

11

From Groups to Teams

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LEARNING OBJECTIVES

After studying this chapter, you should be able to:

1. Analyze the continued popularity of teams in organizations.
2. Contrast groups and teams.
3. Contrast the five types of team arrangements.
4. Identify the characteristics of effective teams.
5. Explain how organizations can create team players.
6. Decide when to use individuals instead of teams.

★ **Chapter Warm-up**

If your professor has chosen to assign this, go to the Assignments section of **mymanagementlab.com** to complete the chapter warm-up.

WHY HAVE TEAMS BECOME SO POPULAR?

Why are teams popular? In short, because we believe they are effective. “A team of people happily committed to the project and to one another will outperform a brilliant individual every time,” writes *Forbes* publisher Rich Karlgaard.¹ In some ways, he’s right. Teams can sometimes achieve feats an individual could never accomplish.² Teams are more flexible and responsive to changing events than traditional departments or other forms of permanent

groups can be. They can quickly assemble, deploy, refocus, and disband. They are an effective means to democratize organizations and increase employee involvement. And finally, research indicates that our involvement in teams positively shapes the way we think as individuals, introducing a collaborative mind-set about even our own personal decision making.³

The fact that organizations have embraced teamwork doesn't necessarily mean teams are always effective. Team members, being human, can be swayed by fads and herd mentality that can lead them astray from the best decisions. What conditions affect their potential? How do members work together? Do we even like teams? Maybe not. To answer these questions, let's first distinguish between groups and teams.

DIFFERENCES BETWEEN GROUPS AND TEAMS

Groups and teams are not the same thing. In Chapter 10, we defined a *group* as two or more individuals, interacting and interdependent, who work together to achieve particular objectives. A **work group** is a group that interacts primarily to share information and make decisions to help each member perform within his or her area of responsibility.

Workgroups have no need or opportunity to engage in collective work with joint effort, so the group's performance is merely the summation of each member's individual contribution. There is no positive synergy that would create an overall level of performance greater than the sum of the inputs. A workgroup is a collection of individuals doing their work, albeit with interaction and/or dependency.

A **work team**, on the other hand, generates positive synergy through coordination. The individual efforts result in a level of performance greater than the sum of the individual inputs.

In both workgroups and work teams, there are often behavioral expectations of members, collective normalization efforts, active group dynamics, and some level of decision making (even if just informally about the scope of membership). Both may generate ideas, pool resources, or coordinate logistics such as work schedules; for the workgroup, however, this effort will be limited to information gathering for decision makers outside the group.

Whereas we can think of a work team as a subset of a workgroup, the team is constructed to be purposeful (symbiotic) in its member interaction. The distinction between a workgroup and a work team should be kept even when the terms are mentioned interchangeably in differing contexts. Exhibit 11-1 highlights the differences between them.

Workgroup

A group that interacts primarily to share information and make decisions to help each group member perform within his or her area of responsibility.

Work team

A group whose individual efforts result in performance that is greater than the sum of the individual inputs.

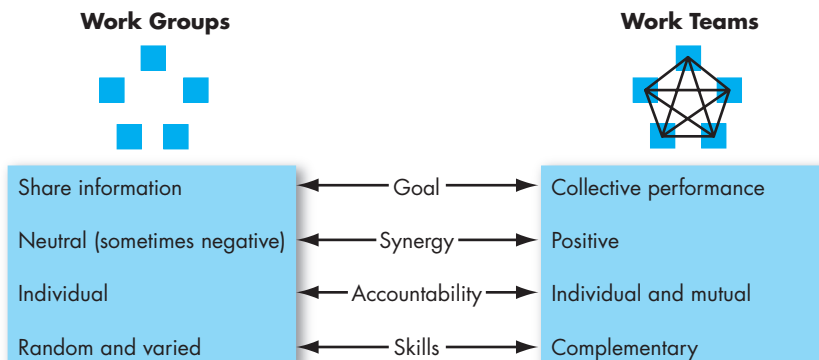


EXHIBIT 11-1
Comparing Work
Groups and Work
Teams

The definitions help clarify why organizations structure work processes by teams. Management is looking for positive synergy that will create increased performance. The extensive use of teams creates the *potential* for an organization to generate greater outputs with no increase in employee headcount. Notice, however, that we said *potential*. There is nothing magical that ensures the achievement of positive synergy in the creation of teams. Merely calling a *group* a *team* doesn't automatically improve its performance. As we show later, effective teams have certain common characteristics. If management hopes to gain increases in organizational performance through the use of teams, the teams must possess these characteristics.

TYPES OF TEAMS

Teams can make products, provide services, negotiate deals, coordinate projects, offer advice, and make decisions.⁴ In this section, we first describe four common types of teams in organizations: *problem-solving teams*, *self-managed work teams*, *cross-functional teams*, and *virtual teams* (see Exhibit 11-2). Then we will discuss *multiteam systems*, which utilize a “team of teams” and are becoming increasingly widespread as work increases in complexity.

Problem-Solving Teams

Quality-control teams have been in use for many years. Originally seen most often in manufacturing plants, these were permanent teams that generally met at a regular time, sometimes weekly or daily, to address quality standards and any problems with the products made. The use of quality-control teams has since expanded into other arenas such as the medical field, where they are used to improve patient care services. **Problem-solving teams** like these rarely have the authority to unilaterally implement their suggestions, but if their recommendations are paired with implementation processes, some significant improvements can be realized.

Self-Managed Work Teams

As we discussed, problem-solving teams only make recommendations. Some organizations have gone further and created teams that also implement solutions and take responsibility for outcomes. **Self-managed work teams** are groups of employees (typically 10 to 15 in number) who perform highly related or interdependent jobs; these teams take on some supervisory responsibilities.⁵ Typically, the responsibilities include planning and scheduling work, assigning tasks to members, making operating decisions, taking

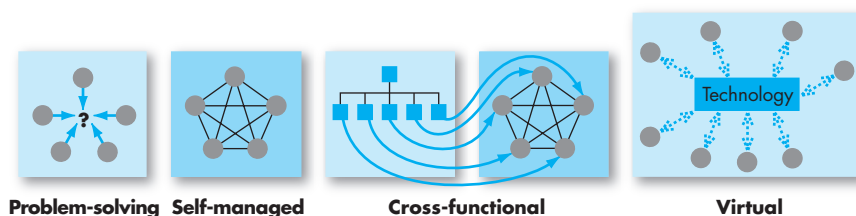
Problem-solving teams

Groups of 5 to 12 employees from the same department who meet for a few hours each week to discuss ways of improving quality, efficiency, and the work environment.

Self-managed work teams

Groups of 10 to 15 people who take on responsibilities of their former supervisors.

EXHIBIT 11-2
Four Types of Teams



action on problems, and working with suppliers and customers. Fully self-managed work teams even select their own members who evaluate each other's performance. When these teams are established, former supervisory positions become less important and are sometimes eliminated.

Research results on the effectiveness of self-managed work teams have not been uniformly positive. Some research indicates that self-managed teams may be more or less effective based on the degree to which team-promoting behaviors are rewarded. For example, one study of 45 self-managing teams found that when team members perceived that economic rewards such as pay were dependent on input from their teammates, performance improved for both individuals and the team as a whole.⁶

A second area of research focus has been the impact of conflict on self-managed team effectiveness. Some research indicated that self-managed teams are not effective when there is conflict. When disputes arise, members often stop cooperating and power struggles ensue, which lead to lower group performance.⁷ However, other research indicates that when members feel confident they can speak up without being embarrassed, rejected, or punished by other team members—in other words, when they feel psychologically safe, conflict can be beneficial and boost team performance.⁸

Thirdly, research has explored the effect of self-managed work teams on member behavior. Here again the findings are mixed. Although individuals on teams report higher levels of job satisfaction than other individuals, studies indicate they sometimes also have higher absenteeism and turnover rates. Furthermore, one large-scale study of labor productivity in British establishments found that although using teams improved individual (and overall) labor productivity, no evidence supported the claim that self-managed teams performed better than traditional teams with less decision-making authority.⁹



Cross-Functional Teams

Starbucks created a team of individuals from production, global PR, global communications, and U.S. marketing to develop the Via brand of instant coffee. The team's suggestions resulted in a product that would be cost-effective to produce and distribute, and that was marketed with a tightly integrated, multifaceted strategy.¹⁰ This example illustrates the use of **cross-functional teams**, teams made up of employees from about the same hierarchical level, but from different work areas, who come together to accomplish a task.

Cross-functional teams are an effective means of allowing people from diverse areas within or even between organizations to exchange information, develop new ideas, solve problems, and coordinate complex projects. However, due to the high need for coordination, cross-functional teams are not simple to manage. Why? First, power shifts occur as different expertise is needed because the members are at roughly the same level in the organization, which creates leadership ambiguity. A climate of trust thus needs to be developed before shifts can happen without undue conflict.¹¹ Second, the early stages of development are often long since members need to learn to work with higher levels of diversity and complexity. Third, it takes time to build trust and teamwork, especially among people with different experiences and perspectives.

In sum, the strength of traditional cross-functional teams is the collaborative effort of individuals with diverse skills from a variety of disciplines. When the unique perspectives of these members are considered, these teams can be very effective.

Cross-functional teams

Employees from about the same hierarchical level, but from different work areas, who come together to accomplish a task.

Virtual teams

Teams that use computer technology to tie together physically dispersed members in order to achieve a common goal.

Virtual Teams

The teams described in the preceding section do their work face-to-face, whereas **virtual teams** use computer technology to unite physically dispersed members in an effort to achieve a common goal.¹² Members collaborate online using communication links such as wide area networks, corporate social media, videoconferencing, and e-mail; whether members are nearby or continents apart. Nearly all teams do at least some of their work remotely.

Virtual teams should be managed differently than face-to-face teams in an office, partially because virtual team members may not interact along traditional hierarchical patterns. Because of the complexity of interactions, research indicated that shared leadership of virtual teams may significantly enhance team performance, although the concept is still in development.¹³ For virtual teams to be effective, management should ensure that: (1) trust is established among members (one inflammatory remark in an e-mail can severely undermine team trust); (2) progress is monitored closely (so the team doesn't lose sight of its goals and no team member "disappears"); and (3) the efforts and products of the team are publicized throughout the organization (so the team does not become invisible).¹⁴

Multiteam Systems

The types of teams we've described so far are typically smaller, stand-alone teams, though their activities relate to the broader objectives of the organization. As tasks become more complex, teams often grow in size. Increases in team size are accompanied by higher coordination demands, creating a tipping point at which the addition of another member does more harm than good. To solve this problem, organizations use **multiteam systems**, collections of two or more interdependent teams that share a superordinate goal. In other words, a multiteam system is a "team of teams."¹

To picture a multiteam system, imagine the coordination of response needed after a major car accident. There is the emergency medical services team, which responds first and transports the injured people to the hospital. An emergency room team then takes over, providing medical care, followed by a recovery team. Although the emergency services team, emergency room team, and recovery team are technically independent, their activities are interdependent, and the success of one depends on the success of the others. Why? Because they all share the higher goal of saving lives.

Some factors that make smaller, more traditional teams effective do not necessarily apply to multiteam systems and can even hinder their performance. One study showed that multiteam systems performed better when they had "boundary spanners" whose jobs were to coordinate efforts with all constituents. This reduced the need for some team member communication, which was helpful because it reduced coordination demands.¹⁶ Leadership of multiteam systems is also much different than for stand-alone teams. While leadership of all teams affects team performance, a multiteam leader must both facilitate coordination between teams and lead them. Research indicated teams that received more attention and engagement from the organization's leaders felt more empowered, which made them more effective as they sought to solve their own problems.¹⁷

In general, a multiteam system is the best choice either when a team has become too large to be effective, or when teams with distinct functions need to be highly coordinated.

Multiteam system

A collection of two or more interdependent teams that share a superordinate goal; a team of teams.

★ WATCH IT

If your professor has assigned this, go to the Assignments section of **mymanagementlab.com** to complete the video exercise titled **Teams (TWZ Role Play)**.

CREATING EFFECTIVE TEAMS

Teams are often created deliberately but sometimes evolve organically. Take the rise of the team “hive” over the past five years as an example of organic evolution. The hive process typically begins with freelancers. Freelancing is typically the solo work of people who are highly specialized in their fields and can provide expertise to organizations on a short-term basis. The difficulty is for the freelancers to effectively market themselves to organizations, and for organizations to find freelancers who fit their needs. To bridge this gap, freelancers form teams with other freelancers from complementary specialties to present a cohesive working unit—a hive—to clients. This team-based approach has proven very successful.¹⁸

Many people have tried to identify factors related to team effectiveness. To help, some studies have organized what was once a large list of characteristics into a relatively focused model.¹⁹ Exhibit 11-3 summarizes what we currently know about what makes teams effective. As you’ll see, it builds on many of the group concepts introduced in Chapter 10.

We can organize the key components of effective teams into three general categories. First are the resources and other *contextual* influences that make teams effective. The second relates to the team’s *composition*. Finally, *process* variables are events within the team that influence effectiveness. We will explore each of these components next.

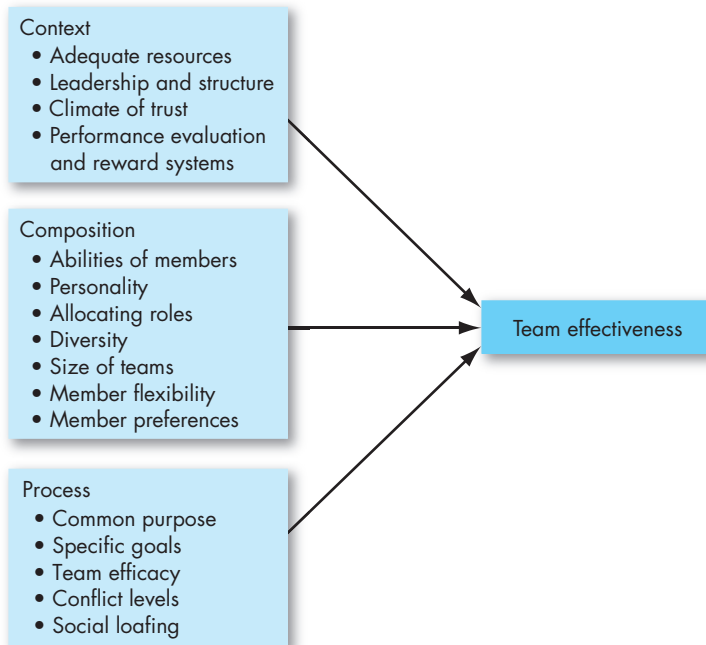


EXHIBIT 11-3
Team
Effectiveness
Model

Team Context: What Factors Determine Whether Teams Are Successful?

The four contextual factors most significantly related to team performance, discussed next, are *adequate resources*, *leadership and structure*, a *climate of trust*, and a *performance evaluation and reward system* that reflects team contributions.

ADEQUATE RESOURCES Teams are part of a larger organization system; every work team relies on resources outside the group to sustain it. A scarcity of resources directly reduces the ability of a team to perform its job effectively and achieve its goals. Important resources include timely information, proper equipment, adequate staffing, encouragement, and administrative assistance.

LEADERSHIP AND STRUCTURE Teams can't function if they can't agree on who is to do what and ensure all members share the workload. Agreeing on the specifics of work and how they fit together to integrate individual skills requires leadership and structure, either from management or from team members themselves. In self-managed teams, members absorb many of the duties typically assumed by managers. A manager's job then becomes managing *outside* (rather than inside) the team.

As mentioned before, leadership is especially important in multiteam systems. Here, leaders need to delegate responsibility to teams and play the role of facilitator, making sure the teams work together rather than against one another.²⁰

CLIMATE OF TRUST Trust is the foundation of leadership; it allows a team to accept and commit to the leader's goals and decisions. Members of effective teams exhibit trust in their leaders.²¹ They also trust each other. Interpersonal trust among team members facilitates cooperation, reduces the need to monitor each other's behavior, and bonds individuals through the belief that members won't take advantage of them. Members are more likely to take risks and expose vulnerabilities when they can trust others on their team. The overall level of trust in a team is important, but the way trust is dispersed among team members also matters. Trust levels that are asymmetric and imbalanced between team members can mitigate the performance advantages of a high overall level of trust—in such cases, coalitions form that often undermine the team as a whole.²²



Trust is a perception that can be vulnerable to shifting conditions in a team environment. For instance, research in Singapore found that, in high-trust teams, individuals are less likely to claim and defend personal ownership of their ideas, but individuals who do still claim personal ownership are rated as lower contributors by *team members*.²³ This “punishment” by the team may reflect resentments that create negative relationships, increased conflicts, and reduced performance.

PERFORMANCE EVALUATION AND REWARD SYSTEM Individual performance evaluations and incentives may interfere with the development of high-performance teams. So, in addition to evaluating and rewarding employees for their individual contributions, management should utilize hybrid performance systems that incorporate an individual member component to recognize individual contributions, and a group reward to recognize positive team outcomes.²⁴ Group-based appraisals, profit sharing, small-group incentives, and other system modifications can reinforce team effort and commitment.

Team Composition

Maria Contreras-Sweet, head of the U.S. Small Business Administration, suggests that when she is building a team, she looks for a variety of qualities in potential team members including resourcefulness, flexibility, and discretion (which also reflects integrity).²⁵ These are good qualities, but not all that we should consider when staffing teams. The team composition category includes variables that relate to how teams should be staffed: the *abilities* and *personalities* of team members, *allocation of roles*, *diversity*, *cultural differences*, *size* of the team, and *members' preferences* for teamwork.

ABILITIES OF MEMBERS It's true we occasionally read about an athletic team of mediocre players who, because of excellent coaching, determination, and precision teamwork, beat a far more talented group. But such cases make the news precisely because they are unusual. A team's performance depends in part on the knowledge, skills, and abilities of individual members.²⁶ Abilities set limits on what members can do and how effectively they will perform on a team.

Research revealed insights into team composition and performance. First, when solving a complex problem such as reengineering an assembly line, high-ability teams—composed of mostly intelligent members—do better than lower-ability teams. High-ability teams are also more adaptable to changing situations; they can more effectively apply existing knowledge to new problems.

Finally, the ability of the team's leader matters. Smart team leaders help less intelligent team members when they struggle with a task. A less intelligent leader can, conversely, neutralize the effect of a high-ability team.²⁷

PERSONALITY OF MEMBERS We demonstrated in Chapter 4 that personality significantly influences individual behavior. Some dimensions identified in the Big Five personality model are particularly relevant to team effectiveness.²⁸ Conscientiousness is especially important to teams. Conscientious people are good at backing up other team members and sensing when their support is truly needed. Conscientious teams also have other advantages—one study found that behavioral tendencies such as organization, achievement orientation, and endurance were all related to higher levels of team performance.²⁹

Team composition can be based on individual personalities to good effect. Suppose an organization needs to create 20 teams of 4 people each and has 40 highly conscientious people and 40 who score low on conscientiousness. Would the organization be better off: (1) forming 10 teams of highly conscientious people and 10 teams of members low on conscientiousness; or (2) “seeding” each team with two people who score high and two who score low on conscientiousness? Perhaps surprisingly, evidence suggests Option 1 is the best choice; performance across the teams will be higher if the organization forms 10 highly conscientious teams and 10 teams low in conscientiousness. The reason is that a team with varying conscientiousness levels will not work to the peak performance of its highly conscientious members. Instead, a group normalization dynamic (or simple resentment) will complicate interactions and force the highly conscientious members to lower their expectations, thus reducing the group's performance.³⁰

What about the other traits? Teams with a high level of openness to experience tend to perform better, and research indicates that constructive task conflict *enhances* the effect. Open team members communicate better with one another and throw out more

ideas, which makes teams with open people more creative and innovative.³¹ Task conflict also enhances performance for teams with high levels of emotional stability.³² It's not so much that the conflict itself improves performance for these teams, but that teams characterized by openness and emotional stability are able to handle conflict and leverage it to improve performance. The minimum level of team member agreeableness matters, too: teams do worse when they have one or more highly disagreeable members, and a wide span in individual levels of agreeableness can lower productivity. Research is not clear on the outcomes of extraversion, but one study indicated that a high mean level of extraversion in a team can increase the level of helping behaviors, particularly in a climate of cooperation.³³ Thus, the personality traits of individuals are as important to teams as the overall personality characteristics of the team.

ALLOCATION OF ROLES Teams have different needs, and members should be selected to ensure all the various roles are filled. A study of 778 major league baseball teams over a 21-year period highlighted the importance of assigning roles appropriately.³⁴ As you might expect, teams with more experienced and skilled members performed better. However, the experience and skill of those in core roles—those who handled more of the workflow of the team and were central to all work processes (in this case, pitchers and catchers)—were especially vital.³⁵ In other words, put your most able, experienced, and conscientious workers in the most central roles in a team.

We can identify nine potential team member roles (see Exhibit 11-4). Successful work teams have selected people to play all these roles based on their skills and

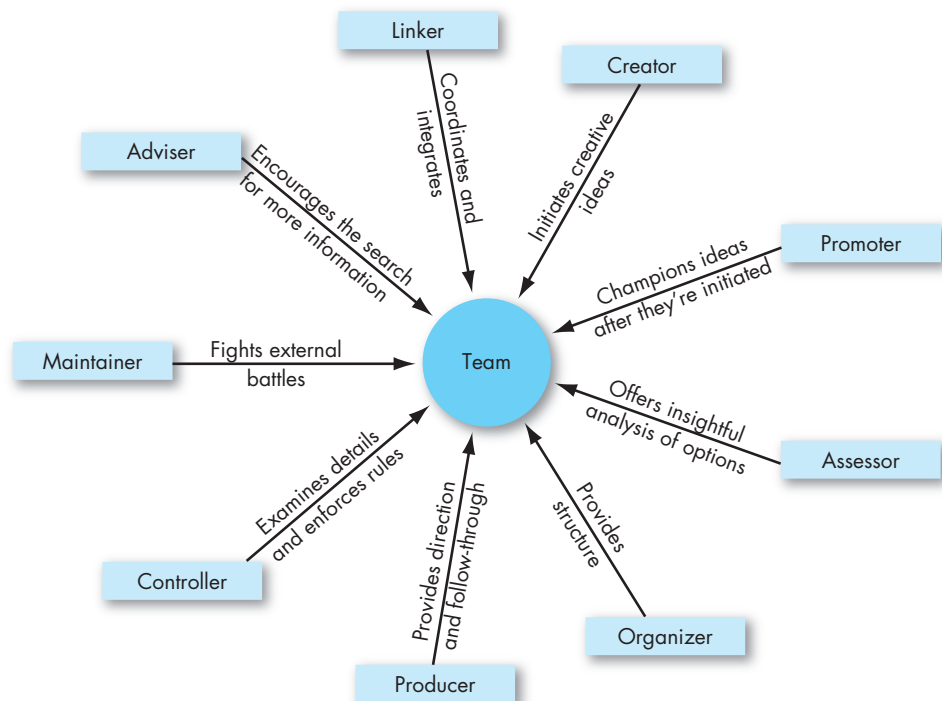


EXHIBIT 11-4
Potential Team
Member Roles

preferences. (On many teams, individuals will play multiple roles.) To increase the likelihood team members will work well together, managers need to understand the individual strengths each person can bring to a team, select members with their strengths in mind, and allocate work assignments that fit with members' preferred styles.

DIVERSITY OF MEMBERS In Chapter 10, we discussed the effect of diversity on groups. How does *team* diversity affect *team* performance? The degree to which members of a work unit (group, team, or department) share a common demographic attribute, such as age, sex, race, educational level, or length of service in the organization, is the subject of **organizational demography**. Organizational demography suggests that attributes such as age or the date of joining should help predict turnover. The logic goes like this: Turnover will be greater among those with dissimilar experiences because communication is more difficult and conflict is more likely. Increased conflict makes membership less attractive, so employees are more likely to quit. Similarly, the losers of a conflict are more apt to leave voluntarily or be forced out.³⁶ The conclusion is that diversity negatively affects team performance.

Many of us hold the optimistic view that diversity should be a good thing—diverse teams should benefit from differing perspectives. Two meta-analytic reviews showed, however, that demographic diversity was essentially unrelated to team performance, while a third review suggested that race and gender diversity were actually negatively related to team performance.³⁷ Other research findings are mixed. One qualifier is that gender and ethnic diversity have more negative effects in occupations dominated by White or male employees, but in more demographically balanced occupations, diversity is less of a problem. Diversity in function, education, and expertise are positively related to team performance, but these effects are small and depend on the situation.

Organizational demography

The degree to which members of a work unit share a common demographic attribute; such as age, sex, race, educational level, or length of service in an organization; and the impact of this attribute on turnover.

CULTURAL DIFFERENCES We have discussed research on team diversity regarding a number of differences. But what about cultural differences? Evidence indicates cultural diversity interferes with team processes, at least in the short term,³⁸ but let's dig a little deeper: what about differences in cultural status? Though it's debatable, people with higher cultural status are usually in the majority or ruling race group of their nations. Researchers in the United Kingdom, for example, found that cultural status differences affected team performance, noting that teams with more high cultural-status members than low cultural-status members realized improved performance... for *every* member on the team.³⁹ This suggests not that diverse teams should be filled with individuals who have high cultural status in their countries, but that we should be aware of how people identify with their cultural status even in diverse group settings.



In general, cultural diversity seems to be an asset for tasks that call for a variety of viewpoints. But culturally heterogeneous teams have more difficulty learning to work with each other and solving problems. The good news is that these difficulties seem to dissipate with time.

SIZE OF TEAMS Most experts agree that keeping teams small is key to improving group effectiveness.⁴⁰ Amazon CEO Jeff Bezos uses the “two-pizza” rule, saying, “If it takes more than two pizzas to feed the team, the team is too big.”⁴¹ Psychologist George Miller claimed “the magical number [is] seven, plus or minus two,” for the ideal team size.⁴²

Author and *Forbes* publisher Rich Karlgaard writes, “Bigger teams almost never correlate with a greater chance of success” because the potential connections between people grow exponentially as team size increases, complicating communications.⁴³

Generally speaking, the most effective teams have five to nine members. Experts suggest using the smallest number of people who can do the task. Unfortunately, managers often err by making teams too large. It may require only four or five members to develop an array of views and skills, while coordination problems can increase as others are added. When teams have excess members, cohesiveness and mutual accountability decline, social loafing increases, and people communicate less. Members of large teams have trouble coordinating with one another, especially under time pressure. When a natural working unit is larger and you want a team effort, consider breaking the group into subteams.⁴⁴

MEMBER PREFERENCES Not every employee is a team player. Given the option, many employees will select themselves *out* of team participation. When people who prefer to work alone are required to team up, there is a direct threat to the team’s morale and to individual member satisfaction.⁴⁵ This suggests that, when selecting team members, managers should consider individual preferences along with abilities, personalities, and skills. High-performing teams are likely to be composed of people who prefer working as part of a group.

Team Processes

The final category related to team effectiveness includes process variables such as member commitment to a *common plan and purpose*, *specific team goals*, *team efficacy*, *team identity*, *team cohesion*, *mental models*, *conflict levels*, and *social loafing*. These will be especially important in larger teams and in teams that are highly interdependent.⁴⁶

Why are processes important to team effectiveness? Teams should create outputs greater than the sum of their inputs. Exhibit 11-5 illustrates how group processes can have an impact on a group’s actual effectiveness.⁴⁷ Teams are often used in research laboratories because they can draw on the diverse skills of various individuals to produce more meaningful research than researchers working independently—that is, they produce positive synergy, and their process gains exceed their process losses.

COMMON PLAN AND PURPOSE Effective teams begin by analyzing the team’s mission, developing goals to achieve that mission, and creating strategies for achieving the goals. Teams that consistently perform better have a clear sense of what needs to be done and how.⁴⁸ This sounds obvious, but many teams ignore this fundamental process. Effective teams show **reflexivity**, meaning they reflect on and adjust their purpose when necessary. A team must have a good plan, but it needs to be willing and able to adapt when conditions call for it.⁴⁹ Interestingly, some evidence suggests that teams high in reflexivity are better able to adapt to conflicting plans and goals among team members.⁵⁰

Reflexivity

A team characteristic of reflecting on and adjusting the master plan when necessary.

EXHIBIT 11-5 Effects of Group Processes



SPECIFIC GOALS Successful teams translate their common purpose into specific, measurable, and realistic performance goals. Specific goals facilitate clear communication. They help teams maintain their focus on getting results. Consistent with the research on individual goals, team goals should be challenging. Difficult but achievable goals raise team performance on those criteria for which they're set. So, for instance, goals for quantity tend to increase quantity, goals for accuracy increase accuracy, and so on.⁵¹

TEAM EFFICACY Effective teams have confidence in themselves; they believe they can succeed. We call this **team efficacy**.⁵² Teams that have been successful raise their beliefs about future success, which, in turn, motivates them to work harder. In addition, teams that have a shared knowledge of individual capabilities can strengthen the link between team members' self-efficacy and their individual creativity because members can more effectively solicit informed opinions from their teammates.⁵³ What can management do to increase team efficacy? Two options are helping the team achieve small successes that build confidence, and providing training to improve members' technical and interpersonal skills. The greater the abilities of team members, the more likely the team will develop confidence and the ability to deliver on that confidence.

Team efficacy

A team's collective belief among team members that they can succeed at their tasks.

TEAM IDENTITY In Chapter 10, we discussed the important role of social identity in people's lives. When people connect emotionally with the groups they're in, they are more likely to invest in their relationship with those groups. It's the same with teams. For example, research with soldiers in the Netherlands indicated that individuals who felt included and respected by team members became more willing to work hard for their teams, even though as soldiers they were already called upon to be dedicated to their units. Therefore, by recognizing individuals' specific skills and abilities, as well as creating a climate of respect and inclusion, leaders and members can foster positive **team identity** and realize improved team outcomes.⁵⁴

Organizational identity is important, too. Rarely do teams operate in a vacuum—more often teams interact with other teams, requiring interteam coordination. Individuals with a positive team identity but without a positive organizational identity can become fixed to their teams and unwilling to coordinate with other teams within the organization.⁵⁵



Team identity

A team member's affinity for and sense of belongingness to his or her team.

TEAM COHESION Have you ever been a member of a team that really “gelled,” one in which team members felt connected? The term **team cohesion** means members are emotionally attached to one another and motivated toward the team because of their attachment. Team cohesion is a useful tool to predict team outcomes. For example, a large study in China indicated that if team cohesion is high and tasks are complex, costly investments in promotions, rewards, training, and so forth yield greater profitable team creativity. Teams with low cohesion and simple tasks, on the other hand, are not likely to respond to incentives with greater creativity.⁵⁶

Team cohesion is a strong predictor of team performance such that when cohesion is harmed, performance may be too. Negative relationships are one driver of reduced cohesion. To mitigate this effect, teams can foster high levels of interdependence and high-quality interpersonal interactions.



Team cohesion

A situation when team members are emotionally attached to one another and motivated toward the team because of their attachment.

Mental models

Team members' knowledge and beliefs about how the work gets done by the team.



MENTAL MODELS Effective teams share accurate **mental models**—organized mental representations of the key elements within a team's environment that team members share (If the team mission and goals pertain to *what* a team needs to be effective, mental models pertain to *how* a team does its work).⁵⁷ If team members have the wrong mental models, which is particularly likely in teams under acute stress, their performance suffers.⁵⁸ One review of 65 independent studies found that teams with shared mental models engaged in more frequent interactions with one another, were more motivated, had more positive attitudes toward their work, and had higher levels of objectively rated performance.⁵⁹ If team members have different ideas about how to do things, however, the team will fight over methods rather than focus on what needs to be done.⁶⁰

An anesthetic team in a hospital is one example of an action team with shared mental models. Research in Switzerland found that anesthetic teams communicated two distinct types of messages while in an operation: vocally monitoring each other's performance (not to criticize but to keep a vocal record of events), and "talking to the room" (announcements to everyone such as, "Patient's blood pressure is dropping"). The study found that high- and low-performing teams communicated in these ways equally often; what mattered to performance was the sequencing of the communication to maintain a shared mental model. High-performing teams followed up monitoring dialogue with assistance and instructions, and talking-to-the-room dialogue with further team dialogue.⁶¹ The message seems simple: to maintain shared mental models and to share in conversations about what is happening while the team is in operation!



CONFLICT LEVELS Conflict has a complex relationship with team performance, and it's not necessarily bad (see Chapter 14). *Relationship conflicts*—those based on interpersonal incompatibility, tension, and animosity toward others—are almost always dysfunctional. However, when teams are performing nonroutine activities, disagreements about task content—called *task conflicts*—stimulate discussion, promote critical assessment of problems and options, and can lead to better team decisions. According to one study conducted in China, moderate levels of task conflict during the initial phases of team performance were positively related to team creativity, but both very low and very high levels of task conflict were negatively related to team performance.⁶² In other words, both too much and too little disagreement about how a team should initially perform a creative task can inhibit performance.

SOCIAL LOAFING As we noted earlier, individuals can engage in social loafing and coast on the group's effort when their particular contributions (or lack thereof) can't be identified. Effective teams undermine this tendency by making members individually and jointly accountable for the team's purpose, goals, and approach.⁶³ Therefore, members should be clear on what they are individually and jointly responsible for on the team.

TURNING INDIVIDUALS INTO TEAM PLAYERS

We've made a case for the value and growing popularity of teams. But many people are not inherently team players, and many organizations have historically nurtured individual accomplishments. Teams often fit well in countries that score high on collectivism, but what if an organization wants to introduce teams into a work population of individuals born and raised in an individualistic society? Let's consider each phase of organizational team building.

Selecting: Hiring Team Players

Some people already possess the interpersonal skills to be effective team players. Therefore, managers, when hiring team members, can make certain that candidates can fulfill their team roles as well as technical requirements.⁶⁴ Creating teams often means resisting the urge to hire the best talent no matter what. For example, the New York Knicks professional basketball team pays Carmelo Anthony well because he scores a lot of points for his team; but statistics show he takes more shots than other highly paid players in the league, which means fewer shots for his teammates.⁶⁵ Personal traits appear to make some people better candidates for working in diverse teams. Teams made of members who like to work through difficult mental puzzles also seem more effective and able to capitalize on the multiple points of view that arise from diversity in age and education.⁶⁶

Training: Creating Team Players

Training specialists conduct exercises that allow employees to experience the satisfaction teamwork can provide. Workshops help employees improve their problem-solving, communication, negotiation, conflict-management, and coaching skills. L'Oréal, for example, found that successful sales teams required much more than a staff of high-ability salespeople. "What we didn't account for was that many members of our top team in sales had been promoted because they had excellent technical and executional skills," said L'Oréal's senior VP David Waldock. As a result of introducing purposeful team training, Waldock said, "We are no longer a team just on paper, working independently. We have a real group dynamic now, and it's a good one."⁶⁷ An effective team doesn't develop overnight—it takes time.

Rewarding: Providing Incentives to Be a Good Team Player

A traditional organization's reward system must be reworked to encourage cooperative efforts rather than competitive ones.⁶⁸ Nu Skin helps improve lives by providing employee benefits like the Tuition Reimbursement program, Flexible Spending accounts, and health care coverage to full time employees and their dependents. Whole Foods directs most of its performance-based rewards toward team performance. As a result, teams select new members carefully so they will contribute to team effectiveness (and, thus, team bonuses).⁶⁹ It is usually best to set a cooperative tone as soon as possible in the life of a team. As we already noted, teams that switch from competitive to cooperative do not immediately share information, and they still tend to make rushed, poor-quality decisions.⁷⁰ The low trust typical of the competitive group will not be readily replaced by high trust with a quick change in reward systems. Promotions, pay raises, and other forms of recognition should be given to individuals who work effectively as team members by training new colleagues, sharing information, helping resolve team conflicts, and mastering needed new skills. This doesn't mean individual contributions should be ignored; rather, they should be balanced with selfless contributions to the team.

Finally, don't forget the intrinsic rewards, such as camaraderie, that employees can receive from teamwork. It's exciting to be part of a successful team. The opportunity for personal development of self and teammates can be a very satisfying and rewarding experience.

Nu skin enterprises

Nu Skin, an innovative personal care products company, provides a Sales Compensation Plan, encouraging its distributors to increase the consumer base and build a healthy team by teaching others to enrol in the program and market the products. Distributors are rewarded with opportunities to earn retail profits, qualify as a Sales Network Executive—enabling them to participate in leadership bonus pools—and to qualify for Nu Skin's bi-annual Success Trips.

BEWARE! TEAMS AREN'T ALWAYS THE ANSWER

Teamwork takes more time and often more resources than individual work. Teams have increased communication demands, conflicts to manage, and meetings to run. So, the benefits of using teams have to exceed the costs, and that's not always possible.⁷¹ How do you know whether the work of your group would be better done in teams? You can apply three tests.⁷² First, can the work be done better by more than one person? Good indicators are the complexity of the work and the need for different perspectives. Simple tasks that don't require diverse inputs are probably better left to individuals. Second, does the work create a common purpose or set of goals for the people in the group that is more than the aggregate of individual goals? Many service departments of new vehicle dealers have introduced teams that link customer-service people, mechanics, parts specialists, and sales representatives. Such teams can better manage collective responsibility for ensuring customer needs are properly met.

The final test is to determine whether the members of the group are interdependent. Using teams makes sense when there is interdependence among tasks—the success of the whole depends on the success of each one, *and* the success of each one depends on the success of the others. Soccer, for instance, is an obvious *team* sport. Success requires a great deal of coordination among interdependent players. Conversely, except possibly for relays, swim teams are not really teams. They're groups of individuals performing individually, whose total performance is merely the aggregate summation of their individual performances.

SUMMARY

Few trends have influenced jobs as much as the massive movement to teams into the workplace. Working on teams requires employees to cooperate with others, share information, confront differences, and sublimate personal interests for the greater good of the team.

Understanding the distinctions between problem-solving, self-managed, cross-functional, and virtual teams as well as multiteam systems helps determine the appropriate applications for team-based work. Concepts such as reflexivity, team efficacy, team identity, team cohesion, and mental models bring to light important issues relating to team context, composition, and processes. For teams to function optimally, careful attention must be given to hiring, creating, and rewarding team players. Still, effective organizations recognize that teams are not always the best method for getting the work done efficiently. Careful discernment and an understanding of organizational behavior are needed.

IMPLICATIONS FOR MANAGERS

- Effective teams have adequate resources, effective leadership, a climate of trust, and a performance evaluation and reward system that reflects team contributions. These teams have individuals with technical expertise, and the right traits and skills.
- Effective teams tend to be small. They have members who fill role demands and who prefer to be part of a group.
- Effective teams have members who believe in the team's capabilities, are committed to a common plan and purpose, and have an accurate shared mental model of what it is to be accomplished.