**Dynamics that drive value diversity**

**Global Operations**.

The globalization of the business   
economy and the formation of interdepartmental and interorganizational  
alliances are two Dynamics value diversity.

The globalization of the business economy  
has received much recent attention in the world   
As trade barriers are removed and competition intensifies, many   
 companies are beginning to expand their operations in order to take advantage of foreign labor and consumer markets.  
For smaller companies, foreign activities may be limited to a single joint venture or to offshore production or distribution  
systems that involve one or two other countries. For larger   
corporations, foreign offices may be in over one hundred different  
countries .The presence   
of international affiliations, although not inevitable, is likely to   
lead eventually to the formation of teams of people with diverse   
cultural backgrounds, including management teams, design   
teams, operation teams, and marketing teams , all of which engage in decision-making activity.

**Interdepartmental and Interorganizational Alliances.**

In order to succeed in an increasingly competitive domestic and   
global environment, many organizations are utilizing teams to   
pursue new business strategies that emphasize quality, innovation,  
and speed. Such work teams often bring together employees   
from previously segregated areas of the company, creating occupational  
and knowledge-based diversity. For example, the organization   
teams bring together experts from a variety of knowledge backgrounds  
with the expectation that, in combination, they will   
produce more creative thinking and innovation.  
In addition, teams may be used to bring together employees  
from two or more organizations. For example, in order to improve the quality of their finished products, manufacturers may include their suppliers as part of a product-design team, and in order to ensure that the finished product appeals to their   
customers, they may include the end users on the team. Such   
alliances require subunits from different organizations to coordinate  
their activities. In doing so, they produce teams that must   
develop modes of operating that fit with the differing corporate   
cultures in which the subunits are embedded (Corporate (and subunit) cultures shape expectations for   
behavior and guide interactions among interdependent employees.  
During a typical day, they are an unnoticed medium for   
carrying out activities. But when corporate norms, habits, and   
routines are not shared by all the members of an interdependent  
team, they become more salient, creating both opportunities  
for innovation and threats to effective team functioning.  
In today's business environment, work teams are becoming  
both more common and more diverse, intensifying the importance  
of understanding the dynamics of work-team diversity.  
Of particular importance to this chapter is diversity within   
decision-making teams. Organizations are rapidly restructuring to take advantage of the potential benefits of diverse decisionmaking teams, making the assumption that the liabilities of such teams are worth the risk (or can be successfully avoided). Many   
of the specific assets and liabilities of work teams arise directly out of diversity. To be effective, diverse decision-making teams must carefully manage their assets and liabilities. Doing so presumes a thorough understanding of how and why diversity affects   
the behavior of teams and their members.