CHAPTER 1

The Promise and Limits of Organizational Teamwork

> Nothing is clearer than the fact that we now live in a rapidly altering, fast moving, hyper-complex world that is too much for a single individual to track, understand and deal with unaided. . . . Survivors in this turbulent epoch are finding that teamwork and cooperation ignite and fuel the engines of the individual and the enterprise, and make a new level of competency possible.
>
> F. D. Barrett, "Teamwork"

In the 1990s teamwork has become one of an organization's most important activities for achieving excellence in performance (Barrett 1987; Hoerr 1989; Feder 1993). Teamwork has been demonstrated to be central to generating excellence in organizational productivity (Feder 1993), product quality (Hoerr 1989), responsiveness to customer needs (Schroeder and Robinson 1991), and increased sales and profits (Noj 1993). Teamwork is primarily a communication activity (Kelley 1989). Teams are formed in communication and teams achieve excellence in performance only when they excel in their communication (Cushman 1993).

However, recent studies conducted by universities, consulting firms, and organizational training divisions in Europe, Asia, and the United States have found that between 55 percent and 80 percent of all organizational teamwork efforts fail to achieve their organizational goals (*Economist*, Apr. 18, 1992, p. 68; Port et al. 1992, p. 68). These same studies also indicate that when *(a)* organizational teamwork is appropriately guided by a theory of competitive strategy, *(b)* the members of a team are appropriately selected and trained, and *(c)* the team has the support of top man-

---

1

agement, teamwork has been demonstrated to be the primary resource in making a firm a world-class competitor. *It will be the purpose of this book to provide students of the teamwork process with just such a competitive theory, knowledge of the training and skills development process, and means for gaining top management support.*

Prior to entering into the main body of our analysis, we will in this chapter explore what teamwork is and when it is a good and when it is a poor solution to organizational problems. We will then be in a position to provide a broad outline of the remainder of our book.

WHAT IS ORGANIZATIONAL TEAMWORK AND WHEN SHOULD IT BE USED?

> When there is collaboration, when there is coordination, when there is communication, then there is integration, then there is unity, then there is direction and the concentration of energy and talent on the objective. There is enormous force focused upon the task whenever and wherever the magic of integrated effort is manifest.
>
> F. D. Barrett, "Teamwork"

What Are Teamwork's Defining Features?

For a strong sense of corporate teamwork to become operational requires the presence of several specific attitudes and behaviors. *First*, a team must have a common focus, direction, or goal. What makes the focus, direction, or goal of a team unique is the presence in the mind of each team member of a *mutually constructed and publicly agreed to or shared goal*. It is this collaborative effort in establishing and publicly committing to a shared goal in front of one's coworkers that separates a mere collection of individuals or group from a collaborative team (Barrett 1987, p. 24).

Second, a team's performance is constrained, channeled, and focused by a concern for the *appropriate integration of all the team's components* in goal attainment. Corporate team components normally include R&D, manufacturing, marketing, sales, and service functions. When the unique interests, concerns, and contributions of each team component are clearly articulated, collectively understood, and appropriately integrated, the "team's

creativity, energy and focus ignites, fueling the engines of the individual and the firm making a new level of competitiveness, quality and performance possible" (Barrett 1987, p. 24).

Third, when coworkers collaborate to form a mutually constructed and publicly committed to goal whose attainment is channeled and constrained by an appropriate integration of the interests, concerns, and contributions of all team members, then they manifest a specific set of behaviors such as mutual respect, trust, and confidence that are unique to effective teamwork and create a *team synergy*. Such collaboration guided by respect, trust, and confidence generates a level of creativity, energy, and integration that produces a focused force more powerful than the sum total of the individual contributions. A team's creativity, energy, and integration is multiplicative, not merely additive (Barrett 1987, p. 24).

The presence of all three of these factors is individually necessary and collectively sufficient to yield teamwork. The absence of any one factor causes teamwork to lapse into mere group effort.

How and Where Is Teamwork Normally Employed in Organizational Functioning?

Some of the most common organizational uses for teamwork involve continuous improvement programs, collective efforts aimed at improving an organization's productivity, product quality, and response time. Within this context, at least five types of teamwork activities can be observed: problem solving, coordination, learning, linking, and decision making. In each case, these activities require teamwork only under the unique circumstance discussed above.

When a unit or organization is confronted with a common problem that requires a joint solution, one everyone can employ with equal agility, then *self-managed teams* are normally employed to *solve the problem.*

When several units in an organization require improved coordination in order to integrate diverse interests, concerns, and contributions to a common goal, then *cross-functional teams* are normally employed to achieve this *increased coordination and integration.*

When a unit or several units in an organization need to master an unusually productive business process employed by another

world class organization, then *benchmarking teams* are normally formed to *master this learning process.*

When a unit or organization finds it necessary to control its outsourcing with suppliers, form a joint venture with another firm, or form an alliance with several other firms in order to meet organizational goals, then *outside linking teams* are formed to *negotiate, operationalize, and monitor these liking processes.*

Finally, when upper-level management must make a decision that will influence the entire functioning of an organization, then *executive teams* are set up to *investigate and decide whether and how they should operationalize and implement that decision.*

Self-managed, cross-functional, benchmarking, linking, and executive teamwork have in the past been and will in the future be employed in an attempt to enhance organizational functioning. Unfortunately, recent research suggests that more frequently than not such efforts have failed and may continue to fail if certain conditions are not met. We must therefore explore carefully why this has been and will be so.

What Does Research Tell Us about the Appropriate and Inappropriate Use of Teamwork within an Organizational Work Unit?

First, several studies conducted by consulting firms providing training in the various forms of teamwork involved in continuous improvement programs have found to their dismay that more often than not such forms of teamwork fail to accomplish their goals. Arthur Little in 1991 surveyed five hundred firms involved in their teamwork and continuous improvement training programs and found that only one-third of the firms surveyed felt that their programs were having a significant impact on their competitiveness (*Economist*, Apr. 18, 1992, p. 68). A. T. Kearney surveyed more than one hundred British firms in 1991 and found that only 20 percent believed their teamwork and continuous improvement programs had achieved "tangible results" (p. 68). McKinsey's surveyed sixty firms who had undertaken at least two years of serious efforts at employing teamwork programs and found that most had ground to a halt with the firms reporting that continuation was not worth the cost and effort involved (Port et al. 1992, p. 68). Finally, Rath and Strong asked ninety-five firms to analyze whether "TQM efforts had met such goals as raising mar-

ket shares or increasing customer satisfaction." They obtained positive evaluations from 26 percent of the firms surveyed (p. 68).

If so many firms that provide training in teamwork and continuous improvement programs are finding the majority of their clients dissatisfied, what can we learn from the research of these programs regarding the appropriate and inappropriate use of teamwork in their organizational context?

Three separate findings shed considerable light on the appropriate and inappropriate use of teamwork: team embeddedness, or anchorage (a term we will use later in the book), leader-team interface, and overall organizational competency. Let's explore each in turn.

The concept of 'embeddedness', or 'anchorage', emerges as the most distinctive feature of teams within large collectivities. Work team development within an organizational context is significantly influenced by the types of team embeddedness in the organization. Four types of connectedness appear particularly important. *First*, there is *task embeddedness* (Cohen and Zhan 1969) *or structural anchorage*, as we will later call it. What type of task has the team been given (learning task, problem-solving task, integration task, performance task, etc.), and what is to be done with the results of the team effort? *Second*, there is *social embeddedness or anchorage*, the relation between the team and its connectedness with the organization's cultural system. What corporate values and climate variables impact the team's developmental process? *Third*, there is *psychological embeddedness or anchorage*, which focuses on how the individual personalities of team members interface (Cohen and Zahn 1969). Teams are made up of individuals with unique interests and interaction styles. These interests and interaction styles significantly influence the development of team processes. *Fourth*, there is *skills embeddedness or anchorage*. What kinds of skills are a team member required to master and how do such skills affect interaction among team members and performance of tasks, particularly in an high-speed management environment?

Where team embeddedness or anchorage intersects the teamwork in such a manner as to prevent the team from (1) developing mutually constructed and publicly agreed to or shared goals, from (2) appropriately integrating the team's members by addressing their unique interests, concerns, and contributions to that shared goal, and/or from (3) generating such behaviors as mutual

*respect, trust, and confidence that further lead to team synergy,
then the task, social, psychological, and skills embeddedness or
anchorage will lead to inappropriate teamwork activities.*

The interface between an organization's or team's leadership
and effective teamwork is equally important. Fiorelli (1988, p. 1), in
a study of nineteen teams within an organizational context found
that the personality of the team leaders was the chief determinant of
team members' behaviors. Lefton and Buzzotta (1987–88) sup-
ported and extended Putnam and Fiorelli's analysis in their study of
twenty-six top-level management teams operating in large corpora-
tions. They found that teamwork was most significantly influenced
by the team's interface with the organizational leader's interaction
style. The diverse patterns of work groups were found to be a
straightforward function of the types of interface found in the
group leader. They isolated four distinct patterns and established
the frequency with which each occurred in large organizations.

First, there was *a hierarchical pattern* in which groups had
strict procedures for the downward transmission of instructions
and downward control of outcomes. The leader preferred after an
initial meeting to interact with team members singly. The group
tasks were divided up and assignments made to each member, who
then reported directly to the leader. Group members were encour-
aged to be positive, not critical, and to ratify the leader's conclu-
sions. "Group members work together not to generate new and
better ideas but to implement the leader's ideas" (p. 8). *This pat-
tern of group work occurred in 33 percent of the teams studied.*

Second, there was a *formalistic pattern* in which the group lead-
ers utilized a bureaucratic style of interaction. Here the leader dis-
couraged collaboration to limit unforeseeable consequences. After
an initial meeting, members were assigned individual tasks and told
to do them the way the organization always does them taking care
not to rock the boat. Here the leader believes that "genuine collabo-
ration can be disruptive. Intellectual sparks, once ignited, can kindle
anything from a small fire to devastation. A formalist leader avoids
this risk by dousing the spark" (p. 9). *This pattern of group work
occurs in about 19 percent of the teams studied.*

Third, there is a *circular pattern* in which group leaders
insisted on collaboration, comraderie, and collegiality in dealing
with group members but not in dealing with the team task. This
pattern dominated whenever harmony and equality were the key
group values. Compromise and appeasement took the place of the

open and critical evaluation of the problem. "The circular pattern is almost always present whenever the leader of a group says things like: 'around here, we're all one big happy family' and 'we are people who get along with one another'" (p. 9). *This form of group work occurred in 9 percent of the cases under study.*

Fourth, there was the genuine *teamwork pattern* in which leaders encouraged the development and attainment of a mutually constructed, publicly agreed to, and shared goal whose attainment was channeled and constrained by an appropriate concern for the integration of all the team's components, thus manifesting mutual respect, trust, and confidence in the teamwork process. Leaders, while remaining in charge, encouraged the team to set goals, do planning, and implement actions that would serve the entire team's needs.

What distinguished this teamwork pattern from others was the prevalence of candid and committed interplay. The candor was evident in the ease and frankness that marked discussions; team members argued and disagreed without embarrassment or discomfort. In place of the zestful malice so often seen among adversaries, there was constructive openness of partners. The commitment was evident in the degree of involvement; each member believed that the work of the team is important and that he or she could affect the outcome. As a result, the team went about its work with spirited seriousness. A high degree of synergism usually resulted (p. 9). *This pattern occurred in about 40 percent of the instances under investigation.*

The patterns of communication behaviors characteristic of each sequence as reported by participants on a five-point scale are listed in table 1.1.

Each of the above patterns of group work occurs within all organizations. Each has its own outcomes and organizational leadership style. The important thing for organizational leaders to understand is how to match a team's leadership style to the preferred team outcomes. The important thing for team members to realize is which type of leader a team has and thus what are considered productive communication activities for team members under each style.

Finally, an organization's overall performance as an indicator of its general knowledge and competence level is as important as team embeddedness or anchorage and the leadership-team interface. Ernst and Young in 1992 examined 584 firms employing

TABLE 1.1
Self-Assessment of the Top-Level Teams in Ten Activities

	Hierarchical	Formalistic	Circular	Teamwork	Totals
Coordination within team	4.3	1.9	0.4	3.4	10.0
Profitability/ Cost awareness	3.9	1.6	1.0	3.5	10.0
Communications	3.7	2.2	1.2	2.9	10.0
Conflict/ Disagreement	3.3	2.3	1.3	3.1	10.0
Meetings	4.0	1.4	0.7	3.9	10.0
Organization/ Control	3.3	1.4	0.7	4.6	10.0
Decision making/ Problem solving	2.9	2.4	0.7	4.0	10.0
Goal setting/ Planning	2.9	1.4	0.7	5.0	10.0
Coordination with other units	2.3	2.0	1.1	4.6	10.0
Critique and feedback	2.4	2.7	1.0	3.9	10.0
Total	3.3	1.9	0.9	3.9	10.0

teamwork in their continuous improvement programs and found a strong correlation between the successful use of different types of teamwork and the overall competency levels of an organization as reflected in general profitability and productivity levels (Port et al. 1992, pp. 66–67).

More specifically, the Ernst and Young study found that if a firm had a return on assets (ROA) of less than 2 percent and a

value added per employee (VAE) of less than $47,000, they should follow the position of the model for *novices*. If a firm had an ROA of 2 percent to 6.9 percent and a VAE of $47,000 to $73,999, then they should follow the pattern for *journeyman*. If a firm had an ROA of 7 percent or higher and a VAE of $74,000 and up, they should follow the pattern for *master* firms.

When a firm's overall organizational performance has been determined, then the tasks and types of teamwork they can effectively learn how to employ are set by the firm's overall organizational competence.

In conclusion, this is when and where teamwork will or will not work:

1. When a firm's task, social, psychological, and skills embeddedness or anchorage allows teamwork to develop mutually constructed and publicly agreed to goals and/or appropriately integrating each team member's unique interests, concerns, and contributions, then teamwork should be employed. Otherwise, it will not work.
2. When the leadership of a firm provides an appropriate team leader interface with a team, then teamwork should be employed. Without such a leader-team interface, there will be no teamwork.
3. When the overall performance of a firm has been appropriately assessed, then only that form of teamwork appropriate to its general level of competence should be employed. Other forms will have less or no chance to succeed.

AN OVERVIEW FOR THE REMAINDER OF THE BOOK

What distinguishes the teamwork pattern is the prevalence of candid and committed interplay. The candor is evident in the easy frankness that marks discussion; team members argue and disagree without embarrassment or discomfiture. In place of the zestful malice so often seen among adversaries, there's the constructive openness of partners. The commitment is evident in the degree of involvement, each member believes that the work of the team is important and that he or she can affect the outcome. As a result, the team goes about its work with spiritual seriousness. A high degree of synergism usually results.

R. Lefton and V. R. Buzzotta, "Teams and Teamwork"

The remainder of the book will discuss various teamwork processes and components that combine to generate this "high degree of synergism" that high-speed management organizations would need to create competitive advantage. We wish to remind our readers, before they read on, what sets this book apart from others in the field is our effort to identify a connection between teamwork and high-speed management, or rather, pinpoint some of the special characteristics of organizational teamwork in the context of high-speed management.

Chapter 2 discusses high-speed management as a communication-based framework of competitive strategy within which we will take a new look at organizational teamwork. The focus of the discussion will be on environmental scanning and value chain theory.

Chapter 3 probes speed-to-market as a primary teamwork goal and international benchmarking as a way to achieving that goal.

Chapter 4 explores defining qualities and dominant patterns of organizational teamwork in the context of high-speed management and their exemplary applications at two of the world's best performing organizations, Toyota Motor Company in Japan and General Electric in the United States A model of teamwork in the framework of high-speed management is presented toward the end of the chapter.

Chapter 5 examines organizational structure as a killer or facilitator of teamwork in organizations following high-speed management principles.

Chapter 6 takes a look at team embeddedness or anchorage in organizational life, again, from a high-speed management perspective.

Chapter 7 looks at a negotiated linking program as a paradigm teamwork strategy for coaligning an organization's internal and external resources with its competitive environment.

Chapter 8 outlines present accomplishments and future prospects for teamwork within a high-speed management framework.