

Executive Summary

Globalization in today's business world has strengthened the issue of workforce diversity in organizations. Managing multinational workforce becomes a new challenge in managers' daily work lives. In fact, relational demography in supervisor and subordinate dyads has been investigated by many researchers. While similarity in relational demography is found to increase interpersonal attraction (Liden Wayne & Stilwell 1993), trust (Mayer, Davis, & Schoorman 1995), and the liking their supervisor (McAllister 1995), recent studies have suggested that there is only a short term effect on supervisor and subordinate relationship. Intervening effect between relational demography and satisfaction outcome should be examined in multiple perspective view. (Chatman & Flynn, 2001; Elfenbein and O'Reilly, 2005). In this study, we demonstrate communication satisfaction as a mediator between relational demography and supervisor-subordinate to fulfill this research gap.

A quantitative study was carried out with a sample size of 144. The target samples are the employees working in one of the Macao major hotels. Data were collected through a survey questionnaire. In this study, I postulate that relational demography is related to the satisfaction towards supervisor, and

communication satisfaction mediates the relationship between relational demography and satisfaction towards supervisor.

The findings of this study confirm that hometown similarity is positively related to satisfaction towards supervisor, and communication satisfaction fully mediates the relationship between hometown similarity and satisfaction towards supervisor. This indicates that hometown similarity only helps to increase communication satisfaction in the beginning of the relationship, but it is the communication satisfaction, serves as a deeper level factor, which enhance the satisfaction towards supervisor.

Our study has contributed to answer an urgent call to illuminate the black box of demographic diversity (Lawrence, 1997) and offer a further step to have a better understanding in the mechanism of how relational demography affect the supervisor-subordinate dyads. Our findings provide useful knowledge to both researchers and managers in managing workforce diversity especially in multinational corporations.