitative test related existing theories. While there is a substantial body of conceptual literature on biculturals in multinational corporations, relatively few studies have tested its effect on organizational
performance. Theory testing plays an important role in development of a field as “such testing can temper enthusiasm for appealing but invalid models” (Colquitt & Zapata-Phelan, 2007: 1283). This study tested some propositions put forward in the biculturalism literature and confirmed that bicultural managers are valuable resources for organizations operating in culturally diverse environments. Conversely, the positive effect of bicultural team members was not found to be significant, yet one must remember that the absence of evidence is not evidence of absence (Altman & Bland, 1995). As discussed in section 5.1.1. the results do not disprove already existing theories, but rather suggest that the effect of biculturalism might be contingent on several factors.

Second, cultural diversity of the external environment was found to play a moderating role between biculturalism of the manager and team/organizational performance. Early on in the development of the biculturalism research stream, scholars suggested that bicultural individuals could be valuable assets for multinational corporations because of their cross-cultural skills and deep tacit cultural knowledge (e.g., Friedman & Liu, 2009; Brannen, Garcia, & Thomas, 2009). Implicitly, the scholars assumed that multinational corporations operate across multiple cultures (Brannen & Thomas, 2010), hence cross-cultural skills could be important. However, even in large multinational corporations not all tasks and functions are performed across national and/or cultural boundaries. This study shows that bicultural managers are able to contribute to performance if their team/organization operates within an environment that is highly culturally diverse, but there is no evidence that they would be as efficient and effective in a homogeneous environment. In other words, it adds another very important boundary condition to the theories of bicultural contribution to team and organizational performance.
5.2.2. Implications for the strategic management literature

The biculturalism literature has been predominantly embedded in the international business and cross-cultural management literatures (Fitzsimmons, 2013; Brannen & Thomas, 2010; Brannen, Garcia, & Thomas, 2009). The findings of this study, however, can contribute to the strategic management literature. In this section, the implications for the strategic management literature are discussed, focusing on microfoundations of strategy.9

Even though top-management team (TMT) research is an important element of strategy research (Finkelstein & Hambrick, 1990; Hambrick, Cho, & Chen, 1996), strategic management has been traditionally considered to be a macro area (Molina-Azorin, 2014). However, there is a recent trend in the strategic management literature to examine microfoundations of organizational processes (e.g., Foss, 2003; Felin & Foss, 2005; Felin, Foss, & Ployhart, 2015). The main premise of microfoundations of strategy research is “to unpack collective concepts to understand how individual-level factors impact organizations” (Felin, Foss, & Ployhart, 2015: 576) and how macro-level constructs are mediated by individual-level actions and interactions (Abell, Felin, & Foss, 2008).

This study of bicultural managers and their effect on team performance links the micro-level construct of biculturalism to a macro-level outcome. The managers are hypothesized to play an important role in developing dynamic capabilities of their team/organizations to effectively outperform their international competitors. In what follows, the mechanisms of how this could happen are described.

Much of the theorizing about how dynamic capabilities drive performance focuses on organization-level explanatory factors such as internationalization capabilities (Cuervo-Cazurra, 2012; Felin, 2015). However, these organization-level explanations ignore the fact

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9 This section is based on hypotheses developed in: Szymanski, Fitzsimmons, & Danis: Multicultural Microfoundations of Global Performance (currently under review at the Journal of World Business).
that strategic decisions about phenomena like knowledge management, resource allocation, and strategic choice or posture, are made by the individual managers at the top of the organization (Barney, 1991; Finkelstein & Hambrick, 1996). That is, individuals and their interactions underpin firm-level capabilities and outcomes through managerial capabilities, which are valuable, rare, and imperfectly imitable (Felin, Foss, Heimeriks, & Madsen, 2012; Foss, & Pedersen, 2014; Helfat & Peteraf, 2015). When the individuals responsible for determining strategic direction are ignored, it becomes difficult to explain how top managers’ strategic decisions help organizations develop dynamic capabilities that fit their competitive environments. Consequently, a number of strategic management and organizational scholars have called for more microfoundations research (e.g., Coff & Kryscynski, 2011) and research that can aggregate or bridge micro and macro level constructs and phenomena (Barney & Felin, 2013).

The most successful organizations are typically those that are able to use dynamic capabilities to seize opportunities ahead of their competitors (Eisenhardt & Martin 2000, Helfat & Peteraf 2009, Teece, Pisano, & Shuen, 1997). Organizational capabilities are not universally relevant; instead, they support competitive advantage when they are aligned to the firm’s competitive environment (Bourgeois, 1980; Lawrence & Lorsch, 1967). Specifically, the capabilities necessary to compete globally, such as cultural adaptation, local responsiveness, knowledge development and diffusion, and building differentiated yet globally linked subsidiary competencies, are distinct from those optimal for competing locally or regionally, such as organizational consistency and local or regional specialization (Bartlett & Ghoshal, 1987; Ghemawat, 2005; Luo, 2000). Consequently, the success of organizations in less globally competitive contexts is driven by the same capabilities needed to compete globally; instead, it is likely to be driven by capabilities optimized for the more localized competitive environment (Porter, 1986). Consistent with this observation and
following a configurational fit perspective (Meyer, Tsui, & Hinings, 1993) one may argue that dynamic capabilities drive performance only to the degree that they fit with the characteristics of the competitive environment, such as the degree of globalization and/or degree of cultural diversity. To develop this argument, it is useful to examine which microfoundational drivers of dynamic capabilities are most relevant in environments with varying levels of global competition, which was conceived here as the degree to which competition is multinational in scope (Porter, 1986).

Relating the strategy literature to this study, environmental complexity is an antecedent of team and organizational performance (McGrath, 1964) and shared understanding of the environment by team members influences effects (Mathieu et al., 2005). In this study, the effect of the cultural heterogeneity of competitors on team performance was examined. The cultural diversity of the competitive environment was measured by computing the average cultural distance (Kogut & Singh, 1988) for all teams participating in a tournament (please see section 2.1.6. for a detailed description). World Cup tournaments tend to have highly diverse competitive environments, whereas UEFA Championships are moderately diverse; hence the former may be seen as a “global” environment, and the latter as more local/regional.

Empirical results reported in Chapter 3 suggest that the foundations of competitive advantage may lie partly in the fit between the cognitive and behavioral attributes of individual managers, related organization-level dynamic capabilities, and the extent of global competition in the organization’s environment. Specifically, the cognitive and behavioral attributes of bicultural managers are not particularly relevant in less global environments, but they can provide essential microfoundations for competitive advantage in environments where the degree of global competition is high. Conversely, the opposite is true in competitive environments with lower levels of global competition, where the cognitive and
behavioral attributes of monocultural top managers are relevant and therefore drive competitive advantage.

Organizations in highly global competitive environments must therefore develop dynamic capabilities related to flexibility to capitalize on high levels of velocity by noticing and acting on strategic opportunities faster than the competition, and interconnectedness to capitalize on complexity (Eisenhardt et al., 2010). Velocity is the speed of change and intensity of competition, while complexity is the number of domain elements influencing operations of the organization (Eisenhardt, 1989). Flexibility is often developed at the expense of efficiency, which is an acceptable tradeoff in fast-changing environments (Eisenhardt et al., 2010). There are multiple ways to develop these capabilities such as drawing on the creativity of multicultural employees to solve complex global problems (Roth & Kostova, 2003; Stahl, Maznevski, Voigt, & Jonsen, 2010). Building on the empirical findings of this study, one may argue that the cognitive and behavioral attributes of bicultural managers are more likely to provide foundations for highly flexible discontinuous dynamic capabilities, providing competitive advantage within highly global competitive environments, whereas the cognitive and behavior attributes of monocultural managers are better suited to developing highly efficient incremental capabilities that are uniquely adapted to local environments, providing competitive advantage within less global competitive environments. In both cases, competitive advantage for the organization is achieved through configurational fit between the cognitive and behavioral attributes of top managers and the dynamic capabilities driving performance within the competitive environment.

The biculturalism literature suggest that bicultural managers exhibit cognitive skills in some areas superior to their monocultural peers (please refer to Chapter 2 for more discussion on the skills and abilities), but the actual mechanisms remain understudied. Hong (2010) and Fitzsimmons and colleagues (2011) proposed processes through which biculturals could
contribute to team performance, but did not examine *mechanisms* within the individual. Microfoundation research is focused on the latter (Felin, Foss, & Ployhart, 2015); hence the potential mechanisms ought to be outlined. Teece (2007) proposed a framework for the microfoundational analysis of dynamic capabilities, and Helfat and Peteraf (2015) elaborated the cognitive foundations of these capabilities. When combined, they collectively argue that top managers drive their firms’ dynamic capabilities by engaging in three cognitive activities: (1) *sensing* refers to the act of recognizing opportunities and threats, and is driven by individuals’ superior perception and attention; (2) *seizing* opportunities refers to the capacity to make high-quality and interrelated strategic decisions, and is driven by problem-solving and reasoning abilities; and (3) *reconfiguring* refers to the ability to recombine assets in response to changing competitive environments, and is driven by both social cognition and language and communication skills (Helfat & Peteraf, 2015: 837). Such skills are not uniformly distributed among individuals, suggesting that managers who possess them can be an important source of superior performance for their organizations, particularly if they are able to embed such capabilities within the organization itself (Gavetti, 2012; Helfat & Peteraf, 2014).

Underlying all of these cognitive activities is the assumption that top managers will notice, interpret and take into account environmental events in order to guide the organization towards opportunities and away from threats. Bicultural and monocultural managers each notice and act upon opportunities in their environments, but the opportunities, and the possible solutions for acting upon them, differ in terms of their cognitive proximity (Gavetti, 2012). Bicultural top managers could specialize in identifying, acting on, and legitimizing opportunities that are cognitively distant, meaning that they “lie outside the purview of predominant ways of thinking” (Gavetti, 2012: 268). Examples include exploiting global opportunities by understanding, drawing upon, and integrating strategies or organizational
routines adopted from multiple cultural and geographic contexts. In contrast, monocultural
top managers are likely to be better at capitalizing on opportunities that are cognitively
proximate, meaning that they lie closer to the manager’s predominant domain of experience
and their organization’s immediate competitive space. Examples include exploiting
proximate opportunities by applying deep experience and knowledge from the local cultural
domain to develop organizational strategies tailored to the local or regional competitive
context. For the purposes of this study, the proximity of cognitive opportunities is
conceptualized mainly in terms of national or societal culture, rather than cognitive proximity
with respect to industry for example, since the cultural and international domain is the
primary means by which monocultural and bicultural managers are distinguished from one
another.

As a result, bicultural top managers could be more likely to sense, seize and
reconfigure cognitively distant opportunities that exist across countries and cultures. With
respect to sensing, bicultural individuals are accustomed to perceiving matters globally. They
have been found to possess more cognitively complex cultural representation than
monoculturals, demonstrate better awareness and understanding of cultural differences, and
are more capable of regulating their behavior to adapt to cues in cross-cultural situations
(Benet-Martinez & Haritatos, 2005; Tadmor, Tetlock, & Peng, 2009). They are also
experienced at switching cultural frames in response to the context, allowing them to expose
undiscovered avenues for organizational growth. When it comes to seizing, bicultural
managers may be more likely to account for multiple perspectives during problem-solving by
drawing on their higher levels of creativity (Leung, Maddux, Galinsky, & Chiu, 2008),
cultural knowledge (Benet-Martinez & Haritatos, 2005) and flexibility (Chiu & Hong, 2004,
2005). These cognitive attributes may help them put globally-oriented strategic plans into
action. In particular, these cognitive benefits of multicultural individuals have been found to
only exist when tasks are international or cross-cultural in scope (Leung & Chiu, 2010; Leung et al., 2008), further supporting the configurational fit argument. Finally, bicultural managers’ expertise in cross-cultural communication and conflict mediation may help them reconfigure assets by facilitating change processes for both employees and external stakeholders, persuading culturally-diverse stakeholders to accept and endorse change (Fitzsimmons, Miska, & Stahl, 2011; Kiesel & Haghirian, 2012). Together, these cognitive attributes drive organizational international flexibility, a competitive advantage in highly global environments.

5.3. Implications for practice

For practicing managers, the seemingly inexorable march toward globalization requires them to operate in increasingly diverse markets characterized not only by more diverse and complex customer demands, but also more diverse competition and rapid change. While the cognitive capabilities of bicultural managers might allow them to better sense and seize cognitively distant opportunities worldwide, to more fully comprehend competitors’ strategies and diverse market nuances, and to respond more flexibly to change, the results suggest that biculturalism is not a silver-bullet. Competitive contexts vary in both their extent of global rivalry and their dynamism. In settings where competition is less global, where workforces are less multicultural, and where environments are more stable, it may be that bicultural managers have few advantages over their monocultural counterparts. This implies a contingency approach to staffing and managing organizations whereby the broader environmental context must be taken into consideration when considering the capabilities of managers and their abilities to develop and implement the types of organizational capabilities that provide the basis for competitive advantage.
5.4. Summary

In conclusion, bicultural individuals, especially bicultural managers, are important resources for multinational corporations (Furusawa & Brewster, 2015), but their effect on organizational performance remains unclear. Contemporary research on biculturalism indicates that certain skills and abilities of biculturals might be limited to the cross-cultural domain (Benet-Martinez et al., 2002), while other studies (e.g., Dau, 2016) suggest that the effect of biculturals on team/organizational performance depends on a fit between the bicultural individual and the team. This study sheds some light on a fit between the bicultural manager and the external environment of the organization, and it adds another important element. In other words, this study adds a third moderator to the relationship between biculturalism and team/organizational performance. To the existing two, namely (1) cross-cultural nature of the task; and (2) configurational fit of the individual and the team; there is a need to address the culturally diversity of the external environment of the organization. Building on this, scholars interested in biculturalism can pursue further research of its effects on organizational performance, by including the emerging streams of cognitive and behavioural microfoundations of strategy (Foss & Pedersen, 2014; Gavetti, 2012).
CHAPTER 6 – LIMITATIONS AND FUTURE RESEARCH AVENUES

While this dissertation makes a contribution to the biculturalism literature both by theory testing and theory development, it is not free of conceptual and methodological simplifications, necessary to pursue a novel research path. In this chapter conceptual and methodological limitations are discussed and potential future research avenues are outlined. This chapter starts with a brief discussion of limitations of this study, followed with an outline of potential future research directions.

6.1. Limitations

Like all studies, this study has limitations, which suggest avenues for future research. Additional studies in a wider variety of environmental and industry contexts are necessary to fully understand underlying mechanisms hypothesized and examined in this dissertation. Likewise, more detailed, multilevel, and potentially longitudinal data would allow more refined analysis, which could tease out the particular mechanisms contributing to the effect of biculturals. In what follows, four limitations of this study are outlined.

First, as already noted in Chapter 3, using sport as an empirical context has several advantages (Wolfe et al., 2005; Goff & Tollison, 1990) and association football is an important global industry worth studying. On the other hand, the context of international association football (and sport in general) is different in many respects from other types of industries (Szymanski & Wolfe, 2016), which raises generalizability concerns. As discussed below, further research is necessary to determine the extent to which the findings of this study generalize to other environments.

Second, there are many definitions and measures of biculturalism, ranging from those based on general demographic characteristics to psychologically specific conceptualizations (Nguyen & Benet-Martinez, 2007), and there are different types, levels, and measurements of
culture (Caprar, Devinney, Kirkman, & Caligiuri, 2015). In this study only national culture was considered in operationalizing biculturalism and bicultural identity integration mechanisms were unaccounted for (e.g., Hanek, Lee, & Brannen, 2014; Brannen & Lee, 2014), which might have provided additional insights. Furthermore, analyses of biculturalism of other types (e.g., ethnic group; professional cultures) might be another potential research avenue. Consequently, additional conceptualizations and empirical measures of biculturalism, and richer data, are required to extend the theoretical insights developed here.

Third, because of data limitations this study was unable to examine potentially important attributes of each team member. Dau (2016) proposed that characteristics of the bicultural individual and their team must be synchronized to realize the team’s full potential. While the results suggest that this may be the case in the context of association football, data limitations prevented systematically comparing the attributes of individual team members and their managers. Likewise, while the findings suggest that there are important linkages between biculturalism, environmental context, and performance, data limitations did not allow for the mapping of particular cognitive capabilities to specific organizational strategies or capabilities. Future research along these lines might allow the establishment, for example, whether higher levels of behavioral flexibility in individual managers translates into more ambidextrous strategies at the organizational level, and to map the meso-level processes and mechanisms by which this might occur.

Fourth, another limitation due to the specific research context is the short-term nature of the teams in the selected sample. The football tournament setting with its regulations regarding no changes in the team roster allowed for natural control of adding, dropping, and reconfiguring resources, it also limited insights on long-term cooperation and organizational performance. Despite the fact that some national teams participated in more than one tournament, this study treats all observations independently (please see Chapter 3 for a
methodological explanation), that is, it is a cross-sectional, not a longitudinal study. A longitudinal study, examining organizational performance across a longer period and, perhaps, in numerous environments of various characteristics, may reveal how bicultural managers and team members adapt to new environments.

Fifth, there are methodological and research design limitations possibly affecting statistical significance of the results. To start with, this study is based on the assumption that biculturalism in not a trait already appreciated while hiring managers and/or selecting players. This is consistent with Furusawa and Brewster (2015) findings that there are no strategies or practices in multinational corporations designed to utilize biculturalism as an important resource. There might be no official policies, however biculturalism might be implicitly appreciated, thus its effects would be difficult to capture in a study such as this one. Moreover, Furusawa and Brewster (2015) findings were based on practices in corporations, not on sport teams. To address whether biculturalism might be implicitly appreciated by managers, a conjoint analysis (Green, Krieger, & Wind, 2001) of managerial preferences could be performed to examine the importance of biculturalism in team member selection (compared to other characteristics and skills). Also, a follow-up individual-level study examining biculturals and their monocultural peers could be conducted to determine differences in relative performance of both groups and their evaluations (e.g., performance assessment and/or monetary valuation). If biculturalism is already a trait sought on the market, a bicultural player will be valued more than a monocultural player with the same observable output (e.g., goals, assists). Another important issue limiting interpretation of this study is endogeneity. While potential endogeneity problems were addressed by applying Heckman’s (1979) two-stage model, using Heckman’s model, a standard approach in management research which allows well informed judgments on whether the results are outcomes of endogeneity (e.g., Georgakakis & Ruigrok, 2017; Brown et al., 2011) does not
account for all potential endogeneity. Finally, the study used a sample of national football teams and biculturals were coded based on secondary data, hence the actual internalization of the other culture(s) was (were) not determined.

6.2. Future research avenues

Biculturalism is a phenomenon of growing importance, yet it is not fully understood how bicultural individuals may contribute to organizational performance. This study addressed two important questions, i.e. (1) what is the effect of the biculturalism of team members and leaders on team performance?; (2) how does the diversity of the competitive environment of the organization moderate the effect(s) of biculturalism? However, there certainly are more related aspects of biculturalism to be studied. In what follows, five potential research directions are discussed.

First, there are questions whether different biculturalism types have the same effect. The biculturalism literature so far has focused on categorization and typologies based on bicultural identity integration (e.g., Huynh, Nguyen, & Benet-Martínez, 2011; Brannen & Thomas, 2010). There is little known about the implications of how individuals acquired the other culture and how that would influence their skills and performance. Scholars have theorized about potential differences among biculturals based on their bicultural identity integrations (BII) schemes (Fitzsimmons, 2013) and multicultural experience (Cheng et al., 2009). Surprisingly, there is little research examining differences among biculturals stemming not from how they manage their cultural identities, but how and when they become bicultural (Martin & Shao, 2016). Sociology research has established that acculturation processes unfold differently in individuals of different age, which may result in significant differences in individuals’ well-being (e.g., Phinney, Horenczyk, Liebkind, & Vedder, 2001), psychological stress (e.g., Romero & Roberts, 2003) and health (e.g., Salar & Lauderdale, 2003). The timing of acculturation (for instance age of arrival to the new/host country) has a
significant effect on individuals’ self-identification (e.g., Marin, 1993). Moreover, learning a new culture has been compared to learning a second language (e.g., Schumann, 1986), thus some research on language acquisition may be helpful in theorizing on biculturals’ cross-cultural skills development. Scholars have found that in some areas of second language acquisition, such as accent and pronunciation, age of the student plays a critical role (e.g., Flege, Mackay, & Piske, 2002); however, research has also found that learning a second language at a later stage of life leads to development of more analytical skills (e.g., Munoz, 2006). These two streams of literature (bilingualism and biculturalism) are not necessarily identical, but the processes might be seen as parallel or, at least, similar. Hence, drawing on the language acquisition literature, one may theorize about different cross-cultural skills development contingent on when the process is taking place, and not how the bicultural individual manages his or her identities.

Second, the actual mechanisms through which bicultural managers (and potentially team members) contribute to organizational performance remain unclear. This dissertation is a variance study and it answered the question whether bicultural managers contribute to organizational performance, but it did not shed more light on the actual mechanisms. While management scholars (e.g., Hong, 2010; Fitzsimmons, 2013; Fitzsimmons, Miska, & Stahl, 2011) have proposed a number of mechanisms concerning how bicultural employees contribute to organizational performance, due to the variance nature of the study the mechanisms could not be addressed. A process study could potentially examine any differences in how these mechanisms work for bicultural and monocultural managers.

Third path for future research is a further analysis of the interaction of the external environment of the organization and bicultural managers. This study focused on one feature of the external environment, namely cultural heterogeneity. However, while heterogeneity is an important element of complexity of the environment (Roth & Kostova, 2003), velocity is
also a key characteristic (Eisenhardt, 1989; Eisenhardt et al., 2010). The latter refers to the speed of change and intensity of competition (Eisenhardt, 1989). The sample collected for this dissertation covered two types of environments: (1) highly heterogeneous World Cup tournaments; (2) less culturally heterogeneous European Championship (please see Chapter 3 for more details on measurement) and statistical analysis revealed that bicultural managers contribute positively to organizational performance in more diverse environments. However, there is another significant difference between these two environment, namely level of competition. For various historical reasons, the European competition is often considered more demanding than the World Cup given the concentration of high-level national teams in Europe compared to Africa and Asia (especially in the 1990s, which is the first part of the study period). Future research could address the effect of higher levels of competition. So far most studies have focused on positive effects of biculturalism for the individual and for the organization (Fitzsimmons, Miska, & Stahl, 2011), some researchers have pointed to boundary conditions of these effects (e.g., Fitzsimmons, 2013; Dau, 2016), but very few have examined negative effects. Notable exceptions come from sociology, where biculturalism has sometimes been associated with higher levels of stress (Romero & Roberts, 2003). Currently some researchers (e.g., Hanek, 2016) are studying the effects of biculturalism (BII to be more precise) on decision-making, pointing out to indecisiveness of biculturals with lower levels of identity integration. In a high-speed/high-competition environment, the inability of a manager to make any decision (or a late decision) might have a detrimental effect on organizational performance. However, more conceptual work is necessary to formulate any testable hypothesis in this area.

A fourth avenue for future research is understanding the relationship between biculturalism and bilingualism. This study did not examine any potential differences between biculturalism and bilingualism. While in this particular research setting where all team
members represent the same country and speak (at least one) common language, the difference between biculturalism and bilingualism plays a less important role. The issue becomes more important, when the manager is a foreign national who may need to overcome linguistic problems when dealing with his own team. One could potentially theorize about differences among four different types of team members: (1) monolingual and monocultural; (2) monolingual and bicultural; (3) bilingual but monocultural; and (4) bilingual and bicultural. The effect of bicultural/bilingual team members and managers on within-team interactions and performance remains a fascinating research question.

Fifth, gender of the manager and team members and its implication on organizational performance could be an important and interesting research avenue. Surprisingly, there is no discussion on gender differences among biculturals in the conceptual literatures. What is more, there has been no gender-specific discussion in the empirical studies on biculturals in an organizational setting. This offers an interesting potential research path, especially in the light of previous diversity research, which indicated that gender differences do have an effect of organizational performance (e.g., Carter, Simkins, & Simpson, 2003; Miller & Triana, 2009).

6.3. Summary

In conclusion, this study is not free of limitations. Because of the innovative nature of this dissertation, parsimony and simplicity were necessary when designing the study and when empirically analyzing the results. There has been a limited number of empirical studies examining cross-level effects of biculturalism, which could be used as a guiding tool for this study. The quantitative approach has limited the potential insights on particular mechanisms driving biculturals’ contribution to organizational performance, especially this of bicultural team members. Moreover, this study analyzed organizational performance at a specific time point, thus no longitudinal conclusions could be drawn from the results. Finally, the
historical, secondary nature of the data collected limited the ability to analyze the effects of bicultural identity integration of individual team members and managers on organizational performance. In sum, while this study makes a modest, yet important theoretical and empirical contribution to the existing literature on biculturalism and its effects on organizational performance, it opens up numerous new research avenues to be followed in the future.
CONCLUSION

Despite some recent political turmoil, the world is becoming increasingly globalized, both economically and socially. Hundreds of millions of migrants live outside of their country of origin, some temporarily and some permanently, around the world. It is almost impossible to estimate the total number of biculturals living in the world, but according to some counts in countries like the United States, Canada, Australia, as well as in the European Union the percentage of people of mixed cultural heritage can reach up to 30% by 2030. Biculturals are recognized as a growing demographic and as such will become important stakeholders in organizations as potential human resource or customers.

Biculturalism is an important phenomenon; hence studying it in organizations merits scholarly attention which it has been recently receiving in psychological and managerial research. However, the growing literature on biculturalism comes short in two areas. First, there is not enough consideration for the role of the external environment of the team and/or organization. The literature so far has been focused on the bicultural individual places in an international/multinational organization, assuming that the environment is also “international,” but without consideration for the cultural diversity of the environment. Second, there are no large sample quantitative studies examining the effect of bicultural managers and team members on team performance. All studies examining the effect of biculturals on team performance have been qualitative case studies, while all large sample quantitative studies have examined individual level outcomes. This dissertation addressed these two gaps, though more research is necessary to validate the findings.

A statistical analysis of 272 teams embedded in 12 international environments of various levels of cultural diversity revealed a number of interesting findings. First, no statistical support was found for a general positive effect of biculturalism on team performance: neither bicultural managers, nor bicultural team members had a positive effect
on team performance. Second, there is no statistical support for a potential interaction effect between a bicultural manager and team biculturalism. Third, there is a statistically significant interaction effect between biculturalism of the manager and the cultural diversity of the competitive environment, such that bicultural managers contribute more to team performance in environments with higher diversity.

This dissertation makes several contributions to the biculturalism and strategic management literatures. First, it empirically, quantitatively tested a number of conceptual propositions developed in previous studies, finding no statistical evidence for a general positive effect of biculturalism on team performance and no interaction between biculturalism of the manager and the team. Second, the effect of biculturalism is contingent on the cultural diversity of the environment. The literature has proposed that biculturals have the potential to contribute positively to organizational performance, when the environment of the organization is international. But it is not enough for the environment to be international, it must be highly diverse, so that biculturals have the opportunity to leverage their particular skills and cognitive abilities. Third, this study opens a number of new interesting research avenues, in the fields of both biculturalism and microfoundations in strategic management. Future research dealing with different types of biculturalism and their effect on skills and ability development looks particularly promising.

The study’s findings offer valuable insights for multinational organizations operating on the global market. Biculturals are already recognized as an important resource for multinational corporations, but very few have specified strategies and practices in place to fully take advantage of biculturals’ potential. The findings suggest that biculturals should be placed in teams that are often exposed to a diversified external environment rather than in teams that are multicultural, but embedded in a homogeneous environment.
Finally, this dissertation is not the end, it is not even the beginning of the end, but it is, perhaps, the end of the beginning in studying biculturalism and its effects on organizations. I look forward to the rest of what I expect will be a long and fascinating academic journey.
REFERENCES


APPENDICES

Appendix A. Ordinary Least Squares regression model specification

\[ TP = \beta_0 + \beta_1 BC_L + \beta_2 BC_T + \beta_3 CD + \beta_4 BC_L * BC_T + \beta_5 CD + \beta_6 BC_L * CD + \beta_7 BC_T * CD + \\
(\beta_8 FM + \beta_9 IE_L + \beta_{10} MT + \beta_{11} IE_T + \beta_{12} AE_T + \beta_{13} ILE + \beta_{14} FS + \beta_{15} Pop + \beta_{16} GDP + \beta_{17} Host) + r \]

Equation 3. Ordinary least squares regression model used in this study. The brackets ( )
enclose *control variables*.

The following abbreviations where used:

**Dependent variable:**

TP – team performance

**Explanatory variables:**

BC_L – bicultural manager (dummy)

FM – foreign manager (dummy)

IE_L – manager’s international experience

MT – manager’s tenure

BC_T – biculturalism of the team

IE_T – players’ international experience

AE_T – team’s average age

ILE – team’s average international-level experience

FS – team’s average football skills/team potential

Pop – population of the country

GDP – gross domestic product per capita in the country

Host – the tournament’s host (dummy)

CD – cultural diversity of the competitive environment

\[ r \] – error term.
## Appendix B. Supplemental tables

<table>
<thead>
<tr>
<th>HLM Level</th>
<th>Level of Analysis</th>
<th>Construct</th>
<th>Variable</th>
<th>Measurement</th>
<th>Source(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dependent</td>
<td>Output</td>
<td>Performance</td>
<td>Wins Per Game (WPG)</td>
<td>Continuous (0.0-1.0)</td>
<td>Tournament Final Reports available at: <a href="http://www.fifa.com">www.fifa.com</a> and <a href="http://www.uefa.com">www.uefa.com</a></td>
</tr>
<tr>
<td>1</td>
<td>Individual</td>
<td>Biculturalism</td>
<td>Bicultural Manager</td>
<td>(0) – monocultural manager; (1) dual (or more) citizenship; (2) parents from different cultures; (3) parents, who migrated and stayed in a given country for more than five years before the child turned 19 years old; (4) – manager who migrated (and stayed in a given country for more than five years) after he turned 19 years old; (5) – manager who has been exposed to three or more cultures before age 19.</td>
<td>All information about individual players and managers were retrieved from one or more of: (1) <a href="http://www.fifa.com/fifa-tournaments/players-coaches">www.fifa.com/fifa-tournaments/players-coaches</a> (2) <a href="http://www.transfermarkt.de">www.transfermarkt.de</a> (3) <a href="http://www.whoscored.com">www.whoscored.com</a> (4) <a href="http://www.soccerbase.com">www.soccerbase.com</a> (5) <a href="http://www.footballdatabase.eu">www.footballdatabase.eu</a> and individually coded and recoded.</td>
</tr>
<tr>
<td></td>
<td>Elite Coaching</td>
<td>Foreign Manager</td>
<td>Manager’s international experience</td>
<td>Dichotomous 0/1</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Manager’s tenure</td>
<td>Time with the team</td>
<td>Continuous (in years)</td>
<td></td>
</tr>
<tr>
<td>Team</td>
<td>Biculturalism</td>
<td>Biculturalism of the team</td>
<td>Percentage of bicultural players on the roster</td>
<td>Coded: (0) monocultural players; (1) dual (or more) citizenship; (2) parents from different cultures; (3) parents from the same culture, who migrated and stayed in a given country for more than five years before the child turned 19 years old; (4) migrated (and stayed in a given country for more than five years) after they turned 19 years old. (5) exposed to three or more cultures before age 19.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Elite Players</td>
<td>Players’ international experience</td>
<td>Average international experience (in years)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(used for endogeneity analysis with biculturalism)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Football potential</td>
<td>Team’s average age</td>
<td></td>
<td>Average age of all 23 players</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Team’s average international level experience</td>
<td>Team’s average international level experience</td>
<td>Team’s average international level experience</td>
<td>Average number of international caps</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Team’s average football skills</td>
<td>Team’s average football skills</td>
<td>Player’s professional team=League-&gt;League ranking=7-point-scale (7 for players in best leagues)</td>
<td></td>
<td>Information about each player’s club affiliation was cross-referenced with International Federation of Football History and Statistics reports available: <a href="http://fifhs.de">http://fifhs.de</a></td>
</tr>
<tr>
<td>Organization</td>
<td>Country sport potential</td>
<td>Population</td>
<td>Log of population</td>
<td></td>
<td>World Development Indicators Database data.worldbank.org</td>
</tr>
<tr>
<td></td>
<td>Organizational learning</td>
<td>GDP per capita</td>
<td>Log of GDPPc</td>
<td></td>
<td>Football Associations’ websites data.worldbank.org</td>
</tr>
<tr>
<td></td>
<td>Home field advantage</td>
<td>Age of the organization</td>
<td>When the national football association was founded</td>
<td></td>
<td><a href="http://www.fifa.com">www.fifa.com</a> and <a href="http://www.uefa.com">www.uefa.com</a></td>
</tr>
<tr>
<td></td>
<td>Host</td>
<td></td>
<td>Dichotomous 0/1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Environment</td>
<td>Cultural Diversity of the competitive environment</td>
<td>Average Cultural Distance</td>
<td>ACD = ( \frac{1}{\sqrt{n}} \sum (D_{ij} - D_{1Av})^2 + \ldots + \frac{1}{\sqrt{n}} \sum (D_{ij} - D_{5Av})^2 ),</td>
<td>Hofstede’s Cultural Dimensions available at: <a href="http://www.geert-hofstede.com/countries">www.geert-hofstede.com/countries</a></td>
</tr>
</tbody>
</table>

### Table 9. Summary of the variables and their sources used in this study.
**Country level controls**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Baseline</th>
<th>Model 1</th>
<th>Model 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Host</td>
<td>0.14***</td>
<td>0.14***</td>
<td>0.12**</td>
</tr>
<tr>
<td>GDP</td>
<td>-0.00</td>
<td>-0.01</td>
<td>-0.01</td>
</tr>
<tr>
<td>Population</td>
<td>0.04***</td>
<td>0.04***</td>
<td>0.04****</td>
</tr>
<tr>
<td>Football tradition</td>
<td>0.01***</td>
<td>0.00***</td>
<td>0.00****</td>
</tr>
</tbody>
</table>

**Manager level controls**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Coefficient</th>
<th>Std. Err.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age of the manager</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Tenure of the manager</td>
<td>0.00</td>
<td>0.01</td>
</tr>
<tr>
<td>Tenure quadratic</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Foreign manager</td>
<td>-0.05</td>
<td>-0.05</td>
</tr>
<tr>
<td>Years of foreign experience</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Multicultural background</td>
<td>0.03</td>
<td>-0.04</td>
</tr>
</tbody>
</table>

**Diversity**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Coefficient</th>
<th>Std. Err.</th>
</tr>
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<tr>
<td>Global environment</td>
<td>-0.01</td>
<td>0.07</td>
</tr>
<tr>
<td>Multicultural manager x Global environment</td>
<td>0.14***</td>
<td></td>
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**Fixed year effects**

<table>
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<th>Fixed year effects</th>
<th>Yes</th>
<th>Yes</th>
<th>Yes</th>
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</thead>
</table>

<table>
<thead>
<tr>
<th>Fixed country effects</th>
<th>Yes</th>
<th>Yes</th>
<th>Yes</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>N</th>
<th>355</th>
<th>355</th>
<th>355</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>$R^2$</th>
<th>0.14</th>
<th>0.15</th>
<th>0.18</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Change in $R^2$</th>
<th>0.01</th>
<th>0.02**</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Wald Chi2</th>
<th>46.72</th>
<th>51.78</th>
<th>59.79</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Prob-Chi2</th>
<th>0.00</th>
<th>0.00</th>
<th>0.00</th>
</tr>
</thead>
</table>

* $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$.

**Table 10.** Main and interaction effects of biculturalism and globalization of the environment on team performance (GLS regression on an additional sample).\(^\text{10}\)

\[
\begin{array}{l}
\text{Variable} \\
\text{Coefficient} \\
\text{Std. Err.} \\
\hline
\text{Age of the Manager} & -0.03** & 0.01 \\
\text{Tenure} & 0.07 & 0.05 \\
\text{Foreign Experience} & 0.13*** & 0.02 \\
\hline
\text{LR Chi2} & 85.44*** \\
\text{Log likelihood} & -121.85 \\
\text{Pseudo-R2} & 0.26 \\
\end{array}
\]

* $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$.

**Table 11.** Probit model results.

\(^{10}\) Table 10. is adapted from: Szymanski, Fitzsimmons, & Danis: *Multicultural Microfoundations of Global Performance* (currently under review at the *Journal of World Business*).
### Table 12. Main and interaction effects of biculturalism and diversity of the environment on team performance (OLS, including the Mill’s Ratio as an additional control variable).

<table>
<thead>
<tr>
<th>Variables</th>
<th>Coefficient</th>
<th>Std. Err.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td>0.00</td>
<td>0.01</td>
</tr>
<tr>
<td>GDP</td>
<td>-0.01</td>
<td>0.01</td>
</tr>
<tr>
<td>Host</td>
<td>0.14**</td>
<td>0.06</td>
</tr>
<tr>
<td>Football Tradition</td>
<td>0.01**</td>
<td>0.00</td>
</tr>
<tr>
<td>Age of the Manager</td>
<td>-0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Tenure</td>
<td>0.01</td>
<td>0.01</td>
</tr>
<tr>
<td>Foreign Experience</td>
<td>-0.01</td>
<td>0.01</td>
</tr>
<tr>
<td>Foreign Manager</td>
<td>-0.01</td>
<td>0.04</td>
</tr>
<tr>
<td>Age of the Team (quadratic)</td>
<td>0.27</td>
<td>0.42</td>
</tr>
<tr>
<td>Average Number of Caps</td>
<td>0.00*</td>
<td>0.00</td>
</tr>
<tr>
<td>Average Skills</td>
<td>0.10***</td>
<td>0.02</td>
</tr>
<tr>
<td>Average Foreign Experience</td>
<td>-0.00</td>
<td>0.01</td>
</tr>
<tr>
<td>Diversity of the Environment</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Mills Ratio</td>
<td>-0.04</td>
<td>0.12</td>
</tr>
<tr>
<td>Bicultural Manager</td>
<td>-0.06</td>
<td>0.07</td>
</tr>
<tr>
<td>Proportion of Bicultural Players</td>
<td>-0.12</td>
<td>0.16</td>
</tr>
<tr>
<td>Bicultural Manager X Proportion of Bicultural Players</td>
<td>0.10</td>
<td>0.16</td>
</tr>
<tr>
<td>Bicultural Manager X Diversity of the Environment</td>
<td>0.12**</td>
<td>0.06</td>
</tr>
<tr>
<td>Proportion of Bicultural Players X Diversity of the Environment</td>
<td>-0.02</td>
<td>0.16</td>
</tr>
</tbody>
</table>

R2                                      | 0.31        |

Adj-R2                                  | 0.25        |

* *p < 0.1; ** p < 0.05; *** p < 0.01.