

1 THE CONTRIBUTIONS OF TEAMS

LO1 Discuss how teams can contribute to an organization's effectiveness.

Team-based approaches to work have generated excitement. Used appropriately, teams can be powerfully effective as a building block for organization structure. Organizations like Semco, Whole Foods, and W.L. Gore are structured entirely around teams. 3M's breakthrough products emerge through the use of teams that are small entrepreneurial businesses within the larger corporation.

"No one can whistle a symphony. It takes an orchestra to play it."

—Halford E. Luccock

Teams also can increase *productivity*, improve *quality*, and reduce *costs*. By adopting a team structure and processes, hospitals have been able to improve the quality of their care during night shifts.⁴ A 12-person team from a Ford plant in Saarlouis, Germany, solved a problem with its basecoat paint applications that resulted in annual costs savings of \$2 million and a reduction of 70 kg of volatile organic compounds (environment-damaging solvents that are released into the air as paint dries).⁵ Nucor, the Charlotte, NC-based steel maker, credits its 20,000 teammates for improving productivity and safety throughout its plants.⁶

Teams also can enhance *speed* and be powerful forces for *innovation* and *change*. Elon Musk encourages his SpaceX team to continue to push the frontier of space travel. He set a goal of personally visiting space within the next five years and launching a mission to Mars by 2025.⁷ Teams of software designers and developers at General Electric's new Software Design and User Experience Studio create software for GE's customers, partners, and employees. The teams are responsible for creating innovative software that helps users analyze and act upon huge amounts of data.

Greg Petroff, the leader of the studio, believes that his team's efforts are meaningful: "Even a 1% improvement in fuel consumption can lead to millions of dollars in increased revenue over the course of a year."⁸

Teams also provide many *benefits for their members*.⁹ The team is a useful learning mechanism. Members learn about the company and themselves, and they acquire new skills and performance strategies. The team can satisfy important personal needs, such as affiliation and esteem. Team members may receive tangible organizational rewards that they could not have achieved working alone. After General Mills acquired Pillsbury, the managers of the meals division decided they needed to develop a common culture that would promote employee engagement, so they set up a Spirit Team of staff members to select activities. Realizing that just having fun together would not develop a deeper sense of purpose, the team decided to partner with a nonprofit organization, Perspectives Family Center, and support this organization with several events each year. Employees who participate feel great about what they do, and they connect the experience with a sense that their company cares about its local community.¹⁰

Team members can give one another feedback; identify opportunities for growth and development; and train, coach, and mentor.¹¹ A marketing representative can learn about financial modeling from a colleague on a new product development team, and a financial expert can learn about consumer marketing. Experience working together in a team, and developing strong problem-solving capabilities, is a vital supplement to specific job skills or functional expertise. And the skills are transferable to new positions.