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The Wisdom of Teams

Creating the High-Performance Organization

by Jon R. Katzenbach and Douglas K. Smith
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Take-Aways

• Teams always outperform working groups of individuals when the teams are properly understood and supported.

• Many managers don't understand teams and most don't act on what they do know.

• To really come together as a team, a group needs a performance challenge.

• This high-performance team must have a clear, specific purpose that is distinct from the purpose of its larger organization.

• Team success depends on having the right mix of skills, not the right personalities.

• Team achievement requires discipline.

• Forming teams requires time; driving them to high performance takes enthusiasm.

• Make team success more likely by sharing work approaches and behaviors, and by communicating frequently and clearly.

• Real teams are uncommon in the upper levels of companies due to organizational structures, demands on executive time and hierarchical assumptions.

• Teams go through a natural life cycle, from separate individuals, to a coalition, to a higher performance mode in which members care about one another.

Rating (10 is best)

Overall	Applicability	Innovation	Style
8	8	7	7

Relevance

What You Will Learn
In this Abstract, you will learn: 1) Why teams matter; 2) What you need to do to create high-performance teams; and 3) How great teams succeed and how lesser ones go astray.

Recommendation
What's nice about Jon R. Katzenbach and Douglas K. Smith's book is their willingness to name the truth. They know that everyone pays lip service to teams, but few people act like they truly value teams – and fewer still actually know how teams really work. The authors point out where the hype lies and what it is hiding. Then they go a step farther. They provide a manual for creating what executives say they want: high-performance teams. They illustrate their suggestions, insights and guidelines with a lot of stories of real-world teams, focusing on what makes them work. Their rules are so clear that they leave little room for protecting any cherished illusions. As a result, *getAbstract* finds that those readers who are willing to act upon the book's counsel will get the most from it. If you're seriously interested in diagnosing nonperforming teams and creating ones that perform, you'll enjoy this book. And, if you think you're already doing everything right, but your team mysteriously just isn't working…this may solve the puzzle.

Abstract

The Fundamentals of Teams
Managers think they know what teams are. Most understand that their organizations' need for good teams may be growing in the face of increased change and its challenges. However, often they either don't know what it takes to make a team function well or they don't apply what they do know, even when it is accurate. To work well – to truly cohere – a team needs a "demanding performance challenge." Teams often come into being to rise to a difficult challenge. However, as you form a team, don't overlook "team basics": how large the team is, what skills its members have, to whom it reports and what goals it pursues.

> "Much of the wisdom of teams lies in the disciplined pursuit of performance."

Performance is key to creating teams. A company with "high performance standards" is likelier to create high-performance teams than a company that simply teaches teamwork. No matter what your company emphasizes, high-performance teams are uncommon. Many people think teams work best in a horizontal structure, but that's not true. Teams function best when they can depend on their leaders to set clear standards and create dependable, supportive processes.

"Understanding Teams"
Even though most of your employees probably were raised with a bias for individualistic approaches, you can still build great teams. Your main tool is discipline. To make people accountable, be sure that superior team functioning serves their individual interests. People have to work together repeatedly, in a focused way, to create teams. Teams that develop and take responsibility for performance standards will outperform groups that lack such standards.

> "We believe that teams – real teams, not just groups that management calls 'teams' – should be the basic unit of performance for most organizations, regardless of size."

By building shared standards and communication patterns, teams can speed up your organization's response to problems, allowing it to react in "real time" rather than waiting

for commands and responses to work their way through a diffuse organization. Teams also outperform groups or individuals because team members learn from each other and build on one another's achievements. The fun they have in the process adds energy to the workplace and carries teams through transformational challenges, such as changing individual behaviors, and developing new visions or products.

Some managers oppose teams, and don't believe teams work or that ideal teams can even exist. They don't think teams can forge common purposes. They're often right. Too many executives talk about teamwork as a value, without really seeing teams as what they are: performance engines. If there's no performance, no need for performance and no organizational ethos that rewards performance, there are no real teams, no matter how much people talk about them. Others oppose teams because they prefer to work alone. Some think they'll be uncomfortable in a team or would feel betrayed if others fail them. In fact, some people truly aren't meant to work with others, so let them work alone. For the rest, words alone won't convince them; you'll have to show them how well teams can work.

The single most important thing you can do to help your teams succeed is provide clear, consistent performance criteria. Then keep each team small, no more than 25 people. A larger team has trouble interacting. Recruit people with "complementary skills" in three categories: technical/functional knowledge, skill at making decisions or solving problems, and interpersonal communication skills. Even managers who pay some attention to a team's skill mix tend to overemphasize interpersonal skills.

Individual team members must commit to a shared goal with enough meaning to give the team its purpose. Great teams spend a lot of time articulating and agreeing upon these goals. In the process, more intense motivations arise. Once the team's goals are set, use them to derive stated performance targets to meet along the way. Make these goals team-specific; they can't be the larger organization's goals. This tactic keeps teams focused on results and enables communication. Stating goals clearly also helps create a level playing field within the group and nudges individual behavior toward a team norm. Meeting smaller goals builds team unity that will help carry you through rough spots. Being aware of these goals helps teams create a shared approach and helps members hold each other mutually accountable.

"The Team Performance Curve"
Track team performance along a "J"-shaped curve. The first stage in tracking team performance is a "working group" of individuals whose contributions are added together. No group effort is required; the individual efforts don't build on one another. Working groups flourish in organizations defined by hierarchy and individual accountability. Since working groups aren't driven by a performance challenge, they lack the opportunity to fuse into real teams.

Imagine that your working group gets that opportunity to coalesce – either due to individual impetus or a performance challenge – but it doesn't really try to become a team and never focuses on "collective performance." There might be team talk, but there's no team action. That's a "pseudo-team" – the lowest point on the "J" curve. Pseudo-teams are less effective than working groups. Now imagine that your working group gets that opportunity to form a "real team," and you really try to improve your performance, but you don't know how. You lack clear goals, discipline and a shared

approach to the task. Now, you're a "potential team." You will surpass pseudo-teams, but you're on approximately the same performance level as most working groups.

Your performance will get a real boost when you shift from potential team to real team. That means holding yourself responsible for shared standards, a shared purpose and a shared approach to your work. That's far superior to the disorganization and waste of a pseudo-team, but you can aspire to reach one more level: the rare "high-performance team." If you reach that level – which may be difficult – you'll find yourself on a team where members care about each other's growth and success. Even at that level, though, all teams come to an end. Teams' life spans are defined by their purpose. When your team achieves its goals, move on.

How to Make Your Group into a Real Team

To make a group into a real team (and maybe a high-performance team), start by asking: "What will it take for us to achieve significant performance results?" Your answers will always be specific to your situation, but start with the team basics: size, skill mix, overarching purpose, smaller goals, a shared approach to work and "mutual accountability."

Monitor several more "vital signs." First, your team should "rally" around specific themes that communicate a shared identity. Second, watch and, if need be, boost the team's "enthusiasm and energy level." Third, as a team coalesces, it should develop a team-specific history of its identity. Even though these events emerge spontaneously, take the time to collect and share these stories. Fourth, build "personal commitment." When members care about the group's success, the group is becoming a team. Finally, a team that is coalescing will perform better. To improve your team's performance, communicate the urgency of the situation to potential team members. Let them know why their efforts matter, and what direction they should take. When you're building a team, emphasize skills and potential capabilities, not personalities.

When the potential team meets for the first time, do everything to make the session go well. Set the tone and leadership style early, and start building shared work approaches and open, useful communication patterns. Develop clear rules to govern behavior and team interaction. Go carefully, since you must enforce any rules you set. Failing to do so sends the message that you're not serious about creating a team. Develop specific goals early; be sure they "stretch" the team a bit. As you work toward these goals, maintain a steady flow of new information to force the team to reflect on the situation continually. Your team will need to "spend lots of time together" to make sure that the members maintain their shared understanding. This is especially important early in the team's life. When people meet their goals or practice desired behaviors, acknowledge them. Make positive recognition part of your group's culture.

Team Leaders

To lead a team, realize that your goal is team – not individual – performance. Make it clear that your group will succeed or fail as a team, not as individuals. Stay involved in the process. Strike a delicate balance as you help lift the team toward its goals. Involve the team in any decision it can make, but don't abandon all decision making to it.

As you lead a team, let your perspective help it clarify its goals. Work to "build commitment and confidence." Advance individual members and the connections among them. Raise your team's skill levels and make sure you have the right mix. Carefully select the right people and make sure they stay the right people. Challenge them to get any new training they need. Deal with the outside world for your team. This means managing support and

communication, and getting rid of obstacles. "Create opportunities for others" by finding ways for team members to shine. Don't let yourself rest or coast, don't blame individuals for team failures and don't offer excuses if the team fails.

Overcoming Obstacles

The road to high performance is full of obstacles. Most often, potential teams simply get stuck. They lack purpose or don't understand how to work together. Some sink into the morass of the pseudo team. Since every team will hit at least one obstacle, you have to know how to resolve problems. The fundamental obstacle is lack of purpose or the absence of a serious performance challenge. You need both. Even with those, the culture of your organization can still sabotage you, particularly if it tolerates failure, overaccents individual achievement or issues conflicting performance criteria. The team also will stall or fail if members lack commitment or crucial skills. Finally, if you misjudge your role as the leader, leadership itself can become an obstacle.

Address obstacles by going back to the basics, such as the team's purpose and team-specific goals. Look for "small wins" that focus the team on performance and successful interaction. Change tactics or add new information, like case studies of successful teams or more data on your goals. Introduce outside facilitators or add training. Finally, if the team isn't working, change the composition. Add new people with the skills you need, or make the hard decision to get rid of members or leaders who aren't working.

Executive level teams pose such specialized problems that they are very rare. In fact, to get executives to work in tandem, simply setting up a strong working group of talented individual leaders who never try to become a team might be better. Forming teams at the top is hard because executives confuse the organization's purpose and the team's purpose (the two must be different). High-level leaders expect you to include them in any group. Top-ranking people assume their dominant positions will carry over into the team, but they can't. Executives usually lack the time to form coherent teams. If you need to create an executive team, reverse these tendencies. With executives, insist on distinct performance goals and assign work to "subsets of the team." Make skill, not title, the criteria. Disrupt the hierarchy. Insist on team-specific rules governing behavior, communication and time use.

Teams and Change

Because teams foster interpersonal change, individuals must become more than they were when working alone, and must develop new commitments and behaviors. New members challenge teams and make old teams into new ones. Teams also can play major roles in institutional change. A team at the top can demonstrate the behavior that the entire company needs to adopt. Teams that cross departmental boundaries can build shared cultures and new performance criteria. Teams enhance learning and address change directly through creating recommendations, new products or new structures. In the end, when teams have accomplished the specific performance challenges they were created to meet, allow them to expire. Don't cling to teams after their purpose has been served.

About The Authors

Jon R. Katzenbach is a senior partner at an international consulting firm specializing in teams, leadership and performance. Douglas K. Smith is a management consultant and author of five books, including *Make Success Measurable.*

> "The truly committed team is the most productive performance unit management has at its disposal – provided there are specific results for which the team is collectively responsible, and provided the performance ethics of the company demands those results."

> "Team leaders act to clarify purpose and goals, build commitment and self-confidence, strengthen the team's collective skills and approach, [and] remove externally imposed obstacles."

> "All teams come to an end. Endings, however, do not need to sacrifice continued performance."