2 THE NEW TEAM ENVIRONMENT

LO2 Distinguish the new team environment from that of traditional work teams.

The words *group* and *team* often are used interchangeably.**[12]** Modern managers sometimes use the word *teams* to the point that it has become cliché; they talk about teams while skeptics perceive no real teamwork. So making a distinction between groups and teams can be useful:

- A **group** 💬 is a collection of people who interact to undertake a task but do not necessarily perform as a unit or achieve significant performance improvements.
- A **team** 💬 is formed of people (usually a small number) with complementary skills who trust one another and are committed to a common purpose, common performance goals, and a common approach for which they hold themselves mutually accountable.**[13]**

● At Google, software engineers have freedom and autonomy regarding which projects and teams to join. The firm invests heavily in training its newly hired software engineers, Nooglers, to work productively in teams.
© epa european pressphoto agency b.v./Alamy Stock Photo

If you work for Google (part of Alphabet), chances are good that you will join one or more teams. Its software engineers, the ones who are responsible for developing new products and services like Chromebooks, Google Glass, and Google Hangouts, typically work in small three- or four-person product development teams. Even a large team of 20 or 30 engineers is broken into smaller teams that work on specific parts of the overall project, such as redesigning the Gmail website or making spam filters more effective. The role of leader shifts among members depending on the project's particular requirements. Engineers have the freedom to switch teams (without asking permission from management) and commit to work on projects to which they feel they can contribute. Shona Brown, Google's vice president for operations, comments, ". . . we want people to commit to things rather than be assigned to things." Google believes that this flexible and hands-off approach to team management spurs innovation and creativity at the firm.

Given the freedom and autonomy that employees have at Google, the firm invests heavily in training their newly hired software engineers, known as "Nooglers," to work productively in teams. The goal is to help new hires become fully productive as soon as possible. They undergo an orientation program and attend lectures about the firm's culture and practices delivered by senior engineers. Mentors are assigned to the new hires so Nooglers can learn more about how teams function and answer specific questions about the technical aspects of their jobs and projects. They introduce Nooglers to other members of the team with whom they'll be working. After completing a two-week starter project, Nooglers can organize or attend "Tech Talks," which are voluntary, self-organized events in which engineers get together to share knowledge with each other about a technical topic of interest.[14]

Organizations have been using groups for a long time, but today's workplaces are different.[15] Teams are used in many different ways, and to far greater effect, than in the past. **Exhibit 12.1** ⬀ highlights just a few of the differences

between the traditional work environment and the way true teams work today. Ideally, people are far more involved, they are better trained, cooperation is higher, and the culture is one of learning as well as producing.

Exhibit 12.1	Comparing traditional and new team work environments	
Activity	**Traditional Work Environment**	**New Team Work Environment**
Work planning	Managers do the planning.	Managers and team members plan together.
Job definition	Narrow set of tasks and duties.	Broad set of skills and knowledge.
Information	Mostly "management property."	Tends to be freely shared at all levels.
Risk taking	Discouraged and punished.	Measured risk taking is encouraged and supported.
Rewards	Based on individual performance.	Based on individual and team performance.
Work process	Managers determine "best methods."	Everyone continuously improves work processes.

Source: Adapted from *Leading Teams* by J. Zenger and Associates.

2.1 Organizations Have Different Types of Teams

Your organization may have hundreds of groups and teams, but they can be classified into just a few primary types.[16] **Work teams** 💬 make or do things such as manufacture, assemble, sell, or provide service. They typically are well defined, a clear part of the formal organizational structure, and composed of a full-time, stable membership. Work teams are what most people think of when they think of teams in organizations.[17]

Project and development teams 💬 work on long-term projects, often over a period of years. They have specific assignments, such as research or new product development, and members usually must contribute expert knowledge and judgment. These teams work toward a one-time product, disbanding once their work is completed. Then new teams are formed for new projects.

Page 275

Parallel teams 💬 operate separately from the regular work structure of the firm on a temporary basis. Members often come from different units or jobs and are asked to do work that is not normally done by the standard structure. Their charge is to recommend solutions to specific problems. They seldom have authority to act, however. Examples include task forces and quality or safety teams formed to study a particular problem.[18] Whenever Baltimore's Bradford Bank acquires or starts up another operation, it assembles a team of employees drawn from various divisions to smooth the transition for customers. For example, when Bradford signed a deal to acquire deposits from American Bank, a team of employees from branch management, deposit services, and information technology studied American's products to make sure Bradford was ready to offer similar services to its new customers.[19]

Management teams 💬 coordinate and give direction to the subunits under their jurisdiction and integrate work among subunits.[20] The management team is based on authority stemming from hierarchical rank and is responsible for the overall performance of the business unit. Managers responsible for different subunits form a team together, and at the top of the organization resides the executive management team that establishes strategic direction and manages the firm's overall performance.

Transnational teams 💬 are work teams composed of multinational members whose activities span multiple countries.[21] Such teams differ from other work teams not only by being multicultural but also by often being geographically dispersed, being psychologically distant, and working on highly complex projects having considerable impact on company objectives.

Transnational teams tend to be **virtual teams** 💬 , communicating electronically more than face-to-face, although other types of teams may operate virtually as well. A virtual team encounters difficult challenges: building trust, cohesion, and team identity, and overcoming communication barriers and the isolation of virtual team members.[22] Ways that managers can overcome these challenges and improve the effectiveness of virtual teams include ensuring that team members understand how they are supposed to keep in touch, setting aside time at the beginning of virtual meetings to build relationships, ensuring that all participants in meetings and on message boards have a chance to communicate, sharing meeting minutes and progress reports, and recognizing and rewarding team members' contributions.[23]

LISTEN & LEARN ○ ONLINE

YOUNG MANAGERS
Speak Out!

© McGraw-Hill Education

"Teamwork is very important to any company or any organization because one they are working together, you know, cohesively and they are happy with what they are doing, it really reflects upon you and your leadership capabilities."

—Alicia Catalano, Sales Team Leader

Teams Make Social Impact by Design

Companies are increasingly differentiating themselves by marketing new products and services that are designed with a social or environmental message. For example, rather than launching a new laundry detergent that would require hot water (and more energy usage), Procter & Gamble developed a surfactant that would clean clothes well in cold water; this led to the introduction of *Tide Coldwater.* Regarding the new product, Adam Werbach, CEO of advertising firm Saatchi & Saatchi, commented, "So there's a solution good for the climate, good for the consumer because it saved money and good for the business [Procter & Gamble] because it created a breakthrough product."

Who helps design such innovative products? Managers often call on creative cross-functional teams from design firms like **IDEO.org** and Continuum. In addition to serving corporate clients, these design teams are increasingly working with socially oriented organizations like foundations and nongovernmental organizations (NGOs) to help them more effectively fulfill their missions. The goal is to use design as a way to bring innovative solutions to complex problems, like providing the impoverished in developing countries with basic health services, sustainable agriculture, water, and sanitation.

Team members at **IDEO.org** combined forces with Hewlett-Packard, Unilever, the Rockefeller Foundation, VisionSpring (a New York–based social enterprise), and WSUP (a nonprofit working to improve safe, affordable water and sanitation) to design the following solutions for problems in developing world contexts:

1. In Uganda: Designed a handheld device to aid in microfinance banking transactions like making payments or withdrawing funds. By having the "bank come to them," borrowers in poor rural areas no longer have to make a day's journey to the city each week to visit a bank.
2. In India: Provided affordable, comprehensive eye care to children in rural villages by organizing "eye camps" for kids, screening and awareness programs in schools, and promotion campaigns through self-help groups. The **IDEO.org** team discovered that Indian children want to be treated like adults, so they trained children to administer some of the eye exams for their young peers.
3. In Ghana: Developed an in-home sanitation solution for many of the residents who do not have toilets. Those without toilets would either walk to the nearest public toilet or resort to "flying toilets" (plastic bags that are thrown out of the home after use).**IDEO.org**'s idea also includes having local businesses make, supply, and service the portable toilets.

IDEO.org team members, like the one pictured here, use design as a way to bring solutions to basic problems that affect the impoverished in developing countries.
Courtesy of IDEO

What's the bottom line? Teams from design firms like **IDEO.org** are applying their expertise to create innovations that meet people's needs and improve their lives.

DISCUSSION QUESTIONS

- Why do you think companies like Procter & Gamble are launching new products and services that are designed to have a social or environmental impact? Can you think of other examples of products and services that have used design in a similar fashion?

- In order to acquire a thorough understanding of the problems of the people in Uganda, India, and Ghana, the **IDEO.org** design team spends time getting to know the focal group, observing their daily behaviors, and interviewing them. How could the team use these same research techniques to design new products and services for companies here in the United States?

Sources: Company website, www.ideo.com; company website, http://continuuminnovation.com; "P&G Professional Introduces First-Ever Tide Professional Coldwater System," October 7, 2014, www.news.tide.com; A. Sklar and S. Madsen, "Design for Social Impact," *Ergonomics in Design* 18, no. 2 (2010), pp. 4–31; D. Woodward, "Winning by Design," *Director* 63, no. 5 (January 2010), pp. 50–54; and M. H. Meyer and T. J. Marion, "Innovating for Effectiveness: Lessons from Design Firms," *Research Technology Management* 53, no. 5 (September/October 2010), pp. 21–29.

Ensuring that virtual team members can work together in a seamless manner, companies like Cisco have created powerful collaboration software that integrates voice, video, text, and e-mail for mobile and computer platforms.[24]

2.2 Self-Managed Teams Empower Employees

Today many different types of work teams exist, with many different labels. The terms can be confusing and sometimes are used interchangeably out of a lack of awareness of actual differences. Generally speaking, some teams are more traditional with little decision-making authority, being under the control of direct supervision. Other teams have more autonomy, decision-making power, and self-direction.[25] Let's define each category:

Page 277

- **Traditional work groups** 💬 have no managerial responsibilities. The first-line manager plans, organizes, staffs, directs, and controls them, and other groups provide support activities, including quality control and maintenance.

- **Quality circles** 💬 are voluntary groups of people drawn from various production teams who make suggestions about quality but have no authority to make decisions or execute.

- **Semiautonomous work groups** 💬 make decisions about managing and carrying out major production activities but still get outside support for quality control and maintenance.

- **Autonomous work groups** 💬 , or *self-managing teams,* control decisions about and execution of a complete range of tasks—acquiring raw materials and performing operations, quality control, maintenance, and shipping. They are fully responsible for an entire product or an entire part of a production process.

- **Self-designing teams** 💬 do all of that and go one step further—they also have control over the design of the team. They decide themselves whom to hire, whom to fire, and what tasks the team will perform.

Movement from left to right on the continuum corresponds with more and more worker participation. Toward the right, the participation is not trivial and not merely advisory. It has real substance, going beyond suggestions to include action and impact.

The trend today is toward **self-managed teams** 💬 , in which workers are trained to do all or most of the jobs in the unit, they have no immediate supervisor, and they make decisions previously made by first-line supervisors.[26] Self-managed teams are most often found in manufacturing. People may resist self-managed work teams, in part because they don't want so much responsibility and the change is difficult.[27] In addition, many people don't like to do performance evaluation of teammates or to fire people, and poorly managed conflict may be a particular problem in self-managed teams.[28] But when companies have introduced teams that reach the point of being truly self-managed, results have included lower costs and greater levels of team productivity, quality, and customer satisfaction.[29] Overall, semiautonomous and autonomous teams are known to improve the organization's financial and overall performance, at least in North America.[30]

At video-game maker Valve Corp., the firm's 300 employees recruit fellow employees to work on projects, but also decide on their pay and work hours. Eighty-three of General Electric's aviation-manufacturing facilities have no foreperson or shop floor boss. The plant manager acts as the only leader by setting production goals and helping resolve any problems that arise. Employee teams manage themselves by meeting before each shift to determine their own work schedules and workflow. The team-based system has boosted productivity at the GE plants.[31]