CHAPTER 1

WHAT IS A HIGH PERFORMANCE TEAM?

By the end of this chapter, the student will be able to:

1. Identify and describe an effective or high-performance team.
2. Explain the benefits of teamwork to the organization, to a manager or supervisor, and to the individuals involved.
3. Describe the organizational, managerial, and employee-related factors that hinder or help a team.

INTRODUCTION: THE CHALLENGE

Your boss has called you in this morning and said, "You've been tapped to head up marketing for the new product line. It'll take a full team effort: design, production, advertising, and sales. We're meeting in the boardroom at 1:30 to review your preliminary plan for forming this team. As you know, this project's success can mean a great deal for your career."

Is this a dream come true—or a nightmare? That depends on how well prepared you are for handling the job. And the job means more than just a successful marketing campaign; it will show also how well you manage the team.

Teams often come about this way: where yesterday none existed, today one does, and you are in charge. On the other hand, any work group can be formed into a team, and in that situation if you are manager of the work group, you are already in charge. Your task, in either case, consists of not merely creating a team, but creating and leading a high-performance team—a team that considers every goal a challenge and every problem an opportunity.

WHAT IS A TEAM?

The group with whom you play softball or with whom you bowl, the committee at church or synagogue on which you serve, the task force on which
you are working—those are teams. They may or may not be effective
teams, but they meet specific criteria:

- a relatively small group of people,
- formed around common interests, values, and history, and
- brought together to meet a specific set of relatively short-term goals or
  objectives.

Team members have identifiable roles related to specific activities that
accomplish the team's goals and objectives. In the business world, teams are
usually formed by management to meet specific business goals.

➤ HIGH-PERFORMANCE TEAMS

You can form any group into a team, but for a team to perform at peak level,
certain conditions must exist. High-performance teams operate in an atmo-
sphere of mutual respect (reciprocity) in which team members identify with
each other and with the team as a whole. Not only are such teams efficient
in achieving business goals, but they are also effective in getting the job done
while satisfying the needs and interests of the team members.

According to Lee and Buchholz and Roth, at least five traits character-
ize effective teams:

Each member feels a sense of ownership and control with regard to the
A SELF-GENERATED
team. That feeling comes from being involved as a valued participant in
COMMITMENT
the team's processes and activities and from being involved in making
decisions that affect the individual's work life.

Vote taking, where the majority rules, often suppresses individual opinions,
AGREEMENT THROUGH
wishes, or feelings. On the other hand, consensus-taking—a team
CONSENSUS
decision-making process in which conflicts can be resolved without
rancor—produces decisions and actions that represent the interests, needs,
wishes, and abilities of each member.

Conflict is healthy when it produces creativity and high-quality results.
CONFLICT AND
Conflict matched with consensus encourages new ways of solving old
CREATIVITY
problems or new directions or new outcomes. Thus, properly managed, dis-
agreements result in creative responses to issues. How a team perceives
conflict and manages it distinguishes an effective from an ineffective team.

A high level of communication runs through and connects the first three
COMMUNICATION
traits; they are impossible without effective communication. Effective com-
munication is impossible without a climate that encourages appropriate
and responsible behavior on the part of each member; this includes being
available and accessible to one another.
All the members, not just the manager, must encourage candor with one another, a willingness to accept negative as well as positive feedback. Team members must be responsive to each others' needs and to the needs of the team.

They must be willing to cooperate with one another and collaborate on all team efforts, sharing their information with one another (transferring what they know or can do for one another) rather than "hoarding" it. But most of all, for effective communication to exist, members must offer one another dependability and credibility.

The larger organization's mandate empowers and supports the team, thereby creating a basis for influencing the whole organization. The team then empowers and supports its members in the same way.

Empowerment goes beyond involvement; it means influencing and being recognized as an influencer as well as making decisions and being allowed to act on those decisions. For empowerment to exist, the following conditions must be present:

1. Leadership must be shared; team members must contribute to and influence the team in a manner appropriate to their individual abilities, skills, and preferences.
2. The team's vision must be shared; everyone must be forward-looking, seeking challenges instead of allowing changes to push the team from behind.
3. Responsibility must be shared; members must be as responsible for the team's results as the manager.
4. Responsiveness must be shared; the entire team must be willing to identify opportunities for growth and to act on team decisions.

High-performance teams may seem to be a management consultant's pipe dream, but they do exist. Consider one case in point briefly described in Exhibit 1-1.

Exhibit 1-1 One Case in Point: High-Performance Teams

At Johnsonville Foods, in Sheboygan Falls, Wisconsin, the employees at the plant, working in task-related teams, make the decisions concerning the business situations that affect their lives. Calling on managers only for direction, they take all the information available, including the size of the orders, the amount of capital equipment needed, the work hours required, and the potential profit involved. Then they decide what to do and how best to do it. (Lee, pp.25–26.)

WHEN TO FORM A TEAM

Teams are not always appropriate. Some jobs require the technical skills of only one person, working alone. Producing a sophisticated scientific computer program, for instance, would not lend itself well to teamwork. If one
person working alone can better meet a tight deadline, a team would not be effective. A team should be formed only when the team is likely to outperform an individual or group of individuals working separately. The following conditions are also crucial to forming a team successfully:

1. A particular business objective calls for a team approach.
2. Time to discuss and debate decisions is available.
3. Knowledge or skills are needed that one person alone cannot provide.
4. The knowledge or skills needed are available or can be recruited.
5. Teamwork would promote acceptance of decisions or would maintain morale.
6. The team's output could affect the vertical or horizontal relationships within the organization.
7. Teamwork would raise the quality of the decisions made or actions taken.
8. Teamwork would lower the risk of failure.
9. A variety of people are required to implement the decisions or action plans of the group.

➤ BENEFITS OF TEAMWORK

Teamwork benefits everyone—individual employees, managers or supervisors, and the organization.

Individuals working in teams find their work to be less stressful. Although they assume responsibility for their roles within the team, overall responsibility for success shifts from the shoulders of one individual to the shoulders of many. Shared responsibility relieves the panic and helplessness employees who work alone often experience when faced with seemingly overwhelming objectives or odds for success. Individual employees feel more a part of the organization. They see themselves and their relationships to others not only in terms of physical proximity (the woman next to me or the manager down the hall), but also in the ways their jobs relate to jobs other people perform. Their status becomes real, not merely a box on a chart. They experience their actual position and importance within their own team.

That status within the team translates into status within the organization as a whole. Team members see and are recognized for their contributions to and influence on the team; the team sees and is recognized for its contribution to and influence on the entire organization. Then, by association, individual team members experience additional satisfaction from what the team accomplishes and from the recognition it receives. This process is similar to the way communities bestow status on the athletes in the teams that represent them in professional sports.

The esteem in which the organization holds the team and its members is a wonderful source of gratification, although team membership in itself provides the greatest source of personal satisfaction. Team members experience a sense of accomplishment because they can see the end results of their efforts in what the team produces. Even if that end product becomes the raw material on which some other units or teams will operate, team
members see and understand their team's output and how it relates to the organization's output as a whole.

That sense of accomplishment acts as a reward—probably to a greater extent than you imagine. Many organizations use bonuses, gifts, and other external rewards to show their appreciation for jobs well done. External rewards do influence employee productivity: try to take them away and see what happens.

On the other hand, people are influenced less by external than by internal rewards, which strengthen personal commitment to their jobs, their teams, and the organization as a whole. A sense of belonging, a sense of accomplishment, a sense of self-fulfillment provide these internal rewards and strongly influence productivity. As a result, an effective team is more productive than a traditional work unit. The benefit of teamwork to the individual thus benefits the organization as well.

Supervisors and managers can also benefit from high-performance teams through increased productivity, improved cost/benefit ratios (profitability), improved morale, and improved loyalty and retention. They find it easier and less stressful to achieve their objectives and their unit's goals. Add these benefits to those that they derive as individual employees by virtue of their membership in a team, and we see that supervisors and managers have much to gain by setting up high-performance teams within their groups whenever possible.

Organizations share in the productivity gains their managers generate by forming appropriate teams. The teams make significant contributions to profitability, growth, and development. The organization, by having created the teams, then establishes a public image that attracts both consumers and prospective employees. As a result, it also enjoys leadership in its markets and industries.

➤ **BARRIERS TO EFFECTIVE TEAMWORK**

Barriers to forming and managing effective teams can arise from the organization, from management personnel, and from employees themselves.

Many organizations have traditional hierarchical or bureaucratic structures, in which "top-down" management and departmental specialization dominate. Add geographical dispersion, and you have a snapshot of most large businesses (perhaps also the one to which you belong). Such structures and dispersion often create barriers to teamwork.

The pyramid in Exhibit 1-2 reflects what you will find in many medium to large companies (500 or more employees). The higher up the pyramid, the fewer the people, the more general their responsibilities, and the greater the concentration of authority and power. The lower down the pyramid, the larger the number of people, the more specific their responsibilities and the less their authority and power.
Compensation and benefits also divide management from non-management employees; the higher the pay grade the greater the rewards. A feeling for teamwork is difficult to generate when some team members have more to gain than others. Many professional sports teams experience the stresses created by such inequities—much to their fans' dismay.

Not only can structural barriers block team effectiveness, poorly designed or poorly implemented management systems—recruiting, hiring policies and procedures, goal setting, and communication systems—can also impede it. Selecting the wrong people can make team building nearly impossible. Hiring practices are by no means scientific, and many people are hired because the managers like them or see themselves reflected in them. Few managers are trained to select the appropriate candidates for regular jobs, let alone to recruit the right candidates when forming teams. Such teams often produce the proverbial camel from the blueprint of a horse.

Organizations also do not always identify or communicate clear goals and objectives. Telling a group of employees that "we must be profitable next year" does not send the complete message. Many small and medium-sized organizations do not publicize their goals and objectives, nor apply measurable or observable standards.

Many organizations do not write clear job descriptions, and when they do, they rarely express them as actions that contribute to the business goals or objectives of the organization: profitability, growth, development, and market share or industry leadership. (Even not-for-profits share these goals, though they define profitability as staying within the budget.) Yet, job descriptions usually do not say, "By doing this, the employee will increase profits by...." No, usually they consist of nothing more than lists of tasks or activities—daily "To-Do" lists.

Management personnel (first-line supervisors and above) often feel threatened by teams. They fear losing power or status, believing that if the work
group can do the job without a powerful supervisor at its head, then the
group will not need a supervisor. But like most fears, this one has no basis
in reality. Supervisors not only have important functions in a team envi-
noment, but also can benefit greatly from teamwork. Still, even well,
tentioned managers often fail to plan properly for forming or
maintaining teams.

Managers also often do not delegate to teams the authority to make
decisions or take necessary actions. Not delegating authority and respon-
sibility interferes with teamwork: since teams cannot move forward without
the power to do so, they frequently stop trying. Or, if teams go ahead and
do something without permission, their managers punish them—even if
the team was right to do it. Often that punishment takes the form of with-
holding necessary resources.

When managers fail to provide the proper resources—including team-
work training—they sabotage their own plans for building teamwork,
infecting them with a built-in "failure virus." The plans stop short of
including a resource or environmental analysis, leaving the team members
to do the plan without the resources they need. You may have heard the
order, "Get it done. Do whatever it takes," only to find out that "whatever
it takes" is not available.

Non-management employees often feel threatened by the demands of
teamwork. They are afraid of losing status and becoming lost in the crowd.
They are concerned about missing out on recognition, rewards, and pro-
motions if they are merely members of a team that swallows up their indi-
vidual contribution and influence. They also sometimes fear taking
responsibility for their own actions. These concerns should be addressed at
the outset; if not, they become legitimate fears.

❯ SUPPORT FOR HIGH-PERFORMANCE TEAMS

Careful thought and preparation can overcome organizational barriers to,
and managerial and non-managerial employee concerns about, high-
performance teams.

A traditional bureaucratic organization can build successful teams by elim-
ninating structural barriers: encourage lateral and upward communication
and delegate more decision-making and execution authority to lower lev-
eels (including line-level employees)—the way, for example, IBM does.

Beyond that, flattening the organization will cause traditional struc-
tural barriers virtually to disappear. Teams work best in flat organiza-
tions, where functions are integrated around business goals and
objectives rather than separated into specialized departments. Prod-
uction teams, such as those at General Mills in Lodi, California, take full
responsibility for their products, beginning with the recipe and ending
with the shipping (Dumaine).

Flat organizations eliminate the need for some managers, depending on
how jobs are described. A flat structure can be defined by functions but
does not have to be; for example, supervisors do not have to be functional experts. Jobs are matrixed (integrated) by objectives—what has to be accomplished to be successful. Ideally, managers manage people and support the daily operations of a work group; they do not have to be technicians or production experts. They do have to be managers.

Flat organizations are characterized by matrices—members of various functional groups pulled together when they are needed to meet a short-term goal—as well as by integrated production units.

The manufacturing business depicted in Exhibit 1-3 is divided into functional departments, but the individual employees are assigned to teams formed around specific objectives (represented by the personnel listed under the heading "Production Team"). The production team in the diagram manufactures (for the sake of discussion) certain electronic components. It is an intact work group that consists of whatever personnel is needed to design, produce, sell, and distribute these components.

The team as a whole is responsible for getting the job done (meeting profitability, development, and market leadership goals). The team’s manager may be appointed or elected by the team, or the team may not have a manager at all. Additionally, some members may drift in and out of the team on an as-needed basis, such as designers or support people. Finally, some team members-designers, support people, or marketing and salespeople—may be on more than one team. The business and team objectives, not the organization’s structure, dictate the team’s needs and how to meet them.

Additionally, the organization supports its teams by selecting competent and skilled people who are also capable of working together in teams. The...
organization then supports that recruiting effort by training the employees in effective team principles and behaviors. But recruiting and training have little relevance if other aspects of the organization are undeveloped or poorly developed.

Hewlett Packard's businesses represent this type of structure and are well known for their teamwork. Teams within and between the traditional functions design, develop, market, sell, and service their products.

Finally, all successful organizations, such as Hewlett Packard, have well thought-out business or operational plans. They identify and communicate clear business goals that include the organization's

- Mission or vision.
- Objectives for becoming profitable, for growing, and for developing its people.
- Operational objectives.
- Strategic plans for becoming the industry leader.

They set and communicate quantifiable standards by which organizational, unit, and individual performance will be measured. And most of all, they delegate authority as well as responsibility as an integral part of making necessary resources available.

Since managerial barriers usually arise as a result of misperceptions about teamwork, managers need to take a closer look at their organizations and the attitudes that would help them become successful teams. Most managers, even if they own company stock, do not own their organizations. Therefore, every person working for the organization, including the managers, are employees. There are management employees and non-management employees, as recognized under federal labor laws, but they are all employees.

This perspective helps see work groups as teams rather than as a collection of unrelated individuals. In other words, it levels the playing field; the significance of "superior" and "subordinate" disappears; managers' power and influence come from their interactions with other people (personal power) rather than from their official status as managers (positional power). Team members are valued for their personal contributions and for their positive influence; no one occupies a special place created to meet a strictly administrative need. Finally, this perspective also includes a concern for both task and process.

Employees support a teamwork environment by accepting opportunities for learning new ways of accomplishing the organization's goals and objectives and their own. Non-management employees must also take a different attitude toward management than we traditionally see in the workplace. Managers who are not owners are in fact coworkers.

The lines between labor and management tend to blur-union contracts permitting—when non-management employees take part in making
the decisions that affect their own lives as well as the future of the organization. A large number of businesses have, in the words of Chris Lee, moved "beyond teamwork" to self-managed teams.

Teams can further support themselves and overcome managerial or organizational barriers by identifying their needs, communicating openly with management, and giving clear feedback to management about their needs, their progress, and ways management can help them accomplish their objectives. But this will not work unless everyone recognizes the benefits of encouraging a team environment.

➤ CONCLUSION

To improve the effectiveness of work units is a management objective. At times you may inherit a group that has been mandated to be a team but in no way resembles one. In fact, many traditional work units could function better in a team environment. Too many workers are allowed to waste their own potential as well as material resources by toiling in the same manner that legions before them have.
INSTRUCTIONAL PROGRAMMING 1

INSTRUCTIONS: Here is the first segment of instructional programming in this course. Answering the questions following each chapter will give you a chance to check your comprehension of the concepts as they are presented and will reinforce your understanding of them.

As you can see below, the answer to each numbered question is printed to the side of the question. Before beginning, you should conceal the answers in some way, either by folding the page vertically or by placing a sheet of paper over the answers. Then read and answer each question. Compare your answers with those given. For any questions you answer incorrectly, make an effort to understand why the answer given is the correct one. You may find it helpful to turn back to the appropriate section of the chapter and review the material of which you were unsure. At any rate, be sure you understand all the questions in each segment of instructional programming before going on to the next chapter.

1. High-performance teams exhibit several essential traits. Which choice is the most accurate description of at least some of those traits?
   (a) Each member feels a sense of ownership and control by being included in the team decision-making process, during which almost no conflict occurs.
   (b) Healthy conflict encourages creativity and may produce high-quality results, but it can be resolved only through the democratic process of majority rule.
   (c) Decisions made by consensus take too much time and foster competition among team members.
   (d) A high level of communication runs through such teams and facilitates getting commitment, resolving conflicts, and making decisions.

2. Work units function better in:
   (a) a cooperative and collaborative environment.
   (b) an environment sparked by the spirit of competition.
   (c) an environment that encourages positive feedback and discourages negative feedback.
   (d) an organization that maintains a strict division of labor.

3. "Tall" organizations are characterized by:
   (a) many opportunities to advance into management.
   (b) barriers to integrating work units.
   (c) many opportunities for vertically integrating teams.
   (d) barriers to upward communication.
4. "Flat" organizations:
   (a) provide few avenues for employee participation.
   (b) block employees from advancing into management.
   (c) facilitate integration of work units.
   (d) create more management opportunities than do "tall" organizations.

5. To see the value of teamwork, management and non-management employees:
   (a) should form ad hoc task forces to study the best ways to form teams.
   (b) will have to change their perceptions of each other and see each other as coworkers.
   (c) will have to encourage openness and candor in contract negotiations.
   (d) should call in outside consultants to help them form effective teams.

6. The organization empowers and supports its teams by:
   (a) developing an organizational plan and by sharing the plan's vision or mission with the teams.
   (b) encouraging the teams to compete among one another for compensation and rewards.
   (c) creating new markets that will encourage teams to explore more growth opportunities.
   (d) rewarding the most successful teams with the greatest share of the organization's resources.

7. Team members can help the organization by:
   (a) complaining that the team does not have the resources it needs.
   (b) communicating the team's needs as well as its progress.
   (c) competing among themselves as much as possible.
   (d) planning ways to perpetuate the team's life after it meets its goals and objectives.

8. Teams are effective:
   (a) under all circumstances.
   (b) for increasing morale and for little else.
   (c) for increasing productivity, as long as time and resources permit.
   (d) for increasing productivity in all environments.

9. Improving work-unit effectiveness or productivity is:
   (a) everyone's responsibility and function.
   (b) a managerial function.
   (c) the result of making more external rewards available.
   (d) the result of increasing management controls.