

Chapter 8

Team Leadership and Self-Managed Teams

The Use of Teams in Organizations

- Is a way of life in postmodern organizations
- For many organizations, the use of teams has led to desirable performance improvements, such as:
 - Improved quality, efficiency, employee satisfaction, and customer satisfaction
- For some organizations, however, the use of teams has resulted in negative outcomes, such as:
 - Increased costs, stress, and lower group cohesion

Groups vs. Teams:

What is the Difference?

GROUP

- ❑ Focus on individual performance and goals
- ❑ Rely on individual abilities
- ❑ Work more independently with greater motivation to achieve personal goals
- ❑ Have a very hierarchical leadership style
- ❑ Characterized by individual self-interest

TEAM

- ❑ Have a sense of shared mission
- ❑ Have collective responsibility
- ❑ Focus on sharing information, insights, and perspectives
- ❑ Make decisions that support each individual to do his or her own job better
- ❑ Reinforce each other's individual performance standards
- ❑ Have a participative or empowerment-oriented leadership style
- ❑ Have performance measures that create direct accountability for the team
- ❑ Strive for equality between members

Advantages and Disadvantages of Teamwork

ADVANTAGES

- ❑ **Synergy**
- ❑ **Avoidance of major errors**
- ❑ **Faster, better decisions**
- ❑ **Continuous improvement**
- ❑ **Innovation**
- ❑ **Self-motivation**
- ❑ **Empowerment**
- ❑ **Greater job satisfaction**
- ❑ **Needs fulfillment**

DISADVANTAGES

- ❑ **Pressure to conform to group standards of performance and conduct**
- ❑ **Resistance to the team effort from impinging on autonomy**
- ❑ **Social loafing**
- ❑ **Groupthink**
- ❑ **Intergroup conflicts**
- ❑ **High levels of pressure and stress**

Social Loafing

- ❑ Is the conscious or unconscious tendency by some team members to shirk responsibilities by withholding effort toward group goals when they are not individually accountable for their work
- ❑ Is likely when individual effort is not recognized and assessed
- ❑ Individual-level performance appraisal helps reduce social loafing, but risks jeopardizing team interaction and synergy

Groupthink

- ❑ Is when members of a cohesive group tend to agree on a decision not on the basis of its merit but because they are less willing to risk rejection for questioning a majority viewpoint or presenting a dissenting opinion
- ❑ Unanimity is more important than objectivity
- ❑ Dissenting views are suppressed in favor of consensus
- ❑ Can be remedied by training team members to become effective participants in the decision-making process

Components of Team Effectiveness

□ Task performance

- Is the degree to which the team's output meets the needs and expectations of those who use it

□ Group process

- Is the degree to which members interact or relate that allow the team to work increasingly well together over time

□ Individual satisfaction

- Is the degree to which the group experience, on balance, is more satisfying than frustrating to team members

Characteristics of Effective Teams

- ❑ Team norms
- ❑ Team leadership
- ❑ Team cohesiveness and interdependence
- ❑ Team composition
- ❑ Team structure
- ❑ Organizational support
- ❑ Team creativity

Team Norms

- Are acceptable standards of behavior shared by team members
- Influence how members perceive and interact with one another, approach decisions, and solve problems
- Begin developing and being accepted at the early stages of team formation

Team Leadership

□ Effective team leaders:

- Must recognize that not everyone knows how to be a team player
- Must display self-sacrificing behavior and self-confidence
- Employ multiple influencing tactics to control and direct team member action toward the achievement of organizational goals
- Encourage norms that positively affect the team's goals and alter those that are negative
- Observe with a keen eye what's going on in the team
- Must be adaptive, knowing when to play different roles

Team Cohesiveness and Interdependence

- Team cohesion is the extent to which team members band together and remain committed to achieving team goals
- Team cohesion is increased when:
 - Team members agree on common purpose and direction
 - External parties give high praise and recognition for the team's success
 - The organization encourages and motivates teams to compete with each other for rewards
 - Members find they have common ground and similar attitudes and values
 - Members enjoy being on the team

Team Composition

- ❑ Focuses on the diversity in knowledge, background, and experiences of team members
- ❑ Team diversity reduces the likelihood of groupthink
- ❑ Teams that do not manage diversity well may suffer negative consequences
- ❑ Good working relationships require good social skills for team members
- ❑ Size also impacts team effectiveness
 - Small teams of under 12 members are generally more effective

Organizational Support

- Effective teams have strong support from top management
- Assessing team effectiveness as part of overall organizational performance is an important role of top management

Team Creativity

- Is the creation of a valuable, useful, and novel product, service, idea, procedure, or process carried out via discovery rather than a predetermined step-by-step procedure, by individuals working together in a complex social system
- Organizations that will survive and thrive are those that make the best use of the creativity of their workforce

Organizational Practices that Foster Team Creativity



Team Leader Practices that Foster Creativity

Team Leader
Practices
that
Foster
Creativity

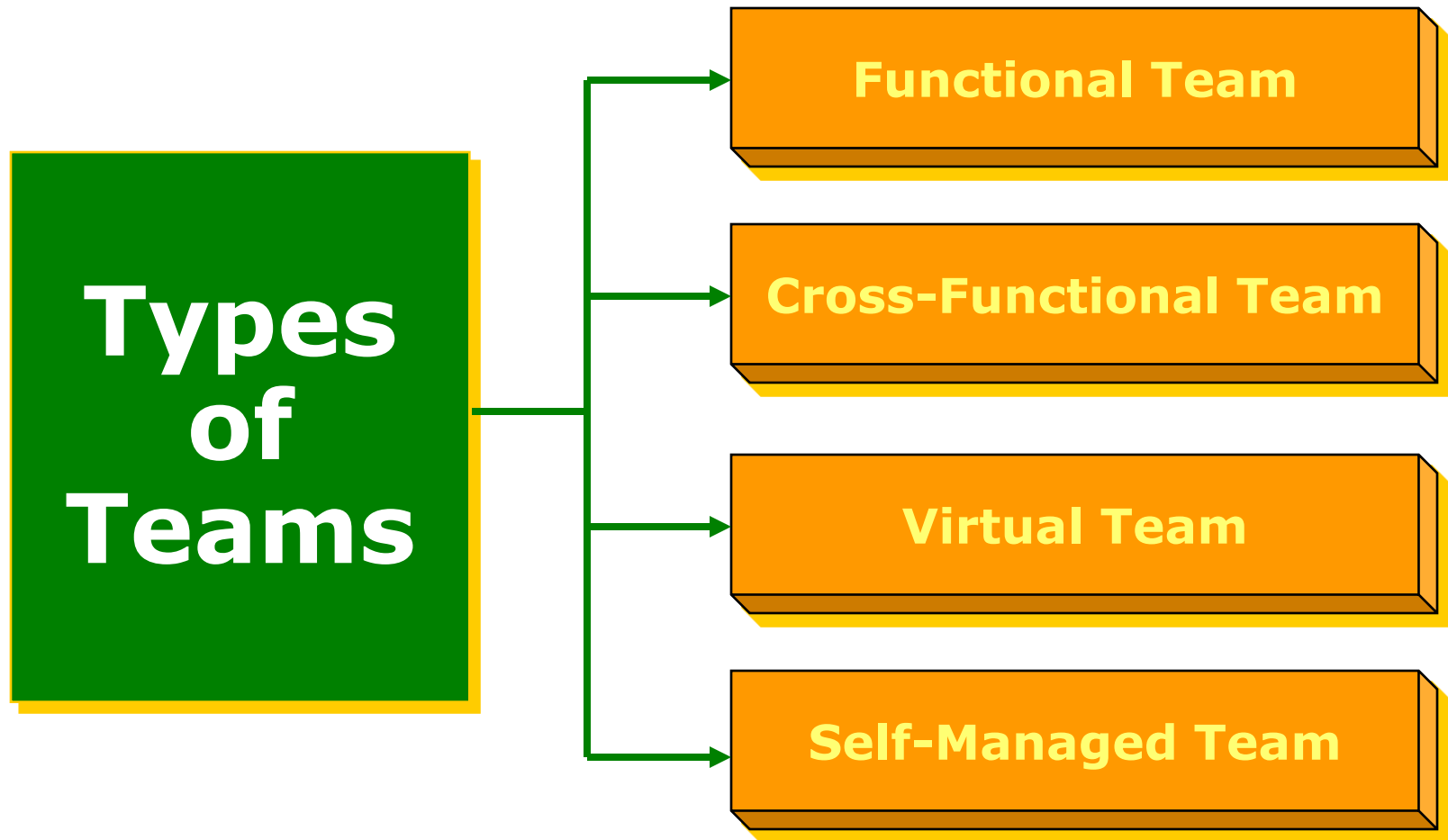
**Matching people with the
right assignments**

**Giving team members greater
autonomy to do the job**

**Protecting against
“creativity blockers”**

**Ensuring the availability of
adequate time, money, and
other resources**

Types of Teams



Functional Team

- ❑ Is a group of employees belonging to the same functional department, such as marketing, R&D, who have a common objective
- ❑ Hierarchical structure with the functional leader making all the decisions
- ❑ Team members tend to focus on their local area of specialization ignoring the overall organizational mission
- ❑ There is no one best leadership style to use
- ❑ The use of functional structure has been in decline

Cross-Functional Team

- Is made up of members of different functional departments of an organization who are brought together to perform unique tasks to create new and nonroutine products or services
- Some members may be from outside the organization
- Interaction, cooperation, coordination, information sharing, and cross-fertilization of ideas among people from different functional areas produces better quality products/services with shorter development cycles

Virtual Team

- Is one whose members are geographically distributed, requiring them to work together through electronic means with minimal face-to-face interaction
- New and advanced technologies are providing the means for teamwork that is dispersed (carried out in different locations) and asynchronous (carried out at different times)

Self-Managed Team (SMT)

- Are relatively autonomous teams whose members share or rotate leadership responsibilities and hold themselves mutually responsible for a set of performance goals assigned by higher management
- Are usually cross-functional in membership makeup
- Have wide latitude in decision making
- Can manage themselves, plan and schedule work, and take action on problems

Leader-Centered Decision-Making Model

- The leader exercises his or her power to initiate, direct, drive, instruct, and control team members
- To be successful, the leader should:
 - Focus on task
 - Ignore personal feelings and relationships
 - Seek opinions
 - Get agreement
 - Make final decisions
 - Stay in control
 - Stop disruptions
 - Discourage members from expressing their feelings
 - Keep it rational
 - Guard against threats to his or her authority

Team-Centered Decision-Making Model

- Empowers team members to make decisions and follow through
- To be successful, the team leader should:
 - Listen attentively
 - Watch for nonverbal cues
 - Be aware of members':
 - Feelings
 - Needs
 - Interactions
 - Conflict
 - Serve as a consultant, advisor, teacher, and facilitator
 - Model appropriate leadership behaviors
 - Establish a climate of approval for expression of feelings and ideas
 - Relinquish control to the team
 - Allow the team to make final decisions

Team-Centered Decision-Making Model (cont.)

□ Advantages

- Can improve decision quality
- Shifts much of the decision making away from the leader
- Allows the leader to think more strategically
- Allows responsibility to be diffused among several people
- Results in higher commitment by team members to implement decisions as compared to decisions made alone by a leader

Team-Centered Decision-Making Model (cont.)

□ Disadvantages

- Can take longer than decisions made alone by a manager
- Can be self-serving and contrary to the best interests of the organization, if team members have objectives and/or priorities different from those of the leader
- Can end up being a poor compromise rather than an optimal solution

Leadership Skills for Effective Team Meetings

□ Planning meetings

- Objectives
- Selecting participants and making assignments
- The agenda
- The time and place for the meeting
- Leadership

□ Conducting meetings

- Each meeting should cover the following:
 - Identifying objectives
 - Covering agenda items
 - Summarizing and reviewing assignments

Leadership Skills for Effective Team Meetings (cont.)

□ Handling problem members

- Silent
- Talkers
- Wanderers
- Bored
- Arguers

Differences Between Conventional and Self-Managed Teams

Characteristics	Self-Managed Teams	Conventional Teams
Leadership	Within the team	Outside the team
Team member role	Interchangeable	Fixed
Accountability	Team	Individual
Work effort	Cohesive	Divided
Task design	Flexible	Fixed
Skills	Multiskilled	Specialized

The Benefits of Self-Managed Teams

- ❑ Greater improvements in quality, speed, process, and innovation
- ❑ A sense of belonging and ownership in one's work
- ❑ Greater employee motivation
- ❑ Accelerated new product development
- ❑ Greater employee participation
- ❑ Reduced operational costs because of reductions in managerial ranks and greater efficiencies
- ❑ Greater employee job satisfaction, commitment, and productivity, and lower turnover and absenteeism rates

Guidelines for Improving Self-Managed Team Effectiveness

- Ensure that the whole organization has changed its culture, structure, and climate to support SMTs
- Have a champion to support and defend the SMT from opponents who are threatened by the new concept and what it represents
 - The self-managed team champion is an advocate of the self-managed team concept whose responsibility is to help the team obtain necessary resources, gain political support from top management and other stakeholders of the organization, and defend it from enemy attacks
- Have a well-thought-out vision of the way in which SMTs will fit into the scheme of the entire organization
- Allow time for team members to bond with one another and form team skills

The Changing Role of Leadership in Self-Managed Teams

- ❑ The concept of a self-managed team does not mean “without management”
- ❑ Rather, it implies self-responsibility and self-accountability
- ❑ The self-managed team must still receive direction and instruction from higher authority
- ❑ Many managers find themselves in a conflicting position when called upon to function as external leaders for self-managed teams
- ❑ Most receive conflicting signals on how to go about it

The Changing Role of Leadership in Self-Managed Teams (cont.)

□ Distributed leadership

- Multiple leaders take complementary leadership roles in rotation within the same SMT, according to their area of expertise or interest

□ Self-managed team facilitator

- Is the external leader of a self-managed team, whose job is to create optimal working conditions so team members take on responsibilities to work productively and solve complex problems on their own
- Must be good at coaching, influencing, and empowering the team

The Challenges of Implementing Self-Managed Teams

- Many of the drawbacks associated with SMTs stem from the difficulties of transitioning from a traditional command-and-control work environment to self-managed teams
 - Managers may resist or undermine the transition of power
 - Team members may experience anxiety about learning new behaviors