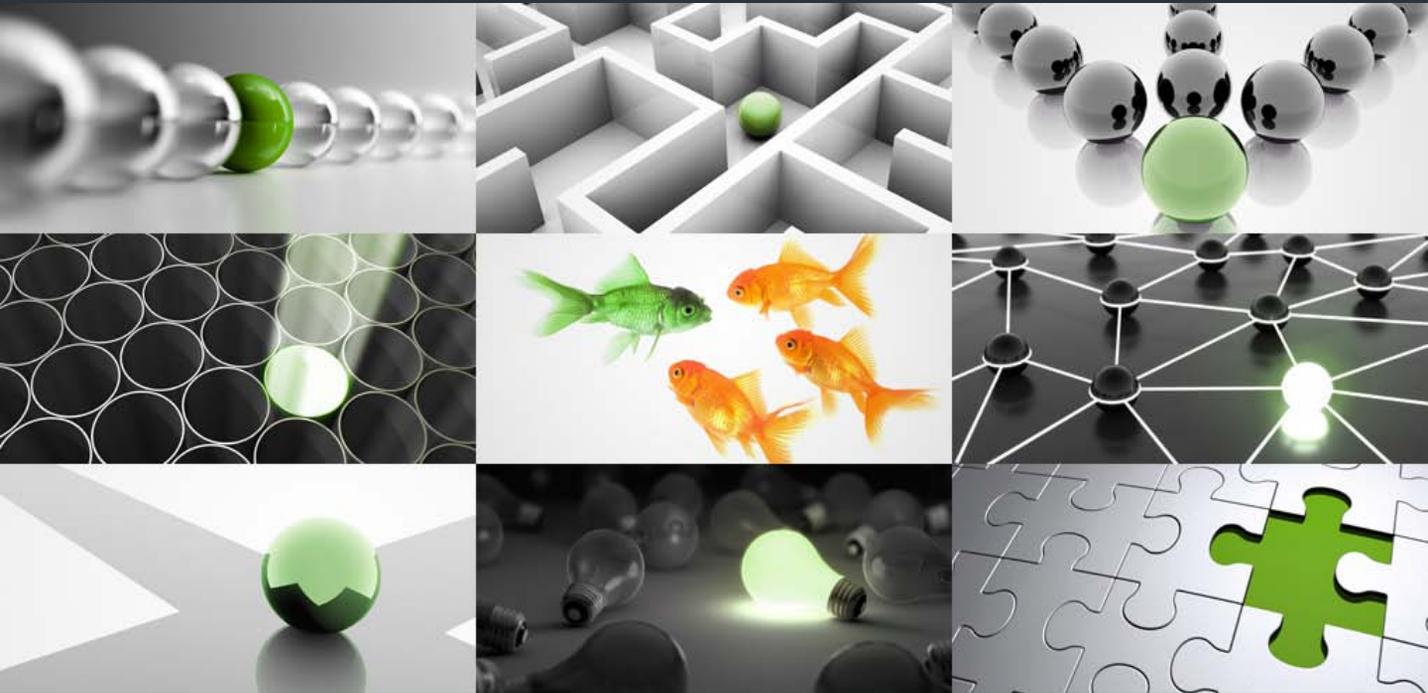


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Rialto White Paper: How to Create High Performing Teams

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*Winners of the
Outstanding Organisation of the Year (SME) 2010
and finalists of 'Management Team of the Year'
at the recent CMI National Management
& Leadership Awards.*



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1. Introduction

Organisations are constantly seeking new ways to ensure their management and employees are more productive and their businesses are more profitable.

Many companies have created rigorous strategic plans that don't come close to delivering the required outcomes. **According to research, the average team achieves only 63% of the objectives of their strategic plans.** (Source: Harvard Business Review 2005).

The key issues of a high performance team include, how well the team communicates, aligns itself around top initiatives, creates short term/long-term plans and holds themselves accountable to deliver the required results.

Rialto approaches team development and effectiveness in the context of an organisations vision, mission and business goals. We build leadership and management capability at all levels of the organisation ensuring that unique team attributes and skills are aligned towards achieving desired business results.

We utilise models and practices that successfully address teamwork, emotional intelligence, networking, influencing others, improving team performance and managing difficult conversations through effective coaching and talent assessment techniques.

“None of us are as smart as all of us.”

2. Why High Performing Teams?

The term "team" is used frequently, but to become a real team takes hard work. A high performing team is committed, coordinated, focused, adaptable and has diverse skills and talents.

In a performance group or on a sports team, over **90%** of the participant's time is spent practicing - standardising their routines or processes, identifying roles and responsibilities, improving communication effectiveness, working on their coordination, alignment or teamwork. The focus is on learning from their mistakes until they are ready to perform for an audience or fans.

In the corporate world, less than **5%** of an individual's time is devoted to off-line learning. In fact, nearly all the learning in organisations happens after the fact and in front of customers, where mistakes are costly to the organisation's reputation, and bottom line and/or an individuals' career development.

The complexity of organisational processes can be way beyond one individual's control. A key way to efficiently tackle operational and organisational improvement is through the use of effective team performance.

"The power of teamwork can be summed up; if you could get all the people in the organisation rowing in the same direction, you could dominate any industry, in any market, against any competition, at any time."

Teamwork has many advantages to organisations:

- A variety of complex issues can be tackled by pooling expertise and resources.
- Challenges are exposed to a wider audience of skill, knowledge and expertise.
- Positive team culture encourages ownership and increases engagement.
- Innovation and improvement opportunities are more likely to arise.
- Recommendations from a team are more likely to be implemented than if they come from an individual.

When properly managed and developed, teamwork improves productivity, processes and profitability through the free exchange of ideas, information and knowledge sharing. It is an essential element in any organisation to build trust, improve communication and develop a culture of interdependence, rather than one of independence.

3. Leading High Performance Teams

Definition for Team Leaders (Armstrong, 1966).

Purpose of Role: To lead teams in order to attain goals and further the achievement of the organisations objectives.

High-performance teams seldom (if ever) evolve randomly or arbitrarily. Exemplary leaders facilitate a progression of developmental stages to create the conditions which then create and sustain high levels of team performance. Successful leaders understand and leverage this progression in order to improve individual, team and organisational performance.

A team's success or failure at collaborating should reflect the philosophy of top executives in the organisation which will have been communicated by their Leaders. Teams do well when leaders invest in supporting social relationships, demonstrate collaborative behaviour themselves and create a strong team culture, one in which individuals experience interactions with leaders and colleagues.

In order to encourage this level of collaboration and interdependency, the 'team leader' must provide the necessary support and structure for the team, starting with assembling the right people.

An exemplary leader will understand the competencies the high performance team is striving for. These competencies are facilitated by:

Awareness and Comprehension of the Vision – Each and every member of the high performance team understands the role that he or she plays and other members' roles in achieving the end objective.

Specific Goals – A high performance team knows what measurable goals they need to achieve .

Collaboration – High performance teams appreciate the importance of collaboration. Each player is dependent on one another in achieving performance outcomes.

High Performing Teams are turning organisations around. Motorola relied heavily on HPT teams to surpass its Japanese competition in producing the lightest, smallest, and highest-quality cellular phones. At 3M, teams are critical to meeting the company's well-publicised goal of producing half of each year's revenues from the previous five years' innovations. And from Desert Storm to life-saving surgeries, Kodak's Zebra Team proved the worth of black-and-white film manufacturing in a world where colour was king.

Successful Team Leaders are Real Change Leaders:

- Agree with team members resource requirements which ensure targets and timely project completion are achieved.
- Create a vision and aligning your team around it.
- Define roles within a team: the potential of each member is unlocked when you allow individual's to exercise creativity in support of the goal.
- Let the team solve any difficulties, the team will feel more ownership for the solution if you let them solve the problem.
- Co-ordinate and monitor the performance of the team and individuals to ensure that goals and objectives are achieved.
- Provide feedback to teams and individuals on their performance.
- Assemble the right team so that every member has an important part of the answer.
- Prepare meetings so that they are a constructive use of team time.
- Utilise the team; allocate responsibilities to get the work done: fostering innovation, generating ideas and elaborating on them; encouraging autonomy to breed further creativity.
- Maintain the group as a whole: preserving your team's identity, motivating them, nurturing your team and providing the necessary support.

Leader Orientation

There has been much debate among both academics and senior managers about the most appropriate style for leading teams. Some people have suggested that relationship oriented leadership is most appropriate in complex teams, since people are more likely to share knowledge in an environment of trust and goodwill.

Others have argued that task orientated leadership - the ability to make objectives clear, to create a shared awareness of the dimensions of the task and to provide monitoring and feedback – is most important. In a wide ranging study by Harvard Business School covering 55 teams, the truth lay somewhere in between. The most productive, innovative teams were typically led by people who were both task and relationship oriented.

What's more, these leaders changed their style during the project. Specifically, at the early stages they exhibited task oriented leadership: They made the goal clear, engaged in debates about commitments and clarified the responsibilities of individual team members. However, at a certain point in the development of the project they switched to a relationship orientated style

4. How to Build and Develop High Performance Teams

High performing teams are essential for achieving outstanding organisational performance. This is especially apparent in situations of rapid or major change and during crises.

Start by accepting that your people are your business. More than your strategy, your marketing plan, your IT system or an entire finance department full of spreadsheets, management information and predictions. People are the key to your success - Transform your business by transforming your people.

The book, 'The Wisdom of Teams', defines a team as:

A small number of people with complementary skills who are committed to a common purpose, performance goals and working approach for which they hold themselves mutually accountable.

Small Number

This is important. It is very hard for a large group of people to come together and form a team, primarily because it is hard to meet other criteria with a large group. Typical a team of between 5-9 works well, ensuring that Belbin's team model is followed to ensure that you have the right mix of characteristics and skills within the team. Anything larger and you should consider splitting or having a 'working group'.

A decade or so ago, true teams rarely had more than 20 members. Today, however, research by the Harvard Business School found that many complex tasks can involve teams of 100 or more. However, as the size of a team increases, the tendency to collaborate naturally decreases.

Complementary Skills

The best teams are composed of individuals who provide or who are expected to develop the full range and depth of skills needed to fulfil the purpose. Skill development through coaching is seen as a key reward for team participation. This applies particularly to functional skills, but also to problem solving skills and interpersonal skills. For a team to function properly, it should have all the necessary skills for the common purpose it exists for.

Common Purpose

The team purpose must:

- Inspire the individual team members.
- Justify the investment of resources, as well as the personal investment of each individual.

There are often situations where this tenet is ignored and teams are formed because an amorphous problem exists in the company and different individuals have different understanding, ideas and solutions about this problem.

Common Performance Goals

The best teams translate the purpose into a well-defined set of tangible and measurable goals. The goals encompass:

- What will be achieved for the client in terms of performance?
- What will be achieved for the team and its individual members?
- Nearer-term goals, as well as “completion-related” goals.
- Clear performance goals.

One of the most important predictor of the performance of a team is how clearly the performance goals are defined. These goals must be specific and measurable to be useful. These can be defined either by the team sponsor (the person(s) who create this team) or by the team themselves based on the common purpose, but defining this from the beginning is extremely important. This is the piece (along with purpose) around which the team rallies to deliver high performance.

“Talent wins games, but teamwork and intelligence wins championships”
Michael Jordan

Common Working Approach

The best teams decide up front and throughout the effort how to work together day-by-day, and how individual team members will apply and develop their skills as they produce collective results above and beyond what members working as individuals could produce. Their working approach allows substantive time for 'unstructured' creative team thinking/brainstorming. A common working approach is something the team comes up with on its own and has to be unique for each team.

Mutually Accountable

In the best teams, all team members feel mutually accountable for accomplishing the team's purpose and performance goals. Individuals do not succeed or fail – the team does. Mutually acceptable means that even when those team members not involved in doing a particular task will be held accountable for the outcome of the task if it is being done by any other member of the team. This is hard because this goes against natural human tendencies. Trust, transparency, and candour need to be established among the team members.

Teams are the key to improving performance in all kinds of organisations. Yet today's business leaders consistently overlook opportunities to exploit their potential, confusing teams with teamwork, empowerment, or participative management. In *The Wisdom of Teams*, two senior McKinsey & Company consultants argue that we cannot meet the challenges ahead without teams.

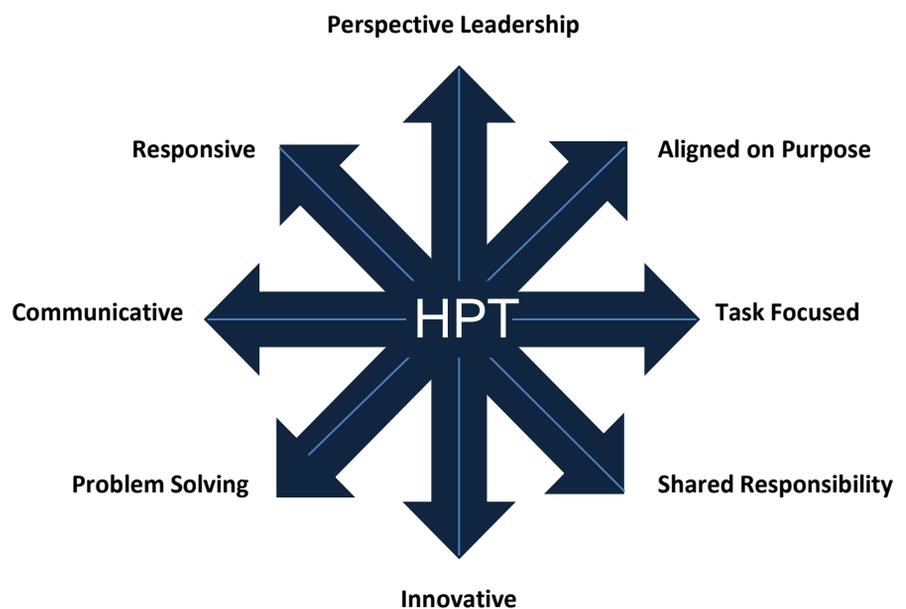
Research was carried out across fifty different teams in thirty organisations to discover what differentiates various levels of team performance, where and how teams work best, and how to enhance their effectiveness. The research found elements of both common and uncommon sense:

- Commitment to goals and common purpose is more important to team success than team-building.
- Opportunities for teams exist in all parts of the organisation.
- Formal hierarchy is actually good for teams -- and vice versa.
- Successful team leaders do not fit an ideal profile and are not necessarily the most senior people on the team.
- Real teams are the most common characteristic of successful change efforts at all levels.
- Top management teams are often smaller and more difficult to sustain.
- Despite the increased number of teams, their performance potential is largely unrecognised and underutilised.
- Team "endings" can be as important to manage as team beginnings.
- Teams produce a unique blend of performance and personal learning results.

Wisdom lies in recognising a team's unique potential to deliver results and in understanding its many benefits, development of individual members, team accomplishments, and stronger companywide performance.

4.1. Characteristics of High Performance Teams

In a review of over 50 studies on high performance teams, a list was compiled of high performance team characteristics. Characteristics are grouped into eight categories as indicated below, with specific and detailed indicators for each category.



4.2. The Six Deadly Sins of Team Building

Like it or not, all teams are potentially dysfunctional. This is inevitable because they are made up of fallible, imperfect human beings. However, facing dysfunction and focusing on teamwork is particularly critical - starting at the top of an organisation because the executive team sets the tone for how all employees work with one another.

If you recognise the need for team development you should have some idea of the difficulties of team building and how to go about it. Whether you hire a consultant to help, or you lead the process yourself, you need know some of the pitfalls to be avoided.

1. Lack of a Model

It is not uncommon for people leading a team-building process to focus on a single aspect of team functioning. Often the emphasis will be on communication practices, to the exclusion of other elements that are critical to team success and effectiveness. A one-dimensional team building process may increase frustration and destroy the creditability of the process.

2. Lack of Diagnosis

Each team is different. Each team has distinct strengths and weaknesses. Team building must build on these specific strengths and address weaknesses. Without knowing these the team building leader runs the risk of using a process that will be irrelevant.

3. Short Term Intervention

It is not uncommon for a leader to arrange for a retreat or team-building day, without developing a longer term strategy for team development. At best, a single day dangling on its own will result in a brief motivational surge that quickly fades. At worst, the day will bring to light issues that cannot be solved during that day and are left to fester.

4. No Evaluation of Progress

Since team building is a long-term process, you (and team members) need to know whether it is succeeding. It is common for team building efforts to take for granted that things are improving without putting in place a mechanism for regular evaluation of team functioning. However, it will be a rare situation where team improvement will occur smoothly...there are always glitches, but the team building leader must be able to identify barriers so that the team can work to eliminate them.

5. Leadership Detachment

It is unfortunate that management sometimes enters into a team-building enterprise in a somewhat detached way. The detached manager looks at team development as something that will help others change, so that the team will function more effectively. However, the most influential person in most teams is the formal leader or manager. Like it or not, you set the tone for the team, whether intentionally or unintentionally and it is inevitable that team effectiveness cannot be improved unless the manager is willing to look at his/her contributions to the team. Management usually has to change too.

6. Doing It All Internally

Team building generally will not succeed unless conflicts and problems can be brought into the open and dealt with properly. The problem is that poorly functioning teams are characterized by a climate of blame, defensiveness, and a lack of ability to deal with conflict. Poor teams lack the ability to improve themselves. There are times when an outside consultant may be required. While a consultant may bring specialised skills that are lacking in the organisation, the most important reason for using an outside consultant is that the "outsider" has no history with the organisation, no preconceptions and may have more credibility than someone who is perceived as having his/her own agenda.

Getting your people to work together in a powerful way, taking personal responsibility for their own performance, as well as that of the overall business will instantly generate measurable improvement. The secret lies in making sure that everyone in your organisation has the right attitude and is taking the right actions to produce results, time after time.

To make this happen:

- Include all team members in planning
- Review what happened in the past and learn from it
- Examine limiting attitudes and assumptions and shift them
- Align the top priorities at every level of the business
- Schedule regular reviews to monitor progress and learn from what works and doesn't work.
- Effectively manage breakdowns.

Over the years, studies and research on teams and teamwork have found consistently similar qualities and characteristics in teams that achieve exceptional results.

In short, each team should have:

- Clear and common vision, objective and direction.
- Commitment and alignment.
- High standards and excellent communication.
- Mutual respect, trust and accountability.
- Individual sense of responsibility.
- A sense of team identity.
- High motivation and team energy.

5. Driving High Performance Teams through Coaching

High-performance teams rarely occur naturally. They must be created, developed and coached. To achieve success as the competitive environment evolves rapidly requires continued and accelerated learning in how to create and lead effective teams.

Coaching is a unique and powerful resource that can increase employee and team performance in a dramatic way. Organisations should strongly consider engaging the service of a professional team performance coach when their teams are:

- Losing market share and lacking innovation.
- Unable to complete a project on time and within budget.
- Misaligned and demonstrating lack of commitment.
- Highly distrustful of one another.
- Unable to handle conflict constructively.
- Do not have a compelling vision.
- Not holding each other accountable for their results or accepting accountability.

Coaching assists any organisation in improving team performance or forming new teams by delivering the following:

- Creates a vision, builds alignment and produces a commitment based teamwork which immediately improves productivity.
- Enables the team to produce powerful actions by learning to increase the speed at which ideas, innovation and improvement opportunities are transformed into reality.
- Builds and manages relationship and trust to build competitive excellence through cooperation, collaboration and coordination of action.
- Improves communication and how to best utilise resources.
- Enables teams to hold effective review meetings.
- Teaches teams how to manage breakdowns and resolve issues.
- Individual performance is improved by expanding each team member's range of skills, knowledge and insight.

6. Acknowledgements

Building a Top Performance Team, Harvard Business Review

Characteristics of High Performance Teams, Entelechy

Eight Ways to Build Collaborative Teams, Harvard Business Review

Real Change Leaders, Katzenbach

The Performance Factor, Pat MacMillan

The Wisdom of Teams, Katzenbach and Smith

The Six Deadly Sins of Team Building, Robert Bacal

Rialto specialises in unique change management and transformation solutions which deliver exceptional results. We provide a range of services and interventions associated with the entire people agenda .

Our services include:

Transforming the Performance Culture

Executive and Leadership Coaching

Outplacement for Senior Executives

Outplacement and Career Transition

Executive Search

Interim Management

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