

Effects of Group-Level Fit on Group Conflict and Performance: The Initiating Role of Leader Positive Affect

Group & Organization Management
2014, Vol. 39(2) 190–212
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DOI: 10.1177/1059601113517138
gom.sagepub.com



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Abstract

Departing from the prevailing focus of the person–environment (P-E) fit literature on individual-level outcomes, we apply the fit concept to the group level and develop a theoretical framework that elaborates the nomological network involving group-level goal fit and ability fit. Specifically, we propose that the positive affect exhibited by leaders and members is a predictor of group-level goal fit and ability fit. We expect two types of group-level fit to predict group performance by shaping intermediate interactive dynamics among members, such as task and relationship conflict. Our analyses based on 96 work teams with 898 members provide empirical support for most of our hypotheses. Of the two group-level fit constructs, only group-level goal fit exerts a significant effect on group performance, which is completely mediated by task and relationship conflict. These theoretical and empirical developments highlight the potential and benefit of the group-level application of the P-E fit theory.

Keywords

group-level fit, goal fit, ability fit, group positive affect, task conflict, relationship conflict, group performance

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Due to the increasing reliance of organizations on teams, researchers and practitioners have become increasingly concerned with the effective management of team processes aimed at achieving high team performance (Kozlowski, Gully, Nason, & Smith, 1999). A reflection of this trend is the recent conceptualization of the person–environment (P-E) fit as a group-level phenomenon (DeRue & Hollenbeck, 2007; Edwards & Shipp, 2007; Seong, Kristof-Brown, Park, Hong, & Shin, 2012), which departs from the prevailing conception of P-E fit at the individual level. The present study contributes to this emerging stream of research by identifying potential predictors of group-level fit and investigating the mechanism through which group-level fit explains group performance.

Drawing on individual-level P-E fit studies, scholars proposed the performance benefit of group-level fit (DeRue & Hollenbeck, 2007). Recently, Shin and Choi (2010) reported the positive relationships between group-level fit constructs and collective engagement of members in organizational citizenship behavior (OCB). The present study extends this line of research by identifying two forms of group-level fit that are crucial to group performance, namely, group-level goal and ability fit. Group-level goal fit refers to the congruence between group members and the group with respect to goals (Witt, Hilton, & Hochwarter, 2001). At the group level, goal fit may indicate the presence of shared goals among members and the collective pursuit of congruent goals, which should foster desirable group processes and outcomes (Stogdill, 1972). Group-level ability fit is conceptualized as the congruence between the knowledge, skills, and abilities (KSAs) of members and the demands of the group task (Kristof-Brown, Zimmerman, & Johnson, 2005). Group members need to possess sufficient task-related resources in the form of experience and knowledge to enable the group to accomplish its goals.

In addition, we identify and test potential mediating mechanisms that explain the group-level link between fit and performance. To this end, we focus on interpersonal processes such as task and relationship conflict as potential intermediate processes that account for the relationship between fit and performance at the group level (Marks, Mathieu, & Zaccaro, 2001). Group-level fit is likely to reduce disparate views or disagreements among members and, thus, effectively control interpersonal clashes or task-related disputes, which, in turn, enhance group performance (Barsade, 2002). Given that group-level fit perceptions represent psychological emergent states of a group, it is reasonable to expect that they predict interpersonal interactions among members to ultimately affect group performance.

Considering the potential of group-level fit as a driver of effective team functioning (DeRue & Morgeson, 2007), understanding the formative process of group-level fit is an important challenge to organizational researchers.

Despite the many studies on P-E fit, scholars have mostly focused on the outcomes but not on the antecedents of fit, although several theoretical accounts have been made on development of fit, including the attraction-selection-attrition model, socialization, and interpersonal interactions (Kristof-Brown & Guay, 2011). In the present study, we isolate the positive affect shared among members as a potential predictor of group-level fit. The affective-consistency perspective (Yu, 2009) suggests that people who experience positive affect are likely to perceive a similarity between the self and the environment because they tend to be less strict in cognitive comparison. For this reason, group positive affect may facilitate the formation of group-level fit perceptions. We further propose that leaders, who are the architects of the group affective tone shared among members, indirectly predict group-level fit by shaping group positive affect (Erez, Misangyi, Johnson, LePine, & Halverson, 2008). Consequently, we propose the positive affect of leaders and members as the initiator of favorable group processes, such as increased group-level fit and decreased conflict, which ultimately improve group performance.

Drawing on the emerging conceptualization of fit at the group level, we contribute to the literature on group-level affect, fit, and conflict in several ways. First, departing from the dominant conception of fit at the individual level, we explore two core aspects of fit at the group level and provide preliminary empirical evidence on the relationship between group-level fit and group performance. Second, we identify group-level mediating processes between fit and performance by testing the intervening role of task and relationship conflict. Third, we propose and empirically validate the positive affect of leaders and members as plausible predictors of group-level fit perceptions and subsequent group processes and performance. The present framework is empirically tested by using field data collected from 898 individuals comprising 96 teams from a Korean company. Considering the predominance of Western samples in the existing studies on P-E fit, the current sample of Korean work teams validates the cross-cultural generalizability of the fit-outcome relationships in an Asian context.

Theoretical Background and Hypotheses

Group-level fit can be conceptualized as either *internal* or *external*. In the current study, we concentrate on internal fit, which “relates to within-team composition and refers to how team member characteristics (e.g., personalities and abilities) fit together” (DeRue & Hollenbeck, 2007, p. 264). Consistent with existing studies (Seong et al., 2012; Shin & Choi, 2010), we focus on perceived group-level fit that represents the overall judgment on the

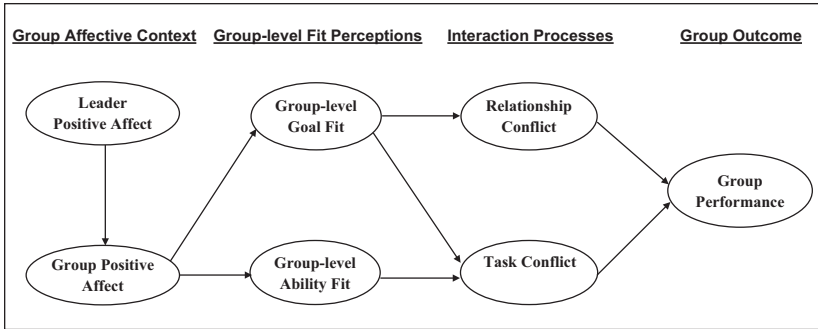


Figure 1. Theoretical model of group-level fit and group performance.

extent to which group members collectively perceive the presence of fit. Prior research has suggested that perceived fit significantly correlates with actual fit based on the actual comparison of two separate measures representing two entities, such as person and environment (Cable & Judge, 1997; Kristof-Brown & Stevens, 2001). In the present study, we investigate the effect of group-affective context as indicated by leaders and members on group-level fit, which further predicts group-interactive processes and group performance. Figure 1 summarizes our overall conceptual model. Below, we elaborate on each hypothesized relationship in the model.

Leader and Group Positive Affect as Predictors of Group-Level Fit

Extending the role of affect to the group level, scholars conceive of affect as a collective property of work teams (Walter & Bruch, 2008). Previous studies have demonstrated that group positive affect is related to members’ collective engagement in citizenship behavior, task coordination, and group performance (Barsade, 2002; George, 1995). Drawing on affect literature, we propose group positive affect as a favorable condition for the development of group-level fit perceptions among members.

The affective-consistency perspective proposes that individuals are motivated to maintain consistency among various attributes of the self (e.g., feelings, values, and attitudes; Yu, 2009). In this respect, the positive affect of group members can influence group-level fit perceptions because the positive affect is inclined to reduce the incompatibility between affective and cognitive elements through cognitive adjustments. Thus, when members collectively experience positive affect during group work, they are apt to tune their cognitive evaluations of the group to engender collective perceptions of

group-level goal fit and ability fit. In effect, group positive affect operates like a *cognitive filter*, which facilitates the development of affect-consistent cognitions related to the group (James & Tetrick, 1986).

The broaden-and-build theory of positive emotions provides a similar account of why and how group positive affect can promote group-level fit perceptions (Fredrickson, 1998). The theory states that positive emotions broaden a thought-action repertoire of individuals (Fredrickson, 2001). When group members share positive affect, they are likely to develop broadened perceptions regarding goals and KSAs among members, allowing them to attend to similarities, rather than differences, between their goals and KSAs with those of the group. Group members who share positive affect would engage in more frequent broadening-and-building interactions, such that they may broaden the range of interpersonal discourses and actively build on and affirm each other's strengths, resulting in a positive appraisal of each other (Rhee, 2006). Such mutual support and social affirmation may promote group members' beliefs regarding the compatibility of their goals and abilities with those of the group and the task demands, respectively.

Hypothesis 1: Group positive affect is positively related to group-level goal fit and group-level ability fit.

Typical teams operating in organizations are composed of a leader and his or her direct reports or members of the team. Although the leader and members can be the source of group-affective tone, literature generally suggests that leaders initiate a particular tone of group affect, which is subsequently disseminated and shared among members through the mood contagion process (Sy, Côté, & Saavedra, 2005). In work groups, leaders are the primary source of affective events that shape the members' affect, beliefs, and behavior (Dasborough, Ashkanasy, Tee, & Tse, 2009; Weiss & Cropanzano, 1996). In addition, because of power differentials in groups, leaders tend to express their own affect more freely and engage in less perspective taking or compassion (Anderson, Keltner, & John, 2003). In contrast, members are more sensitive to the leader's emotional display and readily mimic the leader's mood or behavior, which offers them benefits such as in-group member privileges and enhanced status within the group (Kelly & Barsade, 2001).

Drawing on prior studies of leadership (Sy et al., 2005; Walter & Bruch, 2009), we presume that leaders' positive affect leads to members' positive affect. Given that group-level fit perceptions are properties of group members, the previously mentioned processes, based on the affective-consistency perspective and the broaden-and-build theory of positive emotions, are more directly related to group positive affect than to leader positive affect. Thus,

we propose a direct relationship between group positive affect and group-level goal fit and ability fit. At the same time, given the role of leader positive affect as a driver of group positive affect, the former is likely to indirectly affect group-level fit perceptions through its effect on the latter. Thus, we hypothesize the following relationships:

Hypothesis 2: Group positive affect mediates the relationships between leader positive affect and group-level goal fit and ability fit.

Group-Level Fit and Group Performance

Due to the individual-level focus of existing P-E fit studies, little research has been conducted on group-level implications of fit related to group processes and outcomes. In the present study, we attend to task performance of organizational teams and propose that group-level goal fit and ability fit are positive predictors of group performance. Existing research suggests that goals are a powerful motivator for individuals and groups (Locke & Latham, 1990). When members perceive that their goals are congruent with those of the group, they believe that the group will support their attainment of valued outcomes, thus enhancing their task motivation and commitment to the group (Kristof-Brown & Stevens, 2001). Moreover, goal congruence at the group level facilitates various goal-directed interactions among group members, which further improve goal achievement of the group.

Hypothesis 3: Group-level goal fit is positively related to group performance.

Ability has been acknowledged as a key predictor of task performance (Motowidlo, Borman, & Schmit, 1997); hence, the extent to which members possess KSAs, as required by the group task, should promote group performance. Group-level ability fit can equip group members with necessary resources to successfully fulfill task demands, thus enhancing the readiness to perform their tasks and the collective efficacy to achieve group goals (Shin & Choi, 2010). In addition, when members believe that their group is competent and, thus, can achieve goals, they are more willing to exert extra effort as well as assist other members, because they believe that the effort will not be wasted (Stajkovic, Lee, & Nyberg, 2009). Therefore, we expect that group-level ability fit will promote performance of organizational teams.

Hypothesis 4: Group-level ability fit is positively related to group performance.

Group-Level Fit and Group Conflict

Team process involves the interaction of members with other members and the task environment, through which they achieve group task goals (Marks et al., 2001). In the present study, we isolate task and relationship conflict as core interactive processes that take place when members perceive group-level goal fit and ability fit. Task conflict is “an awareness of differences in viewpoints and opinions pertaining to a group task,” whereas relationship conflict refers to “an awareness of interpersonal incompatibilities [that] includes affective components such as feeling tension and friction” (Jehn & Mannix, 2001, p. 238).

We propose that group-level goal fit is related to task and relationship conflict. When group members work toward the same goal, they are less likely to feel interpersonal tension because they are satisfied with each other due to their goal similarity and accompanying interpersonal attraction (Kristof-Brown & Stevens, 2001). With similar and shared goals within the group, members can easily develop mutual affection and trust, which lubricate interpersonal dynamics and promote collaboration among them (Rhee, 2006). In addition, we propose that group-level goal fit is negatively related to task conflict. Group-level goal fit provides clear purposes, priorities for task-related decision making, and criteria for resource allocation, which should effectively diminish task-related disputes among members.

Hypothesis 5: Group-level goal fit is negatively related to task conflict and relationship conflict.

In contrast, group-level ability fit is expected to predict task conflict but not relationship conflict. When group members encounter task demands that exceed their abilities or resources, they experience task-induced stress because of their failure to perform the task required to achieve valued outcomes (James & Tetrick, 1986). A high level of group-level ability fit leads group members to develop strong collective efficacy (i.e., a shared belief that they can perform the task successfully; Bandura, 1997; Stajkovic et al., 2009). In the presence of a strong collective efficacy, group members will favorably evaluate the other members’ ideas and task behaviors when task-related problems arise because of their confidence in the task competence of the other members (Rhee, 2006). Thus, when group members believe that their KSAs fulfill the demands of the group task and that the task situation is under their control, they are less likely to engage in task-related disputes. Nevertheless, it is not clear whether this task-relevant dynamic involving group-level ability fit can be generalized to broader interpersonal processes, such as relationship conflict.

Hypothesis 6: Group-level ability fit is negatively related to task conflict.

Mediating Effects of Conflict

The effects of group-level fit perceptions on group performance are most likely indirect because group-emergent psychological states, such as group-level fit perceptions, may affect intervening interpersonal dynamics, which have a more proximal effect on group outcomes (Mathieu, Maynard, Rapp, & Gilson, 2008). Thus, we propose that group-level goal fit and ability fit indirectly predict group performance by shaping intermediate interactive group processes such as task and relationship conflict.

Prior research has shown that relationship conflict is detrimental to communication and coordination within the group as well as group performance (de Dreu & Weingart, 2003). In contrast, the role of task conflict has been debated. Task conflict can enhance performance by synthesizing diverse perspectives and promoting mutual understanding among members (Jehn & Mannix, 2001). However, task conflict may also interfere with consensus, distract team members from group task goals, and hinder efficient implementation of action plans (Amason, 1996). Despite intuitively appealing reasons for the benefit of task conflict, a meta-analysis by de Dreu and Weingart (2003) showed that task and relationship conflict have negative effects on member satisfaction and group performance. Thus, we expect that task and relationship conflict have negative effects on group performance. Integrating prior studies on the relationship between group conflict and performance and the plausible link between group-level fit and group conflict proposed in Hypotheses 5 and 6, we advance the following mediation hypotheses.

Hypothesis 7: The relationship between group-level goal fit and group performance is mediated by task conflict and relationship conflict.

Hypothesis 8: The relationship between group-level ability fit and group performance is mediated by task conflict.

Method

Sample and Procedure

To test the present hypotheses, we collected field data from a Korean company in the defense industry. Moderate to high levels of task interdependence characterize the work teams of this company. Hence, group-level interactions and coordination among members are necessary to achieve collective goals.

Data were obtained from all teams within the organization, excluding employees who perform individual tasks without much interaction with other employees. After excluding unreliable individual responses and teams with responses from only one member or those with no response from the leader, we obtained a final sample of 96 teams comprising 898 members and 96 leaders for our analysis (individual-level response rate = 59.9%; team-level response rate = 85.7%). The number of participants in the teams in this final analysis sample ranged from 3 to 21 ($M = 10.35$, $SD = 4.91$). The mean age of the team members was 34.39 years ($SD = 3.53$), while the average team tenure was 3.29 years ($SD = 1.81$).

Measures

For the measurement of the study variables, we used multi-item scales with acceptable levels of internal consistency. Considering the level of the present study, all measurement items were worded to elicit group-level dynamics by referring to the group or group members (Chan, 1998). For measures initially taken at the individual level, it is necessary to show agreement or consensus among within-group responses before aggregating them to the group level (Harrison, Price, Gavin, & Florey, 2002). To this end, we examined the within-group agreement index (r_{wg}) and checked the levels of within-group homogeneity (ICC1) and between-group variation (ICC2; Chen & Bliese, 2002; James, Demaree, & Wolf, 1993). In addition, we used a multi-source design in which members reported group affect and group-level fit perceptions, whereas leaders rated group conflict and performance.

Leader positive affect. We measured leader positive affect using a six-item index developed by Posner, Russell, and Peterson (2005), group-level $\alpha = .97$, $r_{wg} = .94$, $ICC(1) = .22$, $ICC(2) = .73$, $F(95, 790) = 2.26$, $p < .001$. Using a 10-point Likert-type scale (1 = *strongly disagree*, 10 = *strongly agree*), team members rated the following: “When working with team members, our team leader is (a) delighted, (b) pleased, (c) happy, (d) comfortable, (e) satisfied, and (f) relaxed.”

Group positive affect. Using the same set of positive affect items used to measure leader affect, members were asked to rate their own affect. Group positive affect included six items, group-level $\alpha = .96$, $r_{wg} = .94$, $ICC(1) = .11$, $ICC(2) = .53$, $F(95, 791) = 1.55$, $p < .01$: “When working together in our team, our team members are (a) delighted, (b) pleased, (c) happy, (d) comfortable, (e) satisfied, and (f) relaxed.”

Group-level goal fit. Adapting the individual-level items used in Cable and DeRue (2002) and Greguras and Diefendorff (2009), we constructed a three-item measure of group-level goal fit, group-level $\alpha = .97$, $r_{wg} = .89$, $ICC(1) = .14$, $ICC(2) = .60$, $F(95, 800) = 2.28$, $p < .001$. Team members rated the following sample item: “The goals pursued by our team members are consistent with the aims of our team.”

Group-level ability fit. We modified the individual-level measure of Cable and DeRue (2002) to assess group-level ability fit. This three-item scale, group-level $\alpha = .91$, $r_{wg} = .93$, $ICC(1) = .10$, $ICC(2) = .50$, $F(95, 801) = 1.64$, $p < .001$, included the following sample item rated by team members: “Our team members’ abilities and training are a good fit with the requirements of the team tasks.”

Task and relationship conflict. Using the scales developed by Jehn and Mannix (2001), we measured task and relationship conflict using three items for each type ($\alpha = .81$ and $.91$, respectively). Leaders rated the two conflict scales on a 7-point scale (1 = *not that much*, 7 = *to a great deal*). A sample item of the task conflict scale is, “How much conflict of ideas is there in your team?” The relationship conflict scale includes the following sample item: “How much relationship tension is there in your team?”

Group performance. Using existing scales (Kearney & Gebert, 2009; Zellmer-Bruhn & Gibson, 2006), group performance was assessed with a four-item scale ($\alpha = .84$) that captures the goal achievement and effectiveness of the team (e.g., “This team achieves high performance,” “This team makes a great contribution to the company”). Team leaders rated these group performance items on a 7-point scale (1 = *very poor*, 7 = *excellent*).

Control variables. In line with previous studies (Harrison et al., 2002; Shin & Choi, 2010), we included group size and members’ mean tenure in the group as control variables in all the analyses described below. Group size and group tenure of members may affect the interpersonal dynamics among members because groups with different sizes and history may engender different levels of close interaction among members, which may change the role of group affect, fit perceptions, and conflict with regard to group performance.

Results

To reduce the number of parameters in structural equation modeling (SEM) while keeping a reasonable degree of freedom in the model, we used the item

parceling method recommended by Bagozzi and Edwards (1998) on three variables: leader positive affect, group positive affect, and group performance. These three variables were modeled using two parcels. Before testing the hypotheses, we examined the distinctiveness of the study variables reported by members and leaders using confirmatory factor analysis (CFA). The CFA of the hypothesized seven-factor model produced a good fit to the data, $\chi^2(df = 115) = 163.94$, $p < .01$; comparative fit index (CFI) = .97, Tucker–Lewis Index (TLI) = .96, root mean square error of approximation (RMSEA) = .067. As reported in Table 1, this seven-factor model offered significantly better fit than all alternative factor structures (χ^2 difference test, all $ps < .001$). In addition, all 18 indicators loaded significantly to their corresponding latent factors (all $ps < .001$). Overall, these results offer support for the empirical distinctiveness of the seven constructs assessed in the present study. Table 2 presents the means, standard deviations, and correlations among the study variables.

Creating Hypothesized and Alternative Structural Models

We tested the present hypotheses using SEM, which allows for an omnibus test of multiple steps of causal relationships (Iacobucci, Saldanha, & Deng, 2007). The hypothesized model showed a good fit to the data, $\chi^2(df = 147) = 227.91$, CFI = .95, TLI = .93, RMSEA = .076. Although the current data seemed to support our theoretical propositions, we checked the possibility that theoretically plausible alternative models can better explain the observed data by testing eight alternative models as summarized in Table 3.

Although we proposed a series of mediations in our framework, those mediated relationships may be only partial, thus, independent variables exerting a meaningful direct effect on the outcome after the indirect effects are considered. In the first alternative model, we tested the possibility that leader positive affect has significant direct effect on two types of group-level fit. This alternative model resulted in a decent fit to the data, $\chi^2(df = 145) = 211.62$, CFI = .96, RMSEA = .070, exhibiting a significantly better fit than the hypothesized model, $\Delta\chi^2(\Delta df = 2) = 16.29$, $p < .001$. This outcome suggests that group positive affect plays the role of a partial, rather than full, mediator of the relationship between leader positive affect and group-level fit. In the second and third alternative models, we added direct paths from leader positive affect to group conflict and group performance, respectively. These alternatives failed to significantly improve the model fit.

In alternative Models 4 and 5, we examined the possibilities that group positive affect exerts direct effects on group conflict and group performance. However, neither of these alternative models significantly improved the

Table 1. Confirmatory Factor Analysis.

Model	Description	χ^2	df	χ^2/df	CFI	TLI	RMSEA	Change from Model 6	
								$\Delta\chi^2$	Δdf
1	One-factor model	717.78***	136	8.52	.31	.22	.281	995.22***	21
2	Four-factor model ^a	688.27***	131	5.25	.62	.56	.212	524.33***	16
3	Six-factor model ^b	211.44***	121	2.56	.87	.84	.129	146.92***	6
4	Six-factor model ^c	267.93***	121	2.21	.90	.87	.113	103.99***	6
5	Six-factor model ^d	266.64***	121	2.20	.90	.88	.113	102.70***	6
6	Seven-factor model ^e	163.94**	115	1.43	.97	.96	.067		

Note: *N* = 96. CFI = comparative fit index; TLI = Tucker–Lewis Index; RMSEA = root mean square error of approximation.

^aFit perceptions (goal fit and ability fit) combined as one construct, conflict dimensions (relationship conflict and task conflict) combined as one construct, and affect scales (leader and group positive affect) as one construct.

^bFit perceptions (goal fit and ability fit) combined.

^cConflict dimensions (relationship conflict and task conflict) combined.

^dAffect scales (leader and group positive affect) combined.

^eHypothesized factor structure.

p* < .01. *p* < .001.

Table 2. Means, Standard Deviations, and Correlations Among Variables.

Study variables	<i>M</i>	<i>SD</i>	1	2	3	4	5	6	7	8	9
1. Group size	9.35	4.91									
2. Group tenure	3.29	1.81	.27**								
3. Leader positive affect	6.84	0.82	.01	.06	(.97)						
4. Group positive affect	7.04	0.70	.08	.15	.61**	(.96)					
5. Group-level goal fit	5.17	0.52	-.03	.05	.66**	.61**	(.97)				
6. Group-level ability fit	5.44	0.40	.03	.19	.49**	.66**	.63**	(.91)			
7. Relationship conflict	2.20	1.07	-.02	-.05	-.24*	-.22*	-.30**	-.25*	(.91)		
8. Task conflict	3.36	1.10	.14	-.14	-.14	-.01	-.18	-.12	.36**	(.81)	
9. Group performance	6.20	0.56	-.16	.12	.25	.02	.23**	.14	-.40**	-.32**	(.84)

Note. *N* = 96. The reliability coefficients appear in parentheses along the main diagonal.

p* < .05. *p* < .01.

model fit. In alternative Model 6, we assessed the direct effects of group-level goal fit and ability fit on group performance, which failed to improve the model fit. Alternative Model 7 tested the significance of the link between

Table 3. Comparison of Model Fit of Alternative Models.

Model	χ^2	<i>df</i>	<i>p</i>	CFI	TLI	RMSEA	AIC
<i>Hypothesized Model</i>	227.91	147	.000	.95	.93	.076	353.91
<i>Alternative Model 1.</i> Added direct paths between leader positive affect and two types of group-level fit	211.62	145	.000	.96	.94	.070	341.62
<i>Alternative Model 2.</i> Added direct paths between leader positive affect and two types of group conflict	226.80	145	.000	.95	.93	.077	356.80
<i>Alternative Model 3.</i> Added a direct path between leader positive affect and group performance	224.91	146	.000	.95	.93	.075	352.91
<i>Alternative Model 4.</i> Added direct paths between group positive affect and two types of group conflict	225.91	145	.000	.95	.93	.077	355.91
<i>Alternative Model 5.</i> Added a direct path between group positive affect and group performance	227.87	146	.000	.95	.93	.077	355.87
<i>Alternative Model 6.</i> Added direct paths between two types of group-level fit and group performance	226.71	145	.000	.95	.93	.077	356.71
<i>Alternative Model 7.</i> Added a path between group-level ability fit and relationship conflict	227.80	146	.000	.95	.93	.077	355.80
<i>Alternative Model 8.</i> Leader positive affect → group positive affect → group conflict → group-level fit → group performance	308.63	147	.000	.89	.86	.108	434.63

Note. CFI = comparative fit index; TLI = Tucker–Lewis Index; RMSEA = root mean square error of approximation; AIC = Akaike Information Criterion.

group-level ability fit and relationship conflict, which turned out to be non-significant. Finally, alternative Model 8 was created by switching the order of group-level fit perceptions and group conflict to test the possibility that the level of conflict predicts fit perceptions. This final alternative model produced a significantly worse fit than the hypothesized model.

Hypothesis Testing

After considering the eight plausible alternative models, we determined that the current data support alternative Model 1, which is depicted in Figure 2

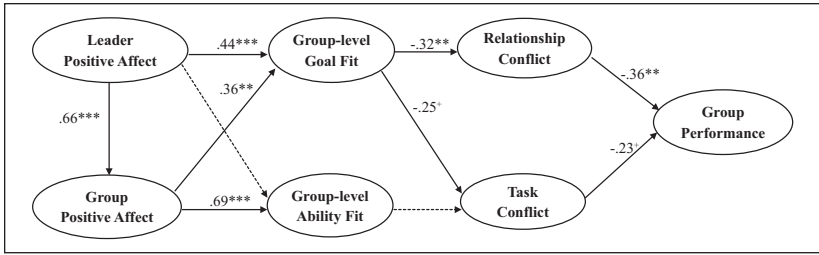


Figure 2. Final structural model.

Note. Solid lines represent statistically significant results. Thicker lines indicate statistically more significant paths. Dotted lines represent statistically non-significant results. Standardized structural coefficients are reported. Group size and tenure are controlled.

* $p < .10$. ** $p < .01$. *** $p < .001$.

with standardized path coefficients. In this final SEM model, we included group size and the members’ mean group tenure as control variables that affect group-level fit, group conflict, and group performance. As expected, group positive affect was significantly related to group-level goal fit ($\beta = .36, p < .01$) and ability fit ($\beta = .69, p < .001$), providing support for Hypothesis 1. Leader positive affect was a significant predictor of group positive affect ($\beta = .66, p < .001$) and also exerted significant indirect effects on group-level goal fit and ability fit (Sobel $z = 2.82, p < .01$, and Sobel $z = 4.07, p < .001$, respectively), thus supporting Hypothesis 2. In addition to its indirect effect via group positive affect, leader positive affect showed a significant direct effect on group-level goal fit ($\beta = .44, p < .001$).

In Hypotheses 3 and 4, we proposed positive relationships between group-level fit and group performance. Of the two group-level fit variables, only group-level goal fit exhibited a significant association with group performance ($\beta = .24, p < .10$). The path between group-level ability fit and group performance was not significant ($\beta = -.01, ns.$). This pattern supports Hypothesis 3 but not Hypothesis 4.

As reported in Figure 2, group-level goal fit was significantly associated with task and relationship conflict ($\beta = -.25, p < .10$, and $\beta = -.32, p < .01$, respectively), confirming Hypothesis 5. In contrast, group-level ability fit did not show any significant associations with group conflict, offering no support for Hypothesis 6. The overall pattern reveals that the relationship between group-level goal fit and group performance was mediated by group conflict. Task and relationship conflict were meaningful predictors of group performance ($\beta = -.23, p < .10$, and $\beta = -.36, p < .01$, respectively). In addition, after controlling for the effects of task and relationship conflict, the effects of

group-level fit perceptions on group performance were no longer significant. The indirect effect of group-level goal fit on group performance via relationship conflict was statistically significant (Sobel $z = 2.10, p < .05$). The overall empirical pattern supports the mediation hypothesis for group-level goal fit, thus partially supporting Hypothesis 7.

Discussion

To address the emerging interest in fit-related dynamics at the group level, the present study explored the potential predictors of group-level fit and the subsequent interactive processes among members that account for fit-performance relationship. Our analysis supported most of the propositions, which demonstrated the significant role of group positive affect in predicting group-level fit perceptions as well as the significant role of group conflict as an intermediate interactive process that accounts for the effect of group-level fit on group performance. We discuss the theoretical and practical implications of the present findings, along with the study limitations that indicate the directions for further studies.

Theoretical Implications

Affect and fit constructs have their roots in psychology, having been conceptualized and investigated as drivers of individual behavior (George, 1990; Lewin, 1938). Recently, scholars have started to consider the possibility that affect and fit are properties of groups, representing the collective phenomena shared among members (Barsade, 2002; Sy et al., 2005). In addition, responding to the call for the study of fit as a dependent variable (DeRue & Morgeson, 2007; Kristof-Brown et al., 2005; Seong et al., 2012), we identified and demonstrated that positive affect exhibited by leaders and members is significantly related to group-level fit perceptions. In addition, the analysis supports the prevailing view and results of the leadership literature, which show that leaders are the architects of group-affective tone (Anderson et al., 2003). The resulting group affect shared among members is critical for the subsequent perceptions, attitudes, and behavior of the members (Kelly & Barsade, 2001). The analysis also shows that the positive affect of leaders is directly related to group-level goal fit. This finding indicates that the display by leaders of positive emotion distinctly contributes to the formation of shared goals among members beyond group positive affect. Managing affect is an integral component of leadership, because affect plays a critical role in the regulation of social interaction among members and in properly responding to off-occurring emotion-laden task situations (Erez et al., 2008).

Furthermore, the analysis suggests that group-level goal fit is a significant predictor of group performance. Perhaps task goals shared among members motivate and engender richer and more plentiful goal-directed activities to promote group performance (Kristof-Brown & Stevens, 2001). To explain the connection between fit and performance at the group level, we isolated task and relationship conflict as potential mediating processes. The present data confirm the negative association between group-level goal fit and both types of conflict. In addition, consistent with prior findings (de Dreu & Weingart, 2003), relationship and task conflict are negatively related to group performance, although the negative effect was stronger for relationship conflict. The overall patterns of main effects and mediating relationships clearly indicate that the path from group-level goal fit to group performance via relationship conflict is the major route that links fit and performance at the group level.

Somewhat surprisingly, the analysis shows that group-level ability fit was not related to group conflict and performance. The abilities of members seem to provide raw or untapped resources that may or may not be mobilized to achieve task goals, which makes group-level ability fit a distant predictor of group performance. A team can fail even when its members have excellent levels of KSAs because group performance often largely depends more on the way these individual KSAs are integrated than on their absolute levels (Beal, Cohen, Burke, & McLendon, 2003). For this reason, meta-analytic reviews of team effectiveness have highlighted the importance of members' commitment to a common purpose, the establishment of a specific team goal, and shared mental models, which are all related to how team members work together to integrate their individual input toward collective performance (Mathieu et al., 2008). The greater significance of group-level goal fit as compared with group-level ability fit reflects the collectivistic orientation of the present sample because harmonious interactions based on shared goals could be more critical for group performance than individual member KSAs in the Asian context (Oh et al., 2013).

Although group-level ability fit did not directly affect group performance, it might still predict the beliefs and behavior of members that are more closely aligned with group performance (e.g., collective efficacy). Given the dearth of empirical studies in this domain, definite conclusions cannot be made. However, group-level goal fit seems more proximal to group performance and generates more task-pertinent interactions among members when compared with group-level ability fit, which may activate various intervening processes, such as group efficacy, knowledge sharing processes, and transactive memory system that facilitate the full utilization of KSAs held by members toward collective performance (Stajkovic et al., 2009; Zhang, Hempel, Han, & Tjosvold, 2007). The caveat is that groups need strong morale and KSAs to achieve high performance.

Practical Implications

Organizing effectively functioning teams is a crucial challenge for contemporary organizations. Our analysis shows that enhancing group-level goal fit contributes to team performance directly and indirectly by reducing dysfunctional internal processes, such as task and relationship conflict. To align the goals of members with those of the group, when forming a new project team, organizations often publicly recruit team members who are excited about the group tasks and goals and individuals who volunteer to join the team, along with the consideration of their KSAs (Schneider, Smith, & Goldstein, 2000). Leaders who shape a compelling vision and convince members to work toward the collective vision (cf. transformational or charismatic leadership, Bass, 1985) can also promote group-level goal fit.

In addition to these human resource practices or leadership behaviors that promote group-level goal fit and ability fit, the present study demonstrated that the positive affect of leaders and members renders a favorable group context for increased group-level fit perceptions. Consistent with prior studies (George, 1995; Sy et al., 2005), our analysis confirms that the positive affect of leaders predicts group positive affect, which, subsequently, predicts group-level fit perceptions. Thus, forming and maintaining a positive affective climate is helpful in achieving congruent goal perceptions among members as well as confidence regarding the match between group members' ability and group task demands.

Given the critical role of leaders as the source of group-level affect (Dasborough et al., 2009), leaders should effectively manage group affect by regulating their own and the group's affective processes and displaying appropriate emotions that serve the task situation (Kelly & Barsade, 2001). In this sense, emotional labor is a critical component of the role of leaders in managing teams (Erez et al., 2008). To derive maximum benefit from leaders, organizations can recruit and promote individuals with strong emotional competence in relation to leadership positions as well as train current leaders to upgrade their repertoire of affective management.

Study Limitations

The present findings should be interpreted with caution because of the following limitations of the study. First, the present research design involves data collected at a single point in time and, thus, the obtained data do not allow any causal inferences among variables. Although our framework is consistent with affective event theory (Weiss & Cropanzano, 1996), we acknowledge the possibility of reverse causality or reciprocal predictive relationships among the current study variables.

Second, the current findings based on the operationalization of group-level fit as shared perceptions among members should be replicated with alternative ways to assess the fit constructs. Perceived or direct fit provides straightforward assessments of fit that offer high-level explanatory power of subsequent attitudes and behavior (Cable & Judge, 1997). Nonetheless, the perceived fit measure permits a single individual to report a holistic assessment of fit and, thus, is more prone to consistency biases (Edwards & Shipp, 2007). Considering that alternative fit measures, such as perceived, subjective, and objective fit, may capture different meanings associated with individual interpretations of the environment (Kristof-Brown et al., 2005), the effect of group-level fit should be validated using these alternative measures.

Third, we acknowledge that the ICC(2) values for our study variables were relatively low and, thus, the results should be interpreted with caution. Given the sufficient within-group agreement (r_{wg}) values as well as the medium to large group effects as indicated by ICC(1), relatively low ICC(2) values could be attributed to small group sizes because ICC(2) is a function of ICC(1) and group size (Bliese, 2000). In addition, ICC(1) and ICC(2) values could be underestimated in the present study because “using Likert-type scales resulted in systematic underestimation of the true proportion of between-group variance” (Beal & Dawson, 2007, p. 667). Schneider and Bowen (1985) recommended within-group agreement instead of between-group differences to justify aggregation because a small variation between groups can be expected when groups belong to the same organization as shown in the current data. Nonetheless, further studies should replicate the current findings using data from various organizations and alternative scales with sufficient levels of aggregation statistics.

Directions for Future Research

Despite several limitations, the present study presents the potential and benefit of the multi-level expansion of the P-E fit theory to group-level analysis and demonstrates the significance of group-level fit in explaining group performance. The study demonstrates the possibility of a multi-level homology of the relationship between positive affect and fit at the individual and group levels of analysis. Specifically, in line with the broaden-and-build theory of positive emotion and affective-consistency theory at the individual level (Fredrickson, 1998, 2001; Yu, 2009), the positive affect exhibited by leaders and members seems to promote member perceptions of group-level fit.

Although existing studies and the current findings endorse the benefits of positive affect to individual and team performance (Barsade, 2002; George, 1995; Walter & Bruch, 2008), future studies should assume a

balanced perspective and investigate the possibility that positive affect has disadvantages and advantages. For example, when a leader is too positive and conveys unrealistic optimism regarding the current state of progress, his or her group can become a victim of groupthink. Therefore, leaders and group members should be aware and cautious of potential pitfalls of having an overly positive affective tone in their group. In this respect, further studies may use multiple vectors of affect as used in Bartel and Saavedra (2000), which are based on 48 mood adjectives contained in the mood circumplex model. This diversified approach to group affect may reveal discrete emotions with different intensities or activations and enable the identification of group affect dimensions that impede or promote group performance.

Finally, further studies may be directed to cross-cultural comparisons of P-E fit effects. Prior research on the international perspectives of fit suggests the possibility of the global application of the P-E fit construct and identifies culture as a meaningful contextual factor (Oh et al., 2013). However, most research findings seem to be generalizable across cultures (Kristof-Brown & Guay, 2011). Possibly, the relationships between fit, particularly in the domain of relational fit, such as person-supervisor or person-group fit, and outcomes can be stronger in a culture that places higher value on harmony within the group, such as the East Asian culture (Oh et al., 2013). Nonetheless, the current state of the literature does not allow any definite conclusions on these issues, which indicates the need for more comparative research across different cultures to understand further fit-related dynamics across the world.

Declaration of Conflicting Interests

The author(s) declared no potential conflicts of interest with respect to the research, authorship, and/or publication of this article.

Funding

The author(s) received no financial support for the research, authorship, and/or publication of this article.

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