Chapter 21
Teamwork

Chapter Outline

I. Teams at Work
   A. What Is a Team?
   B. Model of Work Team Effectiveness
II. Types of Teams
   A. Formal Teams
   B. Self-Directed Teams
   C. Teams in the New Workplace
III. Team Characteristics
   A. Size
   B. Member Roles
IV. Team Processes
   A. Stages of Team Development
   B. Team Cohesiveness
   C. Team Norms
V. Managing Team Conflict
   A. Causes of Conflict
   B. Styles to Handle Conflict
VI. Benefits and Costs of Teams
   A. Potential Benefits of Teams
   B. Potential Costs of Teams

Annotated Learning Objectives

After studying this chapter, students should be able to:

1. Identify the types of teams in organizations.
   Many types of teams can exist within organizations and can be classified in terms of those created as part of the organization’s formal structure and those created to increase employee participation. Formal teams are created by the organization as
part of the formal organization structure. A vertical team is composed of a manager and subordinates in the formal chain of command. A horizontal team is composed of employees from about the same hierarchical level but from different areas of expertise.

A third type of formal team is the special-purpose team created to undertake a project. Self-directed teams are designed to increase the participation of lower-level workers in decision-making and the conduct of their jobs, with the goal of improving performance.

2. Discuss new applications of teams to facilitate employee involvement.

Employee involvement teams represent a revolution in business prompted by the success of teamwork in Japanese companies. Problem-solving teams meet to discuss ways of improving quality, efficiency, and the work environment. The most widely known application is quality circles, in which employees focus on ways to improve the production process. The self-managing teams represent a fundamental change in how employee work is organized. Self-managing teams produce an entire product or service and take over managerial duties such as work and vacation scheduling, ordering materials, and hiring new members.

3. Identify roles within teams and the type of role you could play to help a team be effective.

For a team to be successful it must maintain its members’ social well-being and accomplish the team’s task. In successful teams, two types of roles emerge: task specialist and socioemotional.

People who play the task specialist role help the team reach its goal. People who adopt a socioemotional role support team members’ emotional needs. Some team members may play a dual role and contribute to the task and meet members’ emotional needs. There is also a nonparticipant role for those who contribute little to either the task or the social needs of team members. A well-balanced team will do best because it will satisfy team members and permit accomplishment of team tasks.

4. Explain the general stages of team development.

Team development evolves over definitive stages that occur in sequence and may occur rapidly. The forming stage of development is a period of orientation and getting acquainted. Next is the storming stage where individual personalities emerge and conflict and disagreement develop over perceptions of the team’s mission. During the norming stage, conflict is resolved and team harmony emerges. This stage typically is of short duration. In the performing stage, the major emphasis is on problem solving and accomplishing the assigned task. The adjourning stage occurs in teams that have a limited task to perform and are disbanded afterward.

5. Identify ways in which team size and diversity of membership affects team performance.

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The ideal size of work teams is about seven, although variations from five to twelve seem to work best. These teams are large enough to take advantage of diverse skills, enable members to express good and bad feelings, and solve problems. They are small enough to permit members to feel an intimate part of the group. In general, as a team increases in size, it becomes harder for each member to interact and influence others. Small teams (2 to 4) show more agreement, ask more questions, exchange more opinions, report more satisfaction, are informal, and make fewer demands. Large teams (12 or more) have more disagreements, face conflicts, have greater demands on leaders, have less participation and more turnover and absenteeism. In large teams members have fewer opportunities to participate.

6. Explain the concepts of team cohesiveness and team norms and their relationship to team performance.

Team cohesiveness is defined as the extent to which team members are attracted to the team and motivated to remain in it. Normally, high cohesiveness is considered an attractive feature of teams. A team norm is a standard of conduct that is shared by team members and guides their behavior. Norms identify key values, clarify role expectations, and facilitate team survival. Cohesive teams are able to attain their goals and enforce their norms, which can lead to either very high or very low productivity. The degree of productivity depends on the relationship between management and the working team.

7. Understand the causes of conflict within and among teams and how to reduce conflict.

Conflict refers to antagonistic interaction in which one party attempts to block the intentions or goals of another. Too much conflict can be destructive and interfere with the exchange of ideas and information. Several factors can cause conflict such as scarce resources, jurisdictional ambiguities, communication breakdown, personality clashes, power and status differences, and goal differences. Techniques for confronting and resolving conflicts include superordinate goals, which require the cooperation of all to achieve; bargaining/negotiation; mediation; providing well-defined tasks; and facilitating communication.

8. Discuss the assets and liabilities of organizational teams.

Teams become an organizational asset when they enhance individual productivity through increased member effort, members’ personal satisfaction, integration of diverse abilities and skills, and increased organizational flexibility. The major reasons teams become a liability are power realignment, free riding, or coordination costs.
Suggested Opening Remarks

At Row Furniture, Charlene Pedrolie believed teamwork could be the answer for helping meet the challenges of a fast-paced, competitive environment. She eliminated most supervisory positions, cross-trained employees to perform the different tasks required to build a piece of furniture, and then asked front-line workers to form horizontal clusters, or cells, to design the new production system. Each group selected its own members from the various functional areas, and then created the processes, schedules, and routines for a particular product line. The assembly line was a thing of the past. Five hundred workers who had been accustomed to standing in one place and having the furniture come to them were suddenly working teams, wandering from one partially assembled piece to another, performing a variety of tasks. Every team had instant access to up-to-date information about order flows, output, productivity, and quality. The sense of personal control and responsibility eventually led to a dramatic change in workers, who began holding impromptu meetings to discuss problems, check each other’s progress, or talk about new ideas and better ways of doing things. Productivity and quality shot through the roof. Before long, the factory was delivering custom-made pieces within a month. Only a few months later, that lead time had decreased to a mere 10 days.

1. TEAMS AT WORK

   ➢ Why study teams?

Many organizations have had great success with teams, including increased productivity, quality improvements, greater innovation, and higher employee satisfaction.

FedEx cut service problems such as incorrect bills and lost packages by 13 percent by using teams.

The chapter focuses on teams and their applications within organizations; teams are defined and stages of development explored.

The chapter examines characteristics such as size, cohesiveness, diversity, and norms.

Teams are an important aspect of organizational life, and the ability to manage them is an important component of manager and organization success.

A. What Is a Team?

   A team is a unit of two or more people who interact and coordinate their work to accomplish a specific goal.

   This definition has three components: two or more people are required; people in a team have regular interaction; and members of a team share performance goal.

   Although a team is a group of people, the two terms are not interchangeable; an employer can put together a group of people and never build a team.

   The team concept implies a sense of shared mission and collective responsibility.
UNLOCKING CREATIVE SOLUTIONS THROUGH PEOPLE

A High-Tech Executive Sails Away for a Lesson on Teamwork

Much of what Doug Webb knows about teamwork he learned during his 10 months as a crew member on the yacht Logica, participating in the BT Global Challenge, and around-the-world race for amateurs, many of whom have never sailed before. Competitors put to sea in boats that are identical in every way, and crews are selected by race organizers to be as equal as possible. What makes the different is the ability to quickly turn a group of diverse individuals into a high-performance team. One key is to make sure everyone feels equal and to help each individual contribute to his or her full potential. It is important to identify and understand every person’s motivations, interests, and capabilities and use them to benefit the common good.

B. Model of Work Team Effectiveness

Work team effectiveness is based on two outcomes:

Satisfaction, the team’s ability to meet the personal needs of its members to maintain their membership and commitment.

Productive output, the quality and quantity of task outputs as defined by team goals.

The factors that influence team effectiveness begin with the organizational context in which the team operates—the structure, strategy, environment, culture.

Within that context, managers define teams; important team characteristics are the type of team, the team structure, and the team composition.

These team characteristics influence processes internal to the team, which affect output and satisfaction.

Good team leaders understand and manage stages of team development, cohesiveness, norms, and conflict to establish an effective team.

Discussion Question #1: Volvo went to self-managed teams to assemble cars because of the need to attract and keep workers in Sweden, where pay raises are not a motivator (high taxes) and many other jobs are available. Is this a good reason for using a team approach? Discuss.

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II. TYPES OF TEAMS

What are the types of teams?

Teams can be classified as those created as part of the organization’s formal structure and those created to increase employee participation.

A. Formal Teams

*Formal teams* are created by the organization as part of the formal organization structure.

1. Vertical team.

   A *vertical team* is composed of a manager and subordinates in the formal chain of command.

   The team is also called a *functional* or *command team* and may include three or four levels within a single functional department.

   A financial analysis department, a quality control department, and an accounting department are all command teams.

2. Horizontal team.

   A *horizontal team* is composed of employees from about the same hierarchical level but from different areas of expertise.

   The most common horizontal teams are task forces and committees.

   A *cross-functional team* or *task force* is a group of employees from different departments formed to deal with a specific task, existing only until the task is completed.

   A *committee* is generally long-lived and may be a permanent part of the organization’s structure; committees typically are formed to deal with tasks that recur regularly.

   Task forces and committees allow members to exchange information, coordinate units, develop new ideas and solutions, and help develop new practices and policies.

3. Special-purpose teams.

   *Special-purpose teams*, also called project teams, are created outside the formal organization structure to undertake a project of special importance or creativity.

   Companies use special-purpose teams to speed up development of a special project; these *fast-cycle teams* are given the freedom and resources to complete projects.

B. Self-Directed Teams

Employee involvement through teams increases the participation of lower-level workers in decision-making about their jobs, with the goal of improving performance.

Employee involvement started out with techniques such as information sharing with employees or asking employees for suggestions about improving the work.

Problem-solving teams are employees from the same department who meet to improve quality, efficiency, and work environment.
Problem-solving teams are usually the first step in a company’s move toward greater employee participation.

The most widely known application is *quality circles*, used by the Japanese; employees focus on ways to improve quality in the production process.

*Self-directed teams* consist of 5 to 20 multi-skilled workers who rotate jobs and produce an entire product or service, often supervised by an elected member.

Self-directed teams typically include the following elements:

- The combined skills are sufficient to perform a major organizational task.
- The team has the resources to perform the complete task.
- The team is given decision-making authority to complete the task.
- The team assumes managerial duties such as work scheduling, ordering materials, and hiring new members.

The team works with minimum supervision, perhaps electing one of their own as supervisor, who may change each year.

The most effective self-directed teams are those that are fully empowered.

An interesting example of the use of self-directed teams is the Orpheus Orchestra of New York City, which operates without a conductor with teams of musicians. The greater information flow and diverse artistic input contributes to a superb performance.

**Discussion Question #2:** How is a self-directed team different from a cross-functional team?

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C. Teams in the New Workplace

Some exciting new approaches to teamwork have resulted from advances in information technology, shifting employee expectations, and globalization of business.

Two types of teams that are increasingly being used are virtual teams and global teams.

1. Virtual Teams.

   A *virtual team* is made up of geographically or organizationally dispersed members linked through advanced information and telecommunications technologies.

   Though some virtual teams include only organizational members, they may also include contingent workers, members of partner organizations, customers, suppliers, and consultants.
Members use e-mail, voice mail, videoconferencing, Internet and intranet technologies, and collaboration software although they may meet face-to-face.

Virtual teams are highly flexible and dynamic.

Team leadership is typically shared or altered depending on the area of expertise needed at each stage of the project.

Team membership may change quickly, depending on the tasks.

One advantage of a virtual team is the ability to assemble the best group to complete a complex project, solve a problem, or exploit a strategic opportunity.

The success of virtual teams depends on selecting the right members, managing socialization, fostering trust, and effectively managing communication.

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**UNLOCKING CREATIVE SOLUTIONS THROUGH TECHNOLOGY**

*STMicroelectronics Makes Virtual Teams Work*

STMicroelectronics is a truly global corporation and teams include people from a variety of countries. STMicro has grown to become one of the world’s largest computer chip makers and continues to win new business all over the world. Thanks to training and excellent leadership STMicro’s first major virtual team project was success. One reason is that team leaders united everyone around a common purpose of designing and developing the new chips in time to meet the customers’ needs. Virtual teams enable the company to tap into knowledge around the globe to develop innovative solutions to customers’ problems.

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2. Global Teams.

*Global teams* are cross-border work teams made up of members of different nationalities whose activities span multiple countries.

Virtual teams are sometimes called global teams.

Global teams fall into two categories:

Intercultural teams, whose members come from different countries or cultures and meet face to face.

Virtual global teams, whose members remain in separate locations around the world and conduct their work electronically.

Global teams can present enormous challenges for team leaders, who have to bridge gaps of time, distance, and culture.

Members of global teams may: speak different languages, use different technologies, have different beliefs about authority, time orientation, and decision-making.

Culture differences can significantly affect team-working relationships.
For a global team to be effective, all team members have to be willing to deviate somewhat from their own values and norms and establish norms for the team.

Carefully selecting team members, building trust, and sharing information are also critical to success.

**Discussion Question #3:** *What factors in today’s environment are contributing to an increasing use of virtual teams and global teams? Would you like to be part of a virtual team? Why or why not?*

## III. TEAM CHARACTERISTICS

> **What are team characteristics?**

The next issue of concern for managers is designing the team for greater effectiveness; one factor is *team characteristics*, which affect team dynamics and performance.

Characteristics of concern include team size, diversity, and member roles.

**A. Size**

The ideal size of work teams is about 7, although variations from 5 to 12 seem to work best.

These teams are large enough to take advantage of diverse skills, enable members to express good and bad feelings, and solve problems.

They are small enough to permit members to feel an intimate part of the group.

In general, as a team increases in size, it becomes harder for each member to interact and influence others.

Small teams (2 to 4) show more agreement, ask more questions, exchange more opinions, report more satisfaction, are informal, and make fewer demands.

Large teams (12 or more) have more disagreements, face conflicts, have greater demands on leaders, have less participation and more turnover and absenteeism.

In large teams, members have fewer opportunities to participate.

**B. Diversity**

Since teams require a variety of skills, knowledge, and experience, heterogeneous teams are more effective; research shows that diverse teams are more innovative.

In addition, diversity may contribute to a healthy level of conflict that leads to better decision making.

Recent research shows that both functional diversity and gender diversity can have a positive impact on work team performance.
Racial, national and ethnic diversity can also be good for teams, but in the short term these differences might hinder team interaction and performance.

Teams of racially and culturally diverse members tend to have more difficulty learning to work well together, but with effective leadership, problems fade.

C. Member Roles

For a team to be successful, it must maintain its members’ social well-being and accomplish the team’s task.

The requirements for task performance and social satisfaction are met by the emergence of two types of roles: task specialist and socioemotional.

Employees who play the **task specialist role** help the team reach its goal and often have the following behaviors:

- Initiate ideas
- Give opinions Offer opinions and feedback
- Seek information
- Summarize
- Energize the team

Employees who adopt a **socioemotional role** support team members’ emotional needs and tend to do the following:

- Encourage others
- Harmonize Reconcile conflicts
- Reduce tension
- Follow. Go along with the team
- Compromise

Team members may play a **dual role** and contribute to the task and meet members’ emotional needs.

Such people become team leaders; effective team leaders balanced technical needs with human interaction issues, meeting both task and socioemotional needs.

In a **nonparticipator role**, people contribute little to either task or social needs of team members; they typically are held in low esteem by the team.

Effective teams must have people in both task specialist and socioemotional roles; humor and social concern are as important to effectiveness as facts and problem solving.

**Discussion Question #7:** When you are a member of a team, do you adopt a task specialist or socioemotional role? Which role is more important for a team’s effectiveness? Discuss.
IV. TEAM PROCESSES

Exhibit 18.5

What is meant by team processes?

Team processes pertain to those dynamics that change over time and can be influenced by team leaders—stages of development, cohesiveness, and norms.

A. Stages of Team Development

After a team has been created, there are distinct stages through which it develops; new teams are different from mature teams.

Leaders must understand the stages of team development and take action that will help the group improve its functioning.

Team development is not random but evolves over definitive stages:

1. Forming.

The forming stage of development is a period of orientation and getting acquainted.

Uncertainty is high at this stage, and members usually accept whatever power or authority is offered by either formal or informal leaders.

The team leader should provide time for members to get acquainted with one another and encourage them to engage in informal social discussions.

2. Storming.

During the storming stage individual personalities emerge, and conflict and disagreement create a general lack of unity.

People may disagree over their perceptions of the team’s mission, members may jockey for position, or coalitions and subgroups based on interest may form.

The leader should encourage participation by each team member.


During the norming stage, conflict is resolved, team harmony and unity develop, and team norms and values evolve.

Consensus develops about who has the power, who is the leaders, and members’ roles; members come to accept and understand one another.

During the norming stage, leaders should emphasize unity within the team and help clarify team norms and values.

4. Performing.

During the performing stage, the major emphasis is on problem solving and accomplishing the team task.

Members are committed to the team’s mission; they are coordinated with one another and handle disagreements in a mature way.

They confront and resolve problems in the interest of task accomplishment; the leader should concentrate on managing high task performance.
5. Adjourning.

The *adjourning* stage occurs in teams that have a limited task to perform and are disbanded upon task completion.

The emphasis is on wrapping up and gearing down; task performance is no longer a high priority.

The leader may wish to disband the team with a ritual or ceremony, perhaps giving out plaques and awards to signify closure and completeness.

The five stages of team development typically occur in sequence. In teams under time pressure or that exist for a short period of time, the stages may occur rapidly.

The stages may be accelerated for virtual teams.

McDevitt Street Bovis, one of the largest construction management firms, uses an understanding of the stages of team development to put teams on a solid foundation.

**Discussion Question #4:** Suppose you are the leader of a team that has just been created to develop a new registration process at your college or university. How can you use an understanding of the stages of team development to improve your team’s effectiveness?

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B. Team Cohesiveness

*Team cohesiveness* concerns the extent to which members are attracted to the team and motivated to remain in the team.

High cohesiveness is normally considered a positive feature of teams.

1. Determinants of team cohesiveness:
   - *Team interaction.* The greater the contact among members, the more cohesive the team will be.
   - *Shared goals.* Agreeing on purpose and direction binds the team together.
   - *Personal attraction to the team.* Members have similar attitudes and values and enjoy being together.

Two factors in the team’s context also influence group cohesiveness:
   - *Presence of competition* which causes the group to want to win.
   - *Team success* which is a favorable evaluation of the team by outsiders.

2. Consequences of Team Cohesiveness

A consequence of team cohesiveness falls into two categories:
   - *Morale* is higher in cohesive teams.
• Productivity tends to be more uniform.

Productivity depends on the relationship between management and the team; cohesive teams attain their goals and enforce norms that can result in very high or very low productivity.

A good example of team cohesiveness combined with high performance norms occurred at the Ralston Foods plant.

Discussion Question #8: What is the relationship between team cohesiveness and team performance?

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C. Team Norms

A team norm is a standard of conduct that is shared by team members and guides their behavior.

Norms are informal and valuable because they define boundaries of acceptable behavior.

They make life easier for team members by providing a frame of reference for right and wrong; norms identify key values, clarify role expectations, and facilitate team survival.

Norms begin to develop in the first interactions among members of a new team.

Norms that apply to daily behavior, employee output, and performance evolve, letting everyone know what is acceptable and directing actions towards acceptable performance.

Four common ways in which norms to develop for controlling and directing behavior include:

1. Critical events.

   Critical events establish precedent and lead to the creation of a norm.

   One critical event occurred when an employee at a forest products plant was injured; this led to the norm that team members regularly monitor one another.

2. Primacy.

   Primacy means that the first behaviors that occur in a team often set team expectations.

   The team leader at a company raised an issue and let team members until he got a solution; this became a pattern.

3. Carryover behaviors.

   Carryover behaviors bring norms into the team from outside.
An example is the strong norm against smoking in many teams, which is a carryover behavior developed outside the team.

4. Explicit statements.

With explicit statements, team leaders or members establish norms; this can be a highly effective way for leaders to influence or change team norms.

At Warner Brother Television, the head writer makes clear to his team of writers that they should “leave on a successful note.”

Discussion Question #5: Think of a work team or student project team of which you have been a member. Identify some of the team’s unstated norms. How did these norms develop?

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V. MANAGING TEAM CONFLICT

What is conflict?

Conflict refers to antagonistic interaction in which one party attempts to block the intentions or goals of another.

Of all the skills required for effective team management, none is more important than handling the conflicts that inevitably rise among team members.

When people work together in teams, some conflict is inevitable; conflict can arise among team members or between teams.

Competition, which is rivalry among individuals or teams, can have a healthy impact because it energizes people toward higher performance.

A. Balancing Conflict and Cooperation

Some conflict helps to prevent groupthink, the tendency for people to be so committed to a cohesive team that they are reluctant to express contrary opinions.

However, conflict that is too strong and focused on personal rather than work issues, or not managed appropriately can be damaging to the team’s morale.

Too much conflict can be destructive, tear relationships apart, and interfere with the healthy exchange of ideas and information.

Team leaders have to find the right balance between conflict and cooperation; too little conflict decreases team performance because there are no mixed opinions.

Too much conflict prevents the team from cooperative efforts and decreases employee satisfaction and commitment, hurting team performance.

B. Causes of Conflict
Several factors can cause conflict among teams and team members:

1. **Scarce resources.**
   Resources include money, information, and supplies; when employees or teams must compete for scarce resources, conflict will occur.
   Fast-cycle teams often lead to conflict because it creates a new competition for resources.

2. **Jurisdictional ambiguities.**
   Conflicts develop when job boundaries and responsibilities are not clear.
   Individuals or teams may disagree about who has responsibility for specific tasks or who has a claim on resources.
   Virtual teams are susceptible to this area of conflict because the lack of regular interaction and on-site monitoring leads to uncertainty and disagreement about tasks.

3. **Communication breakdown.**
   Faulty communications result in misunderstandings among teams; poor communication results in misperceptions and misunderstandings of other people and teams.
   In some cases, information is intentionally withheld, which can jeopardize trust and lead to long-lasting conflict.

4. **Personality clashes.**
   A personality clash occurs when people simply do not get along with one another; this conflict is caused by basic differences in personality, values, and attitudes.

5. **Power and status differences.**
   Power and status differences develop when one party has disputable influence over another; low-prestige individuals or departments resist their low status.
   People might engage in conflict to increase their power and influence in the team or organization.

6. **Goal differences.**
   Conflict often occurs because people are pursuing conflicting goals; goal differences are natural in organizations.
   Individual salespeople’s targets may put them in conflict with one another or with the sales manager.

C. **Styles to Handle Conflict**

Teams as well as individuals develop specific styles for dealing with conflict, based on the desire to satisfy their own concern versus the other party’s concern.

The major dimensions are the extent to which an individual is assertive versus cooperative in their approach to conflict; the following are styles to handle conflict:

- **Competing style.** Reflects assertiveness to get one’s own way.
It should be used when quick, decisive action is vital on important issues or unpopular actions such as during emergencies or urgent cost cutting.

• **Avoiding style.** Reflects neither assertiveness nor cooperativeness.

  It should be used when the issue is trivial, there is no chance to win, a delay is needed, and a disruption would be very costly

• **Compromising style.** Reflects a moderate amount of both assertiveness and cooperativeness.

  It should be used when goals on both sides are equally important, opponents have equal power and want to split the difference, and each side needs a temporary or expedient solution.

• **Accommodating style.** Reflects a high degree of cooperativeness.

  It should be used when people realize they are wrong, an issue is more important to others than oneself, and one is building social credits for use in later discussions.

  Maintaining harmony is important.

• **Collaborating style.** Reflects a high degree of assertiveness and cooperativeness.

  It should be used when both parties need to win; both sets of concerns are too important to be compromised; and insights from different people need to be merged.

  Commitment of both sides is needed for a consensus; research suggests that several techniques can be used as strategies for resolving conflict:

  1. **Superordinate goals.**

     *Superordinate goals* require the cooperation of the conflicting parties for achievement; this is a goal that cannot be reached by a single party.

     Conflicting parties realize they must work together to achieve the goal; a powerful future vision of the organization compels people to resolve conflict.

  2. **Bargaining/negotiation.**

     *Bargaining/Negotiation* means that parties engage one another in an attempt to reach a solution.

     This technique works if the individuals can set aside personal animosities and deal with the conflict in a businesslike way.

  3. **Mediation.**

     *Mediation* is the process of using a third party to settle a dispute or conflict.

     If a solution satisfactory to both sides cannot be reached, the parties may be willing to turn the conflict over to a mediator and abide by the decision.

  4. **Facilitating communication.**

     Managers can ensure that conflicting parties hold accurate and identical perceptions.

     Providing opportunities for the disputants to get together and exchange information reduces conflict.
Four guidelines to facilitate communication and keep teams focused:

- Focus on facts
- Develop multiple alternatives
- Maintain a balance of power
- Never force a consensus

**Discussion Question #6:** If you were the leader of a special purpose team developing a new computer game, and conflicts arose related to power and status differences among team members, what would you do? How might you use the various conflict-resolution techniques described in the chapter?

**Notes**

VI. **BENEFITS AND COSTS OF TEAMS**

In considering the use of teams to perform specific tasks, managers must consider both benefits and costs.

Teams may have a positive impact on both the output productivity and satisfaction of members; or, teams may create a lack of motivation and a decline in performance.

A. Potential Benefits of Teams

Teams come closest to achieving their full potential when they enhance individual productivity through the following:

1. Level of effort.

   Effort is increased primarily from workers who like the idea of using their brains as well as their bodies on the job.

   Social facilitation is the tendency for the presence of others to influence an individual’s motivation and performance.

2. Satisfaction of members.

   Workers need for belongingness and affiliation can be met by working in teams; workers in a healthy team cope better with stress and enjoy their jobs.

   These workers have a higher level of organizational commitment.

3. Expanded job knowledge and skills.

   Multi-skilled employees learn all of the jobs that the team performs.

   Teams gain the intellectual resources of all members who offer alternative points of view for team decisions.
This makes the work experience fun, exciting, and educational, as well as enables employees to learn a broad range of skills.

4. Organizational Responsiveness.

Employee teams enhance flexibility because workers can be reorganized and employees reassigned as needed.

People work closely together, learn a variety of skills, and can exchange jobs as needed to accomplish the team’s task.

**Discussion Question #10:** One company had 40 percent of its workers and 20 percent of its manager’s resign during the first year after reorganizing into teams. What might account for this dramatic turnover? How might managers ensure a smooth transition to teams?

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B. Potential Costs of Teams

When managers consider using teams, they must assess costs or liabilities associated with teamwork.

When teams do not work well together, the major reasons are power realignment, free riding, coordination costs, or system revisions.

1. Power realignment.

   When companies form front-line workers into teams, the major losers are lower- and middle-level managers; managers are reluctant to give up power.

   When teams are successful, fewer supervisors are needed. This is especially true for self-managing teams.

   The adjustment is difficult for managers who fear the loss of status or even their job and who have to learn new, people-oriented skills to survive.

2. Free riding.

   *Free riding* occurs when a team member attains benefit from team membership but does not do a proportionate share of the work.

   Sometimes called *social loafing*, because members do not exert equal effort.

   People who have participated in student project groups have experienced the problem of free riding.

3. Coordination costs.

   *Coordination costs* refer to the time and energy required to coordinate the activities of a team to enable it to perform its task can be significant.

   Groups must spend time getting ready to do work and deciding who is to do what and when.
Student project groups illustrate coordination costs, as members must meet to decide when they can meet to perform the task.

4. Revising Systems.

Implementing teams also requires changes in other parts of the organization. Performance appraisal and reward systems have to be revised to reflect the new team approach.

Managers should be aware that a shift to teams requires that time and resources be invested to develop new systems that support and reinforce collaboration, sharing of information, and empowerment.

**Discussion Question #9:** Describe the advantages and disadvantages of teams. In what situations might the disadvantages outweigh the advantages?

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**MANAGER’S SHOPTALK**

*How to Run a Great Meeting*

**Prepare in Advance**

* Define the purpose.
* Prepare an agenda.
* Set a time limit.

**During the Meeting**

* Start on time.
* Outlaw cell phones and laptops.
* State the purpose and review the agenda.
* Encourage participation:
  * Draw out the silent.
  * Control the talkative
  * Encourage the clash of ideas.
  * Stick to the purpose

**After the Meeting**

* End with a call to action.
* Follow up.
Lecture Example File

VIRTUAL INCUBATION CORPORATION

Bringing Effective Communication To Distributed Teams

Distributed Teams represent one of the most efficient means of creating, developing and maintaining business clients and relationships. Effective communication provides the foundation for the success of geographically distributed teams. Virtual Incubation Corporation (VIC) can help connect a distributed team.

VIC works with client companies using a variety of Internet based tools to communicate plans, ideas, and progress and to discuss new directions. These cost effective and easy-to-use tools are readily available to all companies.

The tools available for managing distributed teams are today far better than they were just a few years ago. However, without putting effective communication processes in place, even the best tools will not yield a coherent team pulling together toward a common goal. VIC offers a research-based and value-added approach to determine the best communication tools and processes for individual companies.

VIC provides:

- A systems evaluation to determine the effectiveness of current tools & processes.
- Customized solutions to communication needs.
- Training on the use of these new technologies that includes the redesign of workflow.
- Evaluation tools that determine the effectiveness of new communication tools.

“Geographically distributed teams provide an excellent means for business to provide the best possible service. They also provide the greatest challenges to ensuring that messages remain intact, communicating new issues, and creating a sense of belonging to the company.”

Benefits Include:

- Ensuring that corporate messages remain intact and communicated clearly.
- Providing distributed teams with the means to feel connected to home office and other offices.

Examples of Types of Tools:

- Synchronous & asynchronous communications.
- Project collaboration.
- Presentation / demonstration.
- Financial management / time / expense.
- Customer relationship management.
• Establishing new processes that develop solutions to issues without incurring high travel expenses.

• Calendar and scheduling management.

• Marketing process management

CHAPTER 21  Teamwork

STEP 1: Needs Assessment

STEP 2: Define Customized Solution

STEP 3: Implement Solution

STEP 4: Follow Up & Monitor Progress

Who can use this service?

• Organizations that have the need to create new solutions quickly without the cost of bringing all participants into one location.

• Businesses that want to ensure accuracy of corporate messages.

• Businesses with more than one location.

• Supplier community.

• Nonprofit hospitals and organizations.

• Offices that feel remote and distant from the decision-making process.

• State agencies.

• Banks.

Answers To End-Of-Chapter Discussion Questions

1. Volvo went to self-managed teams to assemble cars because of the need to attract and keep workers in Sweden, where pay raises are not a motivator (high taxes) and many other jobs are available. Is this a good reason for using a team approach? Discuss.

This seems to be a valid reason for using a team approach. The team approach can provide a motivator by giving worker satisfaction for participating in the team. Social facilitation as a team will provide motivation and lead to higher performance. Participation on a team can also improve self-esteem, resulting in improved quality. Everyone enjoys being part of an effective team, and this may help to attract and keep workers in Sweden.

2. During your own work experience, have you been part of a formal vertical team? A task force? A committee? An employee involvement team? How did your work experience differ in each type of team?

This question is designed to stimulate student discussion, so there is no single correct answer. Student experience on a task force or committee may have been different from participation in a formal vertical team. A task force may exist
temporarily and hence move through the stages of development. A command group is more likely to be already established and operating in the performing stage. The task force or committee would be less hierarchical and would experience greater conflict and active discussion. Communication would take up a larger proportion of time in the task force or committee than in the command group. Students may also observe other differences.

3. **What are the five stages of team development? What happens during each stage?**

The five stages of team development are forming, storming, norming, performing, and adjourning. The forming stage is when members become acquainted with one another and are socialized into the team. During the storming stage, members become more assertive in clarifying their roles and what is expected of them. This stage is marked by conflict and disagreement. During the norming stage, team harmony and unity emerge. Consensus develops about members’ roles and power, and who is the leader. The performing stage is when the major emphasis of the team is on accomplishing the task at hand. Members are committed to the team’s mission and perform their part. The adjourning stage occurs in task forces and teams that are disbanded after accomplishing the task. There is emphasis on gearing down and wrapping up. Members may feel heightened emotionality, strong cohesiveness, and regret over the team’s disbandment.

4. **How would you explain the emergence of problem-solving and self-directed teams in companies throughout North America? Do you think implementation of the team concept is difficult in these companies? Discuss.**

Teams have been effective in other countries, from which North American managers are learning about the benefits. The team is now seen as the building block of the organization. It can improve quality and efficiency, which are needed to compete in world markets. They also empower employees, resulting in more satisfied workers and improved productivity. But implementation of the team concept is undoubtedly difficult for many companies in North America because the individual has always been the hero. Rugged individualism is a cultural value that became a corporate value in many companies. The shift to a concept of teamwork is often difficult and takes a long time.

5. **Assume you are part of a student project team and one member is not doing his or her share. Which conflict resolution strategy would you use? Why?**

Conflict in the student team because one person is not doing his or her share is probably due to jurisdictional ambiguities, communication breakdown, or goal differences. In other words, the task assignments may not be well defined for the team members, team members may not have communicated to the free rider the importance of doing the task, or the free rider simply may have a different goal, which would be to get through the class with as little effort as possible. One possible technique for overcoming this difference in goals would be to provide well-defined tasks so that the individual has a clear area of responsibility. Another approach would be to facilitate communication so that the free rider has accurate perceptions of how
his or her behavior is affecting other members in the team. Often, the student who does not participate fully believes other team members don’t notice. Another technique would be mediation, which could mean confronting the individual and bringing the dispute to the professor for resolution. A final technique might be to emphasize superordinate goals. The free-riding student would be made to understand that they all must achieve the higher goal of doing satisfactory work on the class project in order for any of them to meet their immediate, personal goals. If the free rider realizes they have to pull together, he or she is more likely to do a fair share of the work.

6. **Do you think a moderate level of conflict might be healthy for an organization? Discuss.**

This question is designed to stimulate student thinking, so there is no single correct answer. In general, a moderate level of conflict is considered healthy for organizations. If there is no conflict, it means team members in organizations are complacent. They do not feel a strong task focus, goal orientation, or competitive stimulation. Moreover, there would be little cohesion because cohesion is enhanced with some level of conflict. Of course, if conflict is too great, energy is diverted to fighting battles, and organizational goals will suffer. Teams and organizations do best when there is a moderate level of conflict to provide heightened task focus, a high level of cohesion within teams, competitive stimulation, and the focus and energy to achieve team and organizational goals.

7. **When you are a member of a team, do you adopt a task specialist or socioemotional role? Which role is more important for a team’s effectiveness? Discuss.**

The first part of this question is designed to encourage the student to relate the concepts to his or her own experience, so there is no single correct answer. Students may see themselves as adopting either role, or both roles about equally. With respect to which role is more important, many students will argue that the task specialist role makes a greater contribution than the socioemotional role. The reason is that the task specialist role actually accomplishes the task of the team by initiating solutions, giving opinions, and stimulating the team into action. The socioemotional role often seems secondary because it is used to reconcile team conflicts, reduce tension, and help maintain team harmony. The best answer is that the task specialist role is more important for helping the team attain one type of outcome, which is productive output. The socioemotional role is more effective for helping the team attain another type of outcome, which is personal satisfaction of team members.

8. **What is the relationship between team cohesiveness and team performance?**

As a general rule, team cohesiveness is associated with higher performance. However, the interesting finding from research is that performance can be defined by the cohesive team. If the goal of the cohesive team is to reduce performance because of a poor relationship with management, the cohesive team will perform terribly. When teams have a good relationship with management and the performance norms are high, then highly cohesive teams will outperform teams that are lower in
cohesiveness. However, when team performance norms are low because of a poor relationship with management, a highly cohesive team will produce even worse than teams that are lower in cohesiveness. Thus, the high cohesive team will achieve its goal better than the low cohesive team, whether the goal is to produce high or low.

9. **Describe the advantages and disadvantages of teams. In what situations might the disadvantages outweigh the advantages?**

The advantages of teams are level of effort, satisfaction of members, and job knowledge and skills. The phenomenon called sociofacilitation means that people work harder in the presence of others. Teams also meet needs for belongingness and affiliation. Moreover, the diversity of knowledge, abilities, and skills brought to the task enable teams to achieve high performance. The disadvantages of teams result from free riding, coordination costs, and fusion of responsibility. Free riding means that members do not do a proportionate share of the work. Coordination costs involve the amount of time and effort spent just coordinating the activities of the team and getting ready to do the work. Diffusion of responsibility means that no team member takes responsibility for team outcomes; hence, some undesirable tasks may not be performed and no individual is to blame if the team fails.

Disadvantages might outweigh advantages when a team is not cohesive. Thus, members would tend to free ride and to hide behind the diffusion of responsibility to avoid doing their tasks. Disadvantages might also outweigh advantages if team members are physically separated so that they do not have face-to-face relationships with one another. Again, free riding and diffusion of responsibility would occur. Coordination costs would also be high, and it might be better if the team were broken up and individuals allowed to perform alone.

10. **What is a team norm? What norms have developed in teams to which you have belonged?**

A team norm is a standard of conduct that is shared by team members and guides their behavior. Norms are not written down as rules and procedures. They develop from interactions within the team and typically make life easier by defining what is right or wrong. This restricts the range of behavior in the team and makes it easier for the team to accomplish its goals.

With respect to team norms that have evolved in student teams, examples might include seating location, amount of participation, whether meetings start on time, amount of work members are expected to do, and dress. Students may have many additional examples of norms from their participation in teams. What is important is to get students to think carefully about behaviors within teams that they may have taken for granted, but that were indeed regulated by team norms.

11. **One company had 40 percent of its workers and 20 percent of its managers resign during the first year after reorganizing into teams. What might account for this dramatic turnover? How might managers ensure a smooth transition to teams?**
One of the difficult experiences for companies that begin the revolution toward empowerment and teamwork is that many employees are not comfortable in the new culture. Approximately one-third of employees embraces the change enthusiastically, one-third will go along, and one-third will resist. The resisters typically are employees who do not have the social and personal skills to work in partnership with others on teams, and who want narrowly defined jobs with little decision making responsibility. These employees prefer working alone within the vertical hierarchy to teamwork. They often seek that kind of situation in a new job. Companies that spend too much time trying to convert the resisters threaten the smooth transition process. It seems to work best if these people leave as a natural part of the change process.

Teaching Note for Experiential Exercise

Is Your Group a Cohesive Team?

Teams become cohesive by sharing common goals and interests and by working together, accomplishing goals. Successful teams are more cohesive than those experiencing continued failure. Cohesive groups can be motivators for members. However, if the norms of the group are against achievement, they can be counter-productive to good work. The Hawthorne Studies done in the earlier parts of the 1900’s showed that group norms were a stronger determinant to a person’s level of work than promises or financial rewards for piecework. Also cohesive groups can experience Groupthink, which is when members are so concerned with cohesion and conformity that the best solutions are not developed, for difficult issues are avoided. Also a cohesive department can get in to an inter-departmental conflict with another department. Such a power struggle is not helpful to the whole organization. Rosabeth Moss Kanter says this is cowboy management, and that if companies are to be competitive with other companies, groups cannot act with competition within the organization. The trick is for there to be cohesiveness in the whole organization.

Good leaders know how to encourage cohesiveness without it becoming a negative characteristic. This requires sensitivity and ability to look below the surface, and a willingness to allow diversity of members and approaches.

Teaching Note for Ethical Dilemma

Consumer Safety or Team Commitment?

There is no clear right answer to this dilemma. The chosen alternative will depend, in large part, on each individual’s value system. It is not technically illegal to include so much saccharin in medication, but one would have to wonder if this was only a temporary legal loophole. Also, there is not proof that such levels of saccharin are harmful to consumers.
A person who might consider Alternative 3 may be succumbing to group pressure and attempting to hide his or her responsibility in the group. This is a common result of group decision making. Groups sometimes make decisions that have disastrous results because members are pressured into keeping their concerns or opposing opinions to themselves. For many people, this will boil down to a choice between Alternative 1 and 2. Whistleblowing might be a possibility; however, since the law is not being broken and saccharin may not be perceived as a strong threat, the public may not provide the level of support Nancy would need to keep her job with the company. This case provides a good example of a person having to balance her job and income against her ethical beliefs. It might be interesting to have students anonymously vote on which of the three alternatives Nancy should choose.

**Surf the Net**

1. **Self-Directed Work Teams.** Student responses will vary depending on WEB page visited. Their recommendation of the ideas a student could benefit from are:

   How to Build An Interagency Collaborative Team To Serve Customers Better And Save Money! Throughout the realm of modern manufacturing, there is an ever-increasing supply of advisors, gurus, consultants, and sacred cows who can tell you how to achieve continuous improvement at your manufacturing plant. Acronyms such as ISO-9000, SPC, DFMA, TQM, and FMEA represent continuous improvement salvation for the modern day manufacturer as long as you sincerely affirm them in your mirror daily for one month. All too often, unfamiliar concepts such as Re-Engineering, Taguchi Methods, and Cellular Manufacturing can dictate the course of your company's direction in an effort to keep up with the Jones-atas and to silence that "giant sucking sound" of all American jobs being jettisoned South of the Border.

2. **Team Meetings.** One approach to facilitation involves the facilitator in a very limited role--serving as the group's timekeeper, "traffic cop" when discussions heat up, and recorder of the group's decisions. The active facilitation approach sees the role of the facilitator somewhat differently, that is, as a temporary group or team leader. This leadership role has a very significant impact on group effectiveness, despite the fact that the facilitator does not get involved in the content of the group's work. The facilitator employing the active facilitation approach enables the group to focus its work on the task at hand knowing an unbiased professional is providing the structure, processes, and the push--this is probably the most distinguishing characteristic of the approach--to help the group get where it is trying to go. The Role of the Facilitator in the Active Facilitation Approach. The facilitator in the active facilitation approach has a strong attachment to the group and its task. Unlike conventional facilitation approaches, in this approach, the facilitator shares responsibility with the group for getting their task accomplished.

   Common characteristics of an effective facilitator include:
   - How to Design a Work Session.
   - How to Open a Work Session.
How to Lead Group Discussions.
How to Set up and Facilitate Small Groups.
How to Use Flipcharts.
How to Help a Group Reach Consensus.
How to Manage Conflict in Groups.
How to Facilitate Teams as Distinct from Groups.
How to Evaluate Work Sessions.

Conflict is inevitable when people work in groups to develop, explore, expand, and make decisions about subjects that matter to them. It is not only a natural human behavior, but in its positive form (differing, as opposed to arguing) it is also an important part of the creative process. Without the freedom to differ, groups may find themselves limited to only the most conventional, accepted kinds of thinking and problem solving. Furthermore, conflict is essential to critical thinking. Groups in which members do not effectively express their differences can fall into groupthink, a mode of group behavior in which ideas, even ideas which are not well thought through, may prevail despite the individual group member’s ability to know the ideas are not useful, or worse, actually harmful to the group's goals. Conflict is of at least three kinds: based on emotional responses, based on cognitive differences, or based on a combination of the two.

3. **Team Performance.**

The best advise a coach can provide to motivate team performance is based on individual as well as group needs. Some group or teams are motivated by extrinsic rewards such as financial incentives, annual bonus, stock options, profit sharing, etc. There are intrinsic rewards that could be offered to the team such as recognition, self-esteem, self-actualizing, or experiences. Other ways to motivate the team include content theory, process theory, and positive reinforcement.

**Case for Critical Analysis Solution**

**Acme Minerals Extraction Company**

1. *What types of teams described in the chapter are represented in this case?*

   The types of teams discussed in the chapter that are represented in this case include special and self-directed teams.

   Special-purpose teams are created outside the formal organizational structure to undertake a project of special importance or creativity. The problem at the Wichita plant was one of productivity and low morale. Cross functional teams were formed coming from three distinct areas. There were three functional groups at the Wichita plant: “operations”, (made up primarily of hourly workers who operated and maintained the extraction equipment), the “below ground” group, (consisting of engineers, geologists, and geophysicists who determined where and how to drill),
and the “above ground” group of engineers (who were in charge of cursory refinement and transportation of the minerals).

Problem-solving teams typically are 5 to 12 hourly employees from the same department who meet to discuss ways of improving quality, efficiency, and the work environment. Problem-solving teams usually are the first step in a company’s move toward greater employee participation.

Self-directed teams typically consist of 5 to 20 multi-skilled workers who rotate jobs in order to produce an entire product or service, often supervised by an elected member. The central idea is that the teams themselves, rather than managers or supervisors, take responsibility for their work, make decisions, monitor their own performance, and alter their work behavior as needed to solve problems, meet goals, and adapt to changing conditions.

2. Why do you think the team project succeeded at Wichita but isn’t working in Lubbock?

The team concept worked at Wichita because of Suzanne Howard and Donald Peterson. They were able to bring together a cross-functional team--employees of different departments, backgrounds, and cultures together to form an effective team. Howard and Peterson decided the first step was to get the different groups talking to one another and sharing ideas. They instituted a monthly problem chat, an optional meeting to which all employees were invited to discuss unresolved problems. After six months, the meetings had become lively problem-solving discussions that led to many improvements. Next, Howard and Peterson introduced teams to select a problem and implement a tailored solution (SPITS). A company softball team made up of “the brains versus the brawn” was effective, and thus they were able to work together to identify and resolve problems of productivity and morale.

At Lubbock, the team concept did not work because they did not have a Donald Peterson to pull it off. Howard was under extreme pressure from top management to get the team-based productivity project running smoothly. Because people weren’t showing up for the problem chat meetings, attendance was made mandatory. However, the meetings still produced few valuable ideas or suggestions. Although a few of the SPITS teams solved important problems, none of them showed the kind of commitment and enthusiasm Howard had seen in Wichita. In addition, the Lubbock workers refused to participate in the softball games and other team building exercises that Howard’s team developed for them. Howard finally convinced some workers to join in the softball games by bribing them with free food and beer. Morale continued to decline, and there simply was not any trust among the team.

3. What advice would you give Suzanne Howard and her team for improving the employee involvement climate at the Lubbock plant?

A recommendation to Suzanne Howard would be to establish a renewal of trust and cooperation among the Lubbock team. Communication must be open for individuals to be willing to participate in discussing the issues and problems that impact the
company. She must find a “Donald Peterson type of employee” who will instill the members of the team with the willingness to accept his (or her) leadership—as was the case under Donald Peterson at Wichita. Howard must recognize that the Lubbock plant is made up of different cultures having different needs, different agendas, and that a communication gap does exist. She must attempt to bridge these differences and to formulate a team that will trust and respect one another.

Additional Material Part VI

Video Case

Chapter 17

CVS Stands for Consumer Value Store

When the first CVS store opened in Lowell, Massachusetts, in 1963, customers knew it as the Consumer Value Store. But as the store itself caught on with consumers, so did the abbreviation CVS. Today, CVS—which has acquired other stores such as Peoples Drug, Revco D.S., and Arbor Drugs—employs more than 80,000 workers nationwide, including 12,000 pharmacists in 4,200 stores. In addition, when CVS acquired Soma.com of Seattle, Washington, it became the first company in the nation to launch an Internet pharmacy site. One way that the company has managed to grow and continue to offer value to its customers is through a heavy emphasis on continuous learning throughout the organization.

Training is paramount at CVS. The company offers an Emerging Leaders Program several times a year for managerial candidates; but perhaps more importantly, CVS considers every employee to have the potential to grow. Thus, employees at every level are offered opportunities to learn the skills they will need for their next job at CVS. With formal training programs, mentoring, and other methods of learning, CVS employees have a greater chance of achieving person-job fit as they move up in the company than they might have if they were simply promoted without preparation and support.

The Emerging Leaders Program is offered to about ninety district manager candidates and ten regional manager candidates at each session. According to CVS spokesperson Seth B. Kamen, candidates ideally enter the program about a year and a half before they are ready for a promotion. Participants gather at the company’s Store Support Center for a two-day kickoff session; then they return to the field to complete twenty-three training activities. Participants receive regular feedback from their managers and communicate regularly with peers for continuous learning. Throughout the program, participants gain experience in planning and organizing, customer service, interviewing and selection, loss prevention, laptop skills, pharmacy regulations, merchandising, and more. During the first year of the program, twenty-one out of twenty-seven participants actually achieved their desired promotions. Response to the new program has been positive. “By working with the Emerging Leader Program, I have learned new insights on my own job,” says one participant. “The exposure I have to my regional manager has been great to help me understand expectations,” reports another.
Kamen believes that the value of the program goes beyond the boundaries of its initial intention. Leader-led training blended with actual job experience—the field activities—creates a stronger result than might be achieved with one or the other alone. He observes that the program has influenced other programs and practices at CVS. “We developed a new process and tools for field managers to use to conduct store visits that are tied directly to the capability model we present through the program,” he explains. And “when new projects, critical assignments, focus groups, and so forth come up, participants in the Emerging Leaders Program are among the first people the organization considers.”

CVS also uses THINQ Training Server, a learning management system to help manage its training efforts. The system has helped CVS employees adapt to standardized training that is designed not only to help them advance but also to increase the consistency of customer service and improve their overall knowledge of the pharmacy industry and the company. With the help of the system, CVS employees have a pass rate of 97 percent on the national PTCB exam, which exceeds the national average of 81 percent.

CVS’s commitment to learning extends throughout the company, at every level. Employees appreciate the opportunities available to them and work hard to perform their best. This is how loyalty is built: when learning never stops. One Emerging Leaders graduate sums it up this way: “CVS is very interested in my success!”

Questions

1. *In what ways do you think the Emerging Leaders Program helps achieve good person-job fit at CVS?*

   Participants learn more about themselves, their attitudes, perceptions, and personality traits as well as the job opportunities that are available at CVS. Through greater understanding of both, they can develop a career path that makes sense for them.

2. *How might CVS’s training programs help develop positive work-related attitudes among employees?*

   If people believe that the company is interested in their growth and development, they are more likely to feel satisfied in their jobs and develop organizational commitment. It is also an opportunity to develop positive attitudes toward the company itself.

3. *How does the model of the learning process in Exhibit 17.10 apply to the Emerging Leaders Program?*

   Participants receive information from training leaders in the form of abstract conceptualization; they engage in active experimentation during the kickoff session and in the field activities; they apply their experiences and new knowledge to their jobs, gaining concrete experience; and they communicate with their peers and managers, as a form of reflective observation.

Accessed March 18, 2002; Don Steinberg, “The Smart Business 50,” *Tech Update*, ZDNet,
CHAPTER 21   Teamwork

Video Case

Chapter 18

Donna Fernandes: She’s the Leader of the Pack

Donna Fernandes isn’t your average MBA. Her expertise lies in the behavior of slugs—real ones, not the human kind. She also holds a Doctor of Sciences degree from Princeton, she’s worked at the Franklin Park Zoo in Boston, led wildlife tours through Kenya and Tanzania, hosted her own educational television show, and now she’s the director of the Buffalo Zoo in upstate New York, where her clients include elephants, gorillas, hyenas, polar bears, and more.

When Fernandes arrived at the 23-acre zoo a couple of years ago, it was a mess. “Most of what I found about the current state of the zoo was negative,” she recalls. The 125-year-old park, the third oldest zoo in the country, was in a terrible state of disrepair and was in danger of losing its accreditation. The management and board of directors were considering moving the zoo from its home in the Delaware Park area of Buffalo and relocating it to an industrial neighborhood along the Buffalo River. But the community rallied against the move, and it was postponed. Still, something had to be done to bring the zoo back to life. Fernandes quickly found that her base of support as a leader would come from the community and from volunteers and workers at the zoo. “As soon as I walked through the gates of the zoo, I just felt at home,” she says. “The people were really friendly... It seemed like people all wanted to improve the zoo. The amount of grass roots support for this zoo is phenomenal.”

Fernandes used her position power to put forth a vision for improvement, but she quickly developed personal power as well. People liked her and respected her from the outset. She immediately outlined plans to bring the zoo back up to the standards of the American Zoo and Aquarium Association, which were backed by a pledge of $350,000 from Governor George Pataki. More funding was needed, so the board undertook a massive fundraising effort. Fernandes noted that as the zoo was upgraded she would place more emphasis on children and education through programs at the zoo. “I will also focus on trying to increase family visitors by making exhibits the right height for children in strollers and people in wheelchairs.” In addition, she planned to create more natural settings for the animals, with an emphasis on wildlife habitats rather than cages. “These are issues to which I am very sensitive,” she explained.

With strong support for Fernandes’ vision, plans to relocate the zoo were abandoned, though she was careful to say that she understood the reasons why the board had considered it. Today, visitors enjoy the giraffe feeding station, guided tours, and especially the WILD place, where curious—and brave—participants can wash an elephant or even watch one paint. (Daryl Hoffman, the elephant keeper and head of the animal training committee at the zoo, has instituted a program called Art Gone Wild, in which the zoo sells “artwork” created by elephants, primates, and big cats.) The zoo’s
outreach program includes the Zoomobile and Distance Learning, both of which take the zoo’s mission outside the grounds to people who might not be able to visit the zoo in person.

Fernandes’ democratic leadership style encourages input from staff, groundskeepers, volunteers, the community, and the board of directors. She likes people to stop by her office to give her feedback, suggestions, and even complaints. But this open atmosphere didn’t exist before Fernandes arrived, so she had to cultivate it. The change began almost by accident. In the days following the events of the September 11, 2001, attacks on the Pentagon and the World Trade Center, everyone around the zoo was shaken. So on a whim, Fernandes decided to bring her new puppy into the office to cheer herself and others up. Pretty soon people were stopping by to see the puppy and have a chat. Before long, Fernandes was receiving valuable feedback from people who would never have otherwise felt comfortable providing it—and a whole new line of communication had opened up between Fernandes and her staff. The puppy, which is rapidly growing, now makes regular appearances at the office, and Fernandes lets everyone know that she likes her employees to visit whenever they want.

Fernandes is happy with her work and seems comfortable in her leadership role. Of the 186 accredited zoos in the country, only 20 have female directors; so she is aware of her mentoring role as well. “I believe this is probably the most important thing I will ever do, being in this position in a community at a juncture where they want to rebuild their zoo,” she says. “When I interviewed for this job, I did a presentation to the board on my vision for the zoo. I told them it would take 10 to 25 years of a shared dream, rather than just my vision, to restore the Buffalo Zoo to its greatness.” Fernandes truly believes that her zoo will enjoy a second golden age—within limits. “I won’t promise the world in rebuilding this zoo, but if I promise a continent, you’ll get a continent.” Which is plenty of ground for everyone.

Questions

1. In what ways do you believe Fernandes exhibits both expert power and referent power?

   Expert power comes from her advanced degrees, research, and previous work experience. Referent power comes from her personal characteristics of openness and commitment to the organization.

2. Using Exhibit 18.2 in the chapter, create a profile of Fernandes’ personal characteristics.

   Fernandes certainly has energy, intelligence, knowledge, self-confidence, enthusiasm, honesty, enthusiasm, interpersonal skills, an ability to enlist cooperation, achievement drive, conscientiousness, and education. Students may vary in their choice of characteristics.

3. Would you characterize Fernandes’ leadership style as appropriate for building a learning organization? Why or why not?
Most answers will probably be yes because of Fernandes’ emphasis on empowerment, commitment, and willingness to receive feedback from everyone—the community, volunteers, staff, and board.


Video Case

Chapter 19

Motivation Is a Wild Experience at the Buffalo Zoo

At the Buffalo Zoo in upstate New York, you can buy a painting by an elephant, primate, or big cat. You can visit the giraffe feeding station, bathe an elephant, take a starlight safari, tour the conservation station, and take in the vanishing animals exhibit. You’ll find renovated buildings, naturalized habitats, and clean grounds. You’ll be one of 340,000 people annually to enjoy the zoo. Much of this is the work of zoo director Donna Fernandes, her staff, volunteers, and the community of Buffalo. How she got everyone to transform the run-down, sparsely visited zoo in the space of just a few years is a story of motivation.

Fernandes herself is a motivated leader who believes in empowering everyone—inside and outside the organization—to turn the Buffalo Zoo into the very best it can be. She believes that her plans are “a shared dream, rather than just my vision, to restore the Buffalo Zoo to its greatness.” When Fernandes first arrived at the zoo, employees were unenthusiastic about their jobs. A senior manager had adopted an autocratic leadership style that had reduced morale. Employees were often reprimanded and threatened with suspension for minor infractions of strict rules. Many felt that they were not given the freedom and respect to do their jobs as well educated, specialized experts in the care of animals. Communication was lacking, information and ideas were not shared, and the zoo had begun to languish.

Fernandes has a doctorate from Princeton in animal behavior; she’s worked at several large zoos; she is interested in education; so she can communicate with and relate to her staff, who know and care so much about animals. She also has a business degree, so she can understand the thinking and decisions of the zoo’s board of directors. And when she arrived, she knew she had to motivate both in order to save the zoo, which was in danger of losing its accreditation with the American Zoo and Aquarium Association. One of her first actions as president and CEO of the zoo was to dismiss the senior manager and abolish the rigid policies that actually interfered with workers’ freedom to get their jobs done. “Things happen. Your car breaks down, your kid is sick, it’s no big deal,” she explains. “It’s not like we have a real problem with [attendance] anyway.” By removing rules that prevented people from caring for a sick child or accompanying a parent to the doctor’s office, Fernandes showed employees that she respected them as individuals who were trying to balance their family lives with their jobs.
Fernandes believed that there was too little communication and knowledge sharing among the departments at the zoo. Under the old management, employees actually hoarded information because they were afraid they would not receive any recognition for their work. So Fernandes established weekly staff meetings with vets, animal keepers, and trainers from all parts of the zoo. Here people can share ideas and knowledge, take part in training, and openly share concerns with management. Fernandes also includes staff demonstrations in the meetings to give employees an opportunity to showcase new projects and developments in their areas of expertise. Fernandes observes that these demonstrations not only give recognition for a job well done but also allow the valuable sharing of information. Fernandes expands her motivating leadership to the board of directors and the community at large, who have been engaged in fundraising to renovate the zoo. The board of directors, once considered a stagnant bunch, is now one of the most sought-after groups for community involvement in upstate New York.

These days, the atmosphere at the Buffalo Zoo is much more upbeat. Employees are happier in their jobs, they feel free to offer ideas, and they have the authority to make decisions in their jobs. They also enjoy communication with the Top Dog herself. After September 11, 2001, Fernandes began bringing her new puppy to the office just to make herself—and everyone else—feel better. It didn’t take long for people to stop in, pet the puppy, and chat with Fernandes about whatever was going on around the zoo. Fernandes finds these puppy visits as valuable as the staff meetings. It’s not surprising that she talks with people as easily as she talks with her animals.

Questions

1. What types of intrinsic rewards are workers now receiving from their jobs at the Buffalo Zoo?

They now enjoy a sense of accomplishment and recognition for the work they do, whether it is solving a particular problem associated with the zoo or sharing information with another department.

2. In what ways might the human resource department at the Buffalo Zoo use job design to increase motivation among zoo workers?

The Zoo might use job enlargement, job rotation, and job enrichment in appropriate situations to broaden workers’ scope of experience and motivate them to apply their knowledge to different situations and departments.

3. How important is empowerment to motivation at the Buffalo Zoo?

Empowerment has already been a powerful tool in motivating employees at the Buffalo Zoo. Workers now have the freedom to cultivate and share information, make decisions, and offer ideas and solutions to problems. They also feel that their contributions are important and that their work has meaning.


Video Case

Chapter 20

Communication Is Paramount at Le Meridien

Perhaps the most important part of a manager’s job is communication. Bob van den Oord, assistant general manager at Boston’s luxury Le Meridien hotel, would agree. Most of his job involves communicating—with department heads, staff, guests, suppliers, the general manager, and senior managers of the hotel chain based in London. That’s why he spends so much time developing both the formal and informal channels of communication at the hotel. “There are a number of things we’ve done to improve communication at Le Meridien,” van den Oord notes. One of the most important parts of his day takes place between 9:30 and 9:45, during which he and his managers hold an operational meeting to discuss the day’s events, timeline, and staffing requirements. “It’s quite casual,” says van den Oord. “Everyone has a cup of coffee and talks.” In those fifteen minutes, a great deal of communication is accomplished because managers have learned how to present their messages clearly, listen, and help each other come to a resolution when necessary.

Daily operational meetings aren’t the only communication channels at Le Meridien. Van den Oord also holds weekly departmental meetings, such as the food and beverage meeting, in which managers may discuss their schedule of events, supply needs, or paperwork for group dinners; interdepartmental meetings; and yearly staff meetings during which all employees in attendance have an opportunity to ask questions and learn about the hotel’s future plans and to review results for the year. Van den Oord calls this annual gathering a team-building opportunity as well. Other channels include the daily briefing sheet—literally a sheet of paper—that staff members can pick up near the hotel lobby to learn about the day’s VIP visitors or groups, special events, restaurant promotions, and the like. Also, all managers have access to e-mail on the hotel’s intranet.

Clearly, Bob van den Oord prefers the channel richness of face to face communication. Although he concedes that e-mail is convenient—and necessary—he is quick to point out that it is not a substitute for personal interaction. If there is a conflict, he wants it resolved either by phone or in person so that both parties have the opportunity to listen and understand each other’s words and gestures. Instead of relying on e-mail, van den Oord prefers what he calls “management by walk about,” or simply walking through the hotel’s different departments to see how things are going. “It gives the staff a chance to talk to me,” he explains. “They like it. They like to see that the manager is not just sitting in his office... All the one-on-one, constant feedback is important.” Although his daily walk through the hotel is part of the organization’s formal communication channels, it has many informal qualities—van den Oord can easily pick up on the grapevine during this journey.

Michiel Lugt, the hotel’s room service and stewarding manager, wholeheartedly agrees. “E-mail facilitates the communication process, but it’s not the solver of all problems,” he says. Lugt notes that it’s very easy for someone who sends an e-mail to
assume that the recipient actually received and understood the message—and will act on it if necessary—when in fact the person might not have received or understood the message, or might have underestimated its importance. Lugt echoes van den Oord’s concern with communication throughout the hotel. “We have so many departments, and they all need to perform. If one department doesn’t communicate, everyone struggles.” For instance, if the person taking dinner reservations oversells the restaurant so that people must wait for tables or the kitchen is not prepared with the right amount of food, all departments suffer. “Communication is key in our industry,” Lugt concludes.

Van den Oord and Lugt understand well that part of their job as communicators is to influence their employees—to motivate them to perform at the highest level. One of the ways they do this is by setting an example of their own commitment and performance. “You need to be present,” notes Lugt. “You are leading by example.” Lugt is quick to help out wherever he is needed, whether it’s filling in a service gap by serving morning coffee to guests at the restaurant or taking meal orders. By doing so, he communicates to his staff that they are all part of a team running the hotel together.

Van den Oord views good communication as part of good business. Good communication contributes to a happy staff, he believes. “A happy staff equals happy guests,” he notes with a smile. “And happy guests help us meet our business objectives.”

Questions

1. **How important is nonverbal communication to a hotel manager such as Bob van den Oord or Michiel Lugt?**

   Nonverbal communication is vital to a hotel manager. He or she must understand nonverbal cues from employees and guests and must also be able to convey them in such a way that staff can act smoothly and with confidence. Guests must be able to trust that a problem will be solved, and nonverbal communication is key to indicating concern and efficiency in problem solving.

2. **Why is feedback an important part of Bob van den Oord’s daily process of management by walk about?**

   In the hotel industry, problems may crop up suddenly and need to be solved quickly—so constant feedback is important. Also, the way a situation is handled may determine whether or not a guest returns to the hotel or recommends it to someone else.

3. **In the video, assistant general manager Bob van den Oord has to work with another manager to clear up a misunderstanding about the staff’s vacation schedule. Put yourself in Bob’s shoes and write a brief outline of how you would communicate with the manager to solve the problem.**

   Answers will vary, but students are encouraged to focus on crafting the message with purpose, aim for true intimacy, listen, pay attention to timing, and be aware of body language and actions.

Video Case

Chapter 21

Cannondale: Teams Perform in the Race for the Perfect Bicycle

High-performance bicycles are finely tuned machines that are tailored to their riders for peak performance. The search for the perfect bicycle is a never-ending race that pits a material’s strength against its weight. Cannondale Corporation based in Bethel, Connecticut, constantly runs that race and wins—through dedicated teamwork.

The company has come a long way from its beginnings in 1971 in a loft above a pickle factory. From the company’s early efforts in manufacturing bicycle trailers and cycling apparel, it expanded to high-performance bicycle design and production in the 1980s. And it hasn’t looked back since. The company became renown early on for its innovative introduction of aluminum bicycle frames, combining strength, flexibility, and lightweight. Competitors then constructed their frames of much heavier steel. Today, Cannondale is the leading manufacturer of aluminum bicycles, selling more than 80 models in 60-plus countries worldwide. And with the turn of the 21st century, the company ventured into design and manufacture of motocross motorcycles and all-terrain vehicles. As Cannondale’s Web site proudly proclaims, its “passion is to be the best cycling and off-road motorsports company in the world.” Cycling experts would agree it is well on its way.

Maintaining its position in the competitive cycling market isn’t easy. Cannondale’s engineers must continually create new designs that boost performance. To do so, it relies on the best of art and science—the creativity of teams of engineers and experienced production craftsmen with the speed and precision of computer technology. The company forms special-purpose teams to create its designs. Design engineers for the teams are selected based on their particular areas of expertise—some are materials experts, others skilled at drawing, and still others experienced at proofing the designs to ensure that all the pieces fit so that they can be built. Cannondale also encourages engineers to volunteer for projects based on their interest in the particular product being considered. For example, a carbon fiber materials specialist may get involved in a project to contribute to the design because he or she wants to help or has a unique idea. The goal of these design teams is to work creatively to solve a particular design problem and produce innovative products. Usually two to four engineers team up for a design.

The design engineers also rely on technology to execute their ideas. Engineers draw their designs on a computer-aided design (CAD) system called Pro/Engineer and can generate a plastic prototype to check the overall design concept. From there, the engineers transmit their designs electronically to the production teams based in two company-owned factories in Bedford, Pennsylvania. John Horn, research and development project manager at Cannondale says, “The design and production teams are separated by roughly 400 miles, but the communication is instantaneous.” Production teams can generate a single prototype bicycle using the CAD system and actual materials to test its performance—strength, durability, flexibility, and dimensions. Frames are at
the heart of Cannondale bicycles, and they undergo 12 to 15 different tests before a design is approved for production.

With all of its high-tech capabilities, Cannondale doesn’t ignore the human touch in its manufacturing process. The company relies on skilled craftspeople to weld, sand, paint, and finish its bikes. “Aluminum is not an easy material to weld,” says Horn. “It’s more difficult than steel.” So the company hires, trains, and certifies its welders to perform at their peak. The welders’ jobs are coveted at the company—they carry prestige and high pay. After the welds are completed, the weld joints are sanded smooth—a mark of quality that Cannondale bikes carry over their competition. Then frames are machined to finish edges and prepare them for additional parts such as cranks and wheels. After that, the bikes are hand painted, matte or gloss finish is applied, and decals added to customer specifications or sales demand.

Cannondale believes in the quality of human workmanship and relies on assembly line work teams, instead of robotic lines stamping out 10,000 copies at a time. Individual attention to each bicycle allows the company to monitor sales and be extremely flexible to meet customer demands—for a particular model, in a particular size, and in a particular color and finish. Such attention to detail creates pride in Cannondale’s work teams—from design through production—and satisfies customers. As the company’s Web site states, “We concentrate on detail, because the last 5 percent is often the difference between success and failure.” Cannondale is proving that one bike and one rider at a time.

Questions

1. **Cannondale uses special-purpose teams to design and produce its bicycles. What are some benefits to that approach?**

   Special-purpose teams don’t rely on formal organization structure and authority but instead tap the creativity of individuals for special projects. Teamwork such as that gives the employees a sense of pride and ownership in the products they design and construct and possibly contributes to team cohesiveness. So the company can produce innovative leading designs—important for the high-performance cycle market.

2. **What could be some drawbacks to Cannondale’s team approach?**

   Time could be a factor in designing and producing the bicycles. For example, the company no doubt has to balance perfection against real pressures to bring a product to market for profitability. Conflicts could also arise if team members disagreed on a particular design or manufacturing approach.

3. **How does Cannondale make use of virtual teamwork to produce its products?**

   Cannondale design engineers use a CAD system to generate new bicycle designs in Connecticut. Those engineers then relay the computer-generated designs and specifications electronically to the production teams in Pennsylvania. Although the design and production teams are not physically located in the same place, they both
have exacting details of the product and can communicate instantaneously—a benefit of today’s new high-tech workplace.


PART VI
Continuing Case

Ford Enters a New Era of Leadership

Suggested Answers

1. Using Exhibit 18.2 in the chapter, make a chart showing what you believe are the personal characteristics of leaders that Bill Ford and Jac Nasser possess.

Answers will vary, but students are encouraged to use their own judgment and information provided in the case to build a chart for each leader. They may rate Bill Ford higher on social characteristics based on the information in the case and Jac Nasser higher on independence and desire to lead. Some possible examples could be the following:

Bill Ford: Energy, knowledge, decisiveness, honesty and integrity, enthusiasm, desire to lead, sociability, cooperativeness, tact, achievement drive, conscientiousness in pursuit of goals, persistence against obstacles, education, mobility

Jac Nasser: Energy, knowledge, decisiveness, self-confidence, desire to lead, independence, achievement drive, persistence against obstacles, education, mobility

2. Do you think Bill Ford and Jac Nasser are effective communicators? Explain your answer for each.

Answers will vary, but possibilities for both include the following: Nasser is an effective communicator because he is able to persuade people to take actions; he is not effective communicator because he does not like to listen and does not foster openness and honesty. Ford is effective because he does seem to listen and connect with members of his organization, and he wants to develop a climate of trust.

3. In what ways might Bill Ford use problem-solving teams to benefit his organization? Give one example describing a problem-solving team that might be effective at Ford Motor Co.

He could use problem-solving teams to help improve the quality of certain auto or truck models, efficiency in manufacturing them, and improving the work environment. These types of teams could also help to build trust between workers
and upper management at Ford. Examples of specific teams might include one to figure out how to respond more quickly to customer complaints; one to handle installing customized features more efficiently; one to examine ways to reduce work stress; one to study possibilities for on-site childcare during overnight shifts.