

## **HIGH-PERFORMANCE TEAMS**

A high-performance team is an energetic group of people who are committed to achieving common goals, who work well together and enjoy doing so, and who produce high quality, planned results. High-performance teams produce outstanding results despite difficulties. They feel responsible for the output of their team and support one another in clearing away obstacles. High-performance teams have clear Goals, clear Roles, team-based Incentives, and clear Procedures (G.R.I.P.)

### **Critical Success Factors for High-Performance Teams**

Clarity of team mission, vision, goals and priorities  
Member and sponsor acceptance of team mission, vision, goals and priorities  
Clarity of specific measures to track performance against goals  
Amount of challenge in team's task  
Team's value to members as a place to acquire new skills  
Support for team from sponsor(s)  
Skill resources in team (including leadership)  
Team's size  
Facilities, technology and support  
Team's reporting relationship with sponsor  
Ground rules on team operation, confidentiality, sign-off, etc.  
Team roles, boundaries and authority limits  
Communication between this and other relevant individuals, groups  
Team's measured performance against established goals  
Sponsor satisfaction

### **Attributes of the High-Performance Team**

*Participative Leadership* - creating an interdependency by empowering, freeing up, and serving others;  
*Shared Responsibility* - establishing an environment in which all team members feel as responsible as the manager for the performance of the work unit;  
*Alignment on Purpose* - having a sense of common purpose about why the team exists and the function it serves;  
*High Communication* - creating a climate of trust and open, honest communication;  
*Future Focused* - seeing change as an opportunity for growth;  
*Focused on Task* - keeping meetings focused on results;  
*Creative Talents* - applying individual talents and creativity;  
*Rapid Response* - identifying and acting on opportunities.

Attribute	Common Characteristics	Possible Actions
<i>Participative Leadership</i>	<p>Team members help choose tasks, methods, and standards.</p> <p>Team members review process and results.</p> <p>Team members are committed to high performance.</p>	<p>Encourage team decision-making and consensus.</p> <p>Reinforce constructive assessment of other team members.</p> <p>Reinforce commitment and quality results.</p>
<i>Shared Responsibility</i>	<p>While team members have primary areas of responsibility, they assume other roles as well.</p> <p>Team members help each other acquire new skills.</p> <p>Team members benefit from group as well as individual accomplishments.</p>	<p>Support team members in their development of new capabilities.</p> <p>Reinforce those that help others develop their skills.</p> <p>Link rewards to both individual and team performance.</p>
<i>Alignment on Purpose</i>	<p>Team members feel personally committed to fulfilling their purpose.</p> <p>Team members reference the purpose in making decisions.</p> <p>Team members see group practices that are consistent with the team's purpose.</p>	<p>Review the team's purpose periodically to update and/or recommit.</p> <p>Reinforce decisions that support the team's purpose.</p> <p>Reinforce practices of the consequences for achieving or failing to achieve the team's purpose.</p>

<i>High Communication</i>	Communication among all team members is common.	Encourage communication among all team members.
	Team members are open to giving and receiving feedback.	Reinforce team members who provide and accept feedback.
	Communication is open, empathetic, and solution-oriented.	Reinforce open, problem-solving communication.

Attribute	Common Characteristics	Possible Actions
<i>Future Focused</i>	<p>Team members focus on long-term success, while considering short-term needs.</p> <p>Team members use innovative and creative approaches to solving problems.</p> <p>Change is perceived as providing opportunities to explore new ideas or strategies.</p>	<p>Encourage attempts to balance short-term and long-term needs.</p> <p>Support new approaches to solving problems.</p> <p>Reinforce positive attitudes toward change.</p>
<i>Focused on Task</i>	<p>Meetings usually accomplish pre-established objectives.</p> <p>Team members participate in reaching the goals of the meeting.</p> <p>Team members are prepared for meetings.</p>	<p>Take time to acknowledge team accomplishments.</p> <p>Reinforce team members who keep the team focused on results.</p> <p>Continue to clarify expectations and reinforce contributions.</p>
<i>Creative Talents</i>	<p>Team members balance idea generation and idea evaluation.</p> <p>Creativity, as well as immediate results, are rewarded.</p> <p>Team members recognize and appreciate alternative approaches to problem-solving.</p>	<p>Encourage team members to look for the positive aspects of any idea.</p> <p>Reinforce the expression of ideas and insights.</p> <p>Encourage the consideration of individual differences in generating alternatives.</p>

*Rapid Response*

Team decisions are guided by an agreed-upon strategy and process.

Most decisions are achieved through consensus.

Continue to reference the team strategy and process and revise it when necessary.

Reinforce consensus decision-making.

### **Detailed "War Story" of a High-Performance Team**

1. *Enron "Deal-to-Steel" Team:* The Deal-to-Steel Task Force was formed in 1990 to look at ways that Enron Corporation could improve the construction process of pipelines in terms of both customer service and profitability. That process begins when a customer contracts with Enron to lay pipe - the "deal". The challenge is to construct the pipeline - the "steel" - in accordance with the contract, the customer's expectations, and Enron's own operating and financial requirements. The challenge for the Deal-to-Steel Team was to dramatically improve customer service in an organization built on individual accountability and functional differences.

Enron had become the largest natural gas company in the United States through a series of mergers and acquisitions in the mid-1980s. The resulting pipeline group consisted of five separate companies, each of which had its own way of doing business, but had a common CEO. Enron had also established a sixth stand-alone operating company that did not report to that CEO. This separate organization controlled the operations, construction, engineering, and technical support on which the five marketing companies depended. Therefore, there was a tremendous amount of tension between the five marketing companies and the sixth operating company. The marketing companies blamed the operating company for inefficient construction while the operating company blamed the marketing companies for bad deals.

The Deal-to-Steel Team consisted of members from construction, engineering, marketing, accounting, auditing, and finance. The Team met at off-site locations for its meetings, and this helped team members relax, have more candid discussions, and get to know each other. Most importantly, it was a great opportunity to have constructive dialogues about the common performance challenge before them. During the course of this assignment, the team discovered that the projects that failed were the result of mistakes made by every part of the Enron organization - not just operations and not just marketing! The team continued challenging itself with fresh information. It discovered how poorly Enron performed on key measures in comparison to other pipeline companies. As these performance problems came into clearer focus, the team became even more committed. The team also started taking risks in the form of actions necessary to build mutual trust and interdependence.

The Deal-to-Steel Team also discovered that Enron was investing too much financial and engineering talent in making accurate project estimates. By eliminating steps for certain kinds of projects, Enron could cut its total project completion time and meet overall financial goals. Most of the team's best recommendations posed a threat to one or more people on the team. Engineers and financial analysts worried that eliminating certain project steps would reduce the need for their services. Operations people worried that thinner pipes would make field people insecure and nervous. Pipeline company people worried that lower on-hand inventory levels would reduce the flexibility

required to meet schedules. However, the team worked hard to deal with such individual biases, risks, and concerns. There was a well-developed sense of mutual accountability. The focus was completely on the team's purpose and what was best for Enron's customers and Enron as a whole.

The Deal-to-Steel Team set in motion changes that, once fully implemented, would mean millions of dollars for Enron by reducing construction times, cutting costs, and increasing levels of customer service and satisfaction.

**Matrix of Successful High-Performance Teams**

<b>Organization</b>	<b>Team</b>	<b>Purpose of Team</b>	<b>Notable Results</b>
<i>BNR</i>	Intermodal	Create new business amid deregulation.	Became number one intermodal carrier within a year of formation.
<i>BNR</i>	Marketing	Develop new organizational structure.	Created new structure based on customer needs that overcame functional barriers.
<i>Citibank</i>	War on Problems	Improve customer service, responsiveness.	Substantially improved customer satisfaction and service in eleven key areas.
<i>Conrail</i>	Strategy	Deregulate the rail industry.	Initiated deregulation passed by Congress, creating atmosphere for renewed financial health.
<i>DH&amp;S</i>	Multiple Change Teams	Develop new business strategy and leadership approach.	Reversed 10-year trend in declining real profitability, and went from last to first in new accounts won.
<i>Dun &amp; Bradstreet</i>	Clean Slate	Reduce turnaround on report generation.	Turnaround cut from 7 to 3 days.
<i>Eli Lilly</i>	Smart Needle 1	Bring new product to market.	1-year product rollout was fastest in Eli Lilly history for a medical product.
<i>Enron</i>	Deal-to-Steer	Eliminate construction bottlenecks.	\$10 million savings in 6 months, with systems in place for continued improvements.
<i>Garden State Brickface</i>	Irvington Division	Become number one division.	Became highest-revenue, most profitable division within 6 months.



*General  
Electric*

Fort  
Edwards  
Salisbury

Multiple initiatives.

Significant operating improvements in quality, flexibility, speed, with a 30% decrease in backlogs within first year.

<b>Organization</b>	<b>Team</b>	<b>Purpose of Team</b>	<b>Notable Results</b>
<i>Girl Scouts</i>	Innovation Center	Recruit minority girls and volunteers.	Greatly increased minority involvement in pilot area, creating structure, systems, and momentum to roll out similar efforts in other areas.
<i>Hewlett-Packard</i>	Analytic Products	Manage a business unit.	Helped division become HP's highest-margin business.
<i>Hewlett-Packard</i>	Medical Products	Develop medical products business opportunity.	Ran successful business for nearly a decade.
<i>Knight-Ridder</i>	Democrat Leadership Group	Run business side of newspaper.	Became Knight-Ridder's top-performing paper for 3 years in a row.
<i>Kodak</i>	Zebra (B&W Leadership)	Run a business.	Turned around failing business, reduced inventory, and reduced missed deliveries by 100%.
<i>Motorola</i>	Connectors	Develop supply management system.	Quality improved with 50% reduction in rejects and 70% reduction in late deliveries; new skills and systems instituted for continued improvement.
<i>Motorola</i>	GEG Leadership	Turn around major business unit.	Between 1988 and 1990, profits moved from \$25 million to \$60 million; ROA jumped from 6.5% to 16.5%.
<i>NYC Partnership</i>	Founding Team	Help fix NYC's social/business problems.	Greatly improved cooperation between public and private sector, with innovative programs for creating jobs and housing and reducing crime.

*Pall  
Corporation*

Leadership

Build international  
business.

From 1970 to 1980, had the  
highest return to shareholders  
among the Fortune 1000.

<b>Organization</b>	<b>Team</b>	<b>Purpose of Team</b>	<b>Notable Results</b>
<i>PBS-featured Schools</i>	Faculty and Faculty/Student Teams	Educate disadvantaged kids.	Dramatic rise in attendance, grades, test scores, and college admissions.
<i>Pfizer</i>	E-Beam	Build cutting-edge facility in record time.	Built state-of-the-art facility under budget and ahead of schedule.
<i>Prudential</i>	Leadership	Lead a multiple business unit company.	Consistent performance improvement over 5 years.
<i>Sealed Air</i>	Fort Worth Foam	Best foam operation in the company.	Record profit margins and changeover times.
<i>Sealed Air</i>	Instasheeteer	New product development.	Designed and introduced new product in record time (13 months), instrumental in generating double-digit sales volume in key product area.
<i>Sealed Air</i>	Rockingham	Manufacturing excellence.	Waste cut in half for one product; downtime cut from 20% to 5% on another line; employee absenteeism down to 1.6%.
<i>Sealed Air</i>	Totowa	Manufacturing excellence.	Improvements in productivity.
<i>Weyerhaeuser Plywood</i>		Recommend changes in business to improve performance	Persuaded management to keep and invest in business previously considered 'dead'.

<i>Weyerhaeuser</i> Roundwood		Recommend changes in business to improve customer service.	Delivery performance increased from 85% to 95% with significant increases in quality and profitability.
<i>Company A (disguised example)</i>	Leadership Team	Upgrade business quality, profitability.	Changed mission and strategy, resulting in improved skills, morale, and profitability; completely reversed the mix of business in less than 3 years.
<b>Organization</b>	<b>Team</b>	<b>Purpose of Team</b>	<b>Notable Results</b>
<i>Company B (disguised example)</i>	Leadership	Executive evaluation and development.	Improved quality of leadership through better definition and measurement of goals and performance; increased pool of executives by 25%, with significantly higher performance levels.
<i>Company C (disguised example)</i>	On-Time Delivery Team	Reduce missed deliveries.	Reduction in missed deliveries from 10% to under 4%.

### **Guiding Principles for High-Performance Teams**

Active and sustained sponsorship is essential.

Establish goals and measures up front.

Communicate! Communicate! Communicate! Acknowledge mistakes. Stay on the front page.

### **Common Approaches to Building a High-Performance Team**

Although there is no guaranteed "how-to" recipe for building a high-performance team, there are a variety of common approaches that can help potential teams take the risks necessary to move the team up the performance curve. These are outlined below:

*Establish urgency and direction:* All team members need to believe that the team has urgent and worthwhile purposes, and they want to know what the expectations are. The best team charters are clear enough to indicate performance expectations, but

flexible enough to allow teams to shape their own purpose, goals, and approach. For example, Ron Burns, the head of Enron's Pipeline group, made it clear that he considered both the task force's work and the overall company change program urgent priorities. Moreover, his actions demonstrated his support because he spent more than a third of his time personally trying to "blow away barriers". Additionally, he repeatedly supported the team's work in public.

*Select members based on skills and skill potential, not personalities:* High-Performance teams must have the complementary skills needed to do their job. Three categories of skills are relevant: 1) technical and functional, 2) problem-solving, and 3) interpersonal. The key issue for potential teams is striking the right balance between members who already possess the needed skill levels versus developing the skill levels after the team gets started. Once the membership of a team is settled, the question of training often arises. Formal training helps, although it is not always the best or only way to build team skills. Training works best when it is supplied "just in time" and is customized to meet specific performance needs of the team in question. General Electric, for example, provides front-line worker teams early training in problem solving, decision making, and interpersonal and teamwork skills. Motorola encourages anyone who wants training to contact experts for immediate help. In this way, Motorola tries to ensure that the timing and content of training relates to the specific performance challenge of the person or team requesting help. In the case of the Enron example, the team members of the Deal-to-Steel Task Force were selected to ensure that the team had the range of technical, functional, and interpersonal skills necessary to tackle its charter. The task force also used outside expertise in a just-in-time fashion to help enhance the quality of their problem solving and decision making.

*Pay particular attention to first meetings and actions:* When potential teams first gather, everyone alertly monitors the signals given by others to confirm, suspend, or dispel going-in assumptions and concerns. For example, the sponsoring executives in Enron's Deal-to-Steel team effectively communicated their seriousness from the beginning largely by how much time they devoted to the team. So did Fred Mott when he convinced the ELITE Team of his commitment to implement their recommendations ("whatever you come up with"), and when he freed up the best people for this assignment.

*Set some clear rules of behavior:* All high-performance teams develop rules of conduct to help them achieve their purpose and performance goals. The most critical early rules pertain to attendance ("no interruptions to take phone calls"), discussion ("no sacred cows"), confidentiality ("the only things to leave this room are what we agree will leave this room"), analytic approach ("facts are friendly"), end-product orientation ("everyone gets assignments and does them"), constructive confrontation ("no finger pointing"), and contributions ("everyone does real work"). Such rules promote focus, openness, commitment and trust - all oriented toward performance. In the Enron

Deal-to-Steel example, the task force effectively applied the rule of "focusing on the process, not the people", thereby helping to keep conflicts constructive.

*Set and seize upon a few immediate performance-oriented tasks and goals:* Most teams trace their advancement to key performance-oriented events that forge them together. Teams can set such events in motion by immediately establishing a few challenging yet achievable goals that can be reached early on. Potential front-line worker teams, like those at Motorola, Sealed Air Corporation, and General Electric, set numerically measurable goals for cycle-time, on-time deliveries, reject or error rates, machine set-up times, and other similar measures. Whether qualitatively or quantitatively assessable, the performance goals must include a clear 'stretch' component. Several years ago, a leading financial services company analyzed several of its biggest business successes around the world to identify commonalities. The company discovered that, in every case, the leadership team of the unit in question had established specific performance goals that other people in the company regarded as "virtually impossible, if not crazy".

*Challenge the team regularly with fresh facts and information:* New information causes a potential team to redefine and enrich its understanding of the performance challenge, thereby helping the team shape a common purpose, set clearer goals, and improve on its common approach.

*Spend lots of time together:* Teams must spend a lot of time together, especially at the beginning. The time spent together must be both scheduled and unscheduled. One potential team of executives at a company used a series of off-sites to give it a promising start. They soon had an inspiring purpose, a set of specifically agreed-on performance goals, an approach that capitalized well on their complementary skills, and even the solid beginnings of mutual respect and trust. Unfortunately, they assumed that they could carry out their assignment with a minimum of meeting time. However, by reducing the time that they spent together, they unwittingly diminished the mutual priority and clarity of the team's purpose and goals. Within six months, the individuals began interpreting the team's purpose in varying and conflicting ways. What had begun as a potentially powerful team ended as a pseudo-team that eventually had to be completely reformed. By contrast, the more successful teams always find a way to spend extra time together, particularly when things go awry. The people on the Enron Deal-to-Steel Team found themselves working together so much that the task force assignment became a second job. As with most successful task force or special project teams, this second job and the time spent on it ultimately seemed far more satisfying than their regular jobs.

*Exploit the power of positive feedback, recognition, and reward:* Positive reinforcement works as well in a team context as elsewhere. "Giving out gold stars" helps to shape new behaviors critical to team performance. There are many ways to recognize and reward team performance, of which direct compensation is only one.

Executives, for example, provide intermediate rewards for participation when, like Ron Burns of Enron, they describe to the team and others the urgency of the team's effort. Sometimes, companies have existing pay, bonus, or other reward programs that a team can exploit. Other times, the potential team must develop its own approaches. Ultimately, the satisfaction in the team's performance becomes the most cherished reward. However, until that happens, potential teams must find other ways to recognize and reinforce their individual and team contributions and commitment.

### **Dos and Don'ts for Managers for supporting High-Performance Teams**

#### **DO: *Build Shared Responsibility***

Create a team that is committed to helping one another.  
Encourage members to constructively confront differences among themselves.

#### **DON'T: *Take or Maintain Personal Responsibility***

Make all the decisions.  
Take complete control of the team and the project.  
"Own" all the responsibility of the project.  
Have all the answers and ignore other people's input.

#### **DO: *Develop Vision Alignment***

Communicate a vision that shows the larger meaning of the team's daily activities.  
Describe the vision in a way that emphasizes the value of the group's customers.

#### **DON'T: *Monopolize the Vision of the Project***

Control information from the team members that would otherwise be useful in their development of solutions.  
Not communicate the vision.  
Focus only on getting the job done your way.  
Ignore the group's concerns about the task.  
Overlook the group's goals.

#### **DO: *Provide Individual Development***

Help members plan their professional development.  
Coach in ways that help members perform better.  
Show an interest in members' professional goals.  
Provide fair and honest feedback on how well members are performing.  
Provide opportunities for members to develop new skills and abilities.

#### **DON'T: *Be Responsible for the Performance of the Team and Team Members***

Assume that you can do everything without help.  
Try to do everything yourself, especially if you think team members don't have the skills.



Assume full responsibility for the results of the team and their performance.

**DO:** *Encourage Mutual Influence*

Encourage disagreement with your ideas and proposals.

Make an effort to see the merits of others' ideas, even when they differ from your ideas.

Consider input from others in making important decisions.

**DON'T:** *Have All the Answers*

Decide not to listen.

Make members feel uncomfortable for participating.

Challenge their ideas.

Withhold input.

**DO:** *Build Task Autonomy*

Allow others to have influence on decisions important to them.

**DON'T:** *Control and Coordinate All Activities*

Take responsibility away from the team.

## Leading Teams

### I. What Is a Team?

- A. A team is a group of individuals with *complementary skills* who are *interdependent* and must *collaborate* to achieve the team's mission and goals/objectives.

### II. Basic Premises/Philosophical Assumptions

- A. Teams are the building blocks of any organization, and the degree to which they perform and collaborate cross-functionally determines the effectiveness of the overall enterprise.
- B. Whether a team is a permanent work group or a temporary task force, creating and sustaining such teams and leading them to success require an inordinate amount of skill and finesse.
- C. How successful an organization is at effectively utilizing teamwork greatly depends upon the climate management creates. Management's attitudes, decision-making processes, directives, policies, and actions—ability to "walk the talk"—create an environment in which teams will either flourish or flounder.

### III. Training Design and Considerations

- A. The overriding task of the leader is to help:
  - Facilitate the development of shared purpose (mission), core goals, and operating principles, and to ensure commitment to those elements
  - Ensure that a complementary mix of functional/technical problem-solving and interpersonal skills are in place
  - Define joint work products
  - Build a strong sense of individual and mutual accountability
- B. Creating an environment conducive to team work
  - Recognizing management's impact on teamwork
  - Building an environment that nurtures team development

- C. Building his/her team leader skills
- Assessing the specific strengths and developmental areas one brings to the role
  - Developing an action plan for bridging any gaps between current skill set and required skill set. The skill set includes:
    - ⇒ valuing contributions of members
    - ⇒ encouraging interaction
    - ⇒ increasing interdependence
    - ⇒ discouraging "we versus they" thinking
    - ⇒ involving others in the decision-making process
    - ⇒ acknowledging and celebrating performance
    - ⇒ holding people accountable and applying consequences
    - ⇒ strengthening interpersonal skills: listening, feedback, coaching, and conflict and performance management
    - ⇒ facilitating meetings, processing team dynamics
- D. Developing team problem-solving and decision-making skills
- Determining when to use a team approach
  - Improving team decision-making processes
  - Seeking appropriate input before making decisions
  - Improving group facilitation skills

#### IV. The Critical Elements in Building High Performance

- A. Design would focus heavily on experiential and interactive activities that would provide participants with the opportunity to:
- Practice the interpersonal skills (active listening, feedback/performance management, coaching) and technical skills (problem solving, decision making, meeting facilitation) needed by a team leader
  - Receive feedback from peer group and facilitator/consultant on one's skill set
  - Complete in-depth self-assessment through use of Myers-Briggs to identify specific strengths and pitfalls of one's personality style and implications of same for role as team leader
  - Develop, share, and get feedback from peers on a developmental action plan for enhancing effectiveness in one to two selected skill areas

Leading Teams, page three

B. Considerations include:

- Completing, as pre-work, a Myers-Briggs questionnaire and developing an individual, real-time case regarding a team leader challenge one is currently experiencing.
- Developing a design that allows for the right mix of high-involvement, learning by doing, considering and using models real time, and reflecting and self-assessing to promote meaningful integration of the learning.

V. References/Resources

Charter Oak Consulting Group, Inc. Guidelines for Leading and Building High-Performance Teams.  
 Katzenback and Smith. *The Wisdom of Teams*.  
 Parker, Glenn. *Team Players and Teamwork*.  
 PDI. *Successful Managers Handbook*.  
 Scholtes, Peter. *The Team Handbook*.