

Work Teams: Capturing the People Side of Performance

By Barry Rubin, TeamPath



Mastering the people side of performance has been an area where we've had some wiggle room. But time has run out. Amidst ever-keener global competition and a slowing economy, we can no longer sidestep our duty to harness the creative spirit and productive energy of our workforce. Improvement in this domain will make the biggest difference in maintaining our competitive edge. As Hope Reeves, a General Supervisor of Manufacturing at Delphi/Packard Electric Systems says, "Anyone can purchase the same equipment and raw material, and use the same processes in order to supply a customer. The decision to buy is then based on Quality, Cost, Service and Delivery. For continuous improvement in these areas, our people are our greatest asset." Reeves' team-based Brookhaven, Miss. facility recently won the Global Excellence Award from its largest customer, General Motors.

Organizing people into work teams is a complex culture change initiative that's purpose is to best harness and apply creative people energy to tools for continuous improvement and problem solving in key performance measures.

"Teams and collaborative work systems are here to stay," says Mike Beyerlein, co-director of the Center for the Study of Work Teams at the University of North Texas. "Now project teams outnumber production teams. Other forms of collaboration are emerging as new forms of teaming are invented and tested, such as virtual teams. Team-based organizing will be critical for world-class performance in all industries in the future."

In a 1997 Industry Week study, 87 percent of the executives surveyed stated empowered work teams are critical to achieving world class status. Yet only 28 percent of the same executives reported widespread team implementation in their companies. Even with stretch strategic imperatives and impressive statistics demonstrating real impact on people and the bottom line, most work team initiatives fall short. Many corporations seem satisfied with one or two team "showcase" sites, despite performance improvements that are often remarkable. How can they afford to ignore work teams?

Perhaps the overall reason for lackluster work team implementations to do with our tendency to approach the people side of performance with a "broken-fix it" technical predisposition. This is because, according to John Ziegenfus, Manager of Organizational Development and Training at AMETEK Aerospace, "it's much easier to improve a procedure or a process or purchase a better piece of equipment. These actions typically produce immediate results, are easier to track and measure, and are more accepted as ways to improve what we do. When we talk about the people side, development is usually not as clear and harder to relate to business results."

Developing Leadership Understanding

In order to carry out a successful team implementation, you have to do a lot more than make a stump speech and hand the project off to someone else. At the core of an effective work team initiative is an involved leadership team that knows what a successful team implementation requires and their role in the process.

Iyola Jiménez, plant manager of Hanes Narrow Fabrics in Ponce, Puerto Rico, is in the process of leading a successful transition to high-performance work teams. To date, teams have been implemented in one-third of the plant and have exceeded quality, efficiency and service goals. "To achieve a successful team implementation and performance results, top leadership has to be completely convinced that this transition is essential to achieving peak business performance," says Jiménez. "Leaders must communicate and support the concept at all times, while providing the adequate tools and resources so the implementation process and team development succeeds."

Without learning and preparation, leadership often sees work teams through a technical lens: if people need to perform better, then, like machines, we just have to fix or rearrange them. This thinking is a gross oversimplification of what's required for teams to succeed, and a subsequent shortfall in key types of leadership support. The Center for the Study of Work Team's Beyerlein cites Moran, who found that 77 percent of team failures were due to lack of management support.

One of the critical challenges at the leadership level is awareness of the critical role they have play. "It's essential that leaders become better educators about performance measures, overall implementation process, and how teams develop," says Nick DeGrands, team manager for the award-winning high performance 3.9 V8 assembly team at Ford's Lima Engine Plant in Lima, Ohio. "You can't explain something once, say, "you're empowered," and expect people to make it happen," he says. "The education process is hard work. I spend the majority of my time with my supervisors and engineers, so we understand what we're going for as a collective. Then it's up to them to go to the floor and educate their teams."

The leadership role goes beyond educating and sharing knowledge. The Center for the Study of Work Team's co-director Rodger Ballantine says that "when leaders learn to operate as a team before workgroups begin their learning process, they better appreciate the challenges and become a resource for change. Leadership behavior is critical to establishing the supportive organizational culture needed to successfully implement teams." He suggests the involvement of leaders upfront both in the design of the change process and by being part of the initial team that is in existence for at least six months before employee team implementation begins.

For a successful team implementation, no best practice area can completely be avoided. So if essential leadership learning, planning and decision-making does not take place prior to launching the work teams, it will have to get done sooner or later amidst higher frustration levels. Says Ziegenfus, "Start from the top down with the goal of developing knowledge, skills and buy-in. Discussions around the organization's vision, mission, goals and strategy need to take place, as painful as that can be." He also recommends that leaders identify a "champion" or implementation team to both guide the team roll out and act as a "go to" person.

In a unionized environment, plant leadership consists of both the joint union and management governing body with its checks and balances. "The union must support the teams and management must support the union even if it breaks with traditional relationships, says Delphi's Reeves. At Brookhaven, union/management leadership is one of our strengths. Both remain focused on Customer Satisfaction overall."

Planning and Communicating Change

Since work teams are not new to the scene, today's questions are different than when they were. Organizations want to know how to move their functioning teams to the next level or how to jumpstart a stalled team initiative. Since work team implementation impacts the entire system, effective change management is a big part of the answer.

This starts with leadership. "The path to team implementation and high performance requires leading, not managing change, facilitating communication among people and groups, and prioritizing opportunities," says Air Canada's Leslie McCartney. "Change will cause resistance, frustration and conflict. Skilled leaders must be prepared and available to diffuse tension, listen to and address concerns, and clear the path while exemplifying desired behaviors."

Change leaders carry out the ongoing education essential to providing know-how and lowering resistance. To do so, they must be clear on the business drivers for change, how people will benefit, have a well-defined vision, and a good plan to get there. The organization should not see work teams as a be-all, end-all, or as just another program, but one critical ingredient in the mix of what makes a flourishing business. Team members must be able to connect learning, team performance and business survival together.

Delphi's Brookhaven plant successfully transitioned two-thirds of their plant from one product/process to another in a period of 18 months, with minimal downtime, while satisfying all customer requirements. Key to the effort's success was a cross-functional project management team, two-week skill training to transition team members from one product line to another, and massive communication efforts to inform each employee, including contract employees, on every step of the project. "Our goal was for every employee to know our business, its competitive nature, and the 'whys' behind what was happening," says Reeves. "This knowledge reduces the natural resistance to change and improves the chances of successful implementation."

There's a dangerous assumption common to failed team initiatives that sees work team implementation as a one-time-only, quick fix event. "It takes a lot of time to plan and implement teams," says UNT's Ballantine. "Managers often start them for the wrong reasons, and because their payoff is deferred, they impatiently move on to another 'program'."

Ziegenfus believes a threshold exists where team development efforts reap results and real benefits are realized. "Too often we stop, slow down or give up before those benefits are achieved." Persevere. Setbacks are opportunities for the organization to learn the resourcefulness and resilience of dynamic continuous improvement.

Designing a High Performance Framework

In their zeal to implement work teams, management sometimes acts on the faulty assumption that structure and guidelines inhibit people and team development. Thus, with the best of intentions, teams are spawned everywhere, and management gets out of the way to allow the teams "freedom" to grow. This generally results in turmoil.

These work groups have tremendous potential, but lack an organizational framework designed to fit each site, underpinned by the following four principles:

- 1) Work teams should be structured in such a way that gives team members something significant to be responsible for.
- 2) A performance management system must build goal interdependence and shared accountability for unit results.
- 3) A concise and gradual approach to empowerment results in a greater responsibility for planning, coordinating, and administering day-to-day results.
- 4) Employees must have the tools and time to engage in the continuous improvement of their "business."

The process of applying these principles to designing the teaming framework results in a document, often called a Design Document, which is, in essence, a detailed picture of the entire team process for the site. There are many variations on the theme, but in general these documents describe roles, responsibilities, meeting formats, team development procedures, empowerment process and tasks, and performance measurement systems and goals. "In order to manage their own performance," says Delphi's Reeves, team members need documented performance goals and a system to track actual performance to goals." This is the fundamental link between teamwork and continuous improvement.



The process of creating the Design Document provides an opportunity to involve people who will both lead and be affected by the change. "The Design Document provides a number of benefits," says AMETEK's Ziegenfus. "The process of creating one helps the organization's leaders align around the core values and structure that will be needed. It serves as a tool to clearly communicate the team structure. It also acts as a reference point along the way to clarify and guide how teams will operate."

The Design Document takes a concept or idea that's nebulous and turns it into something concrete for leaders and team members to act on. It's a team blueprint that everyone can follow and that stands up against changes in leadership and team members. "They can really rally around it, and see that it is something that can be carried out," explains Ford's DeGrands. "This is the foundation. You can't really plan your implementation strategy without doing this first. The Design Document is what will eventually get implemented."

Enabling Front-Line Leaders

People always ask why work team implementations take so long. One reason is the teams just don't get the coaching and development they need. At play here is the assumption that teams can develop on their own. What follows is the belief that front-line leadership is no longer necessary. If this were the case, would anyone support the change and lead it?

Just calling a group a team does not make it one. It takes time and effort to develop and maintain high performance teamwork, and the front-line leader plays a critical role in helping the teams mature, more so when transitioning traditional command and control sites. "When implementing teams in established work cultures," says Hanes' Jiménez, "a change in role to coach/facilitator at the leadership and supervisory level is essential, particularly at the start. With adequate guidance, tools and training, the teams will mature to high-performance capability."

Training alone doesn't guarantee front-line leader behavior change to facilitative leadership. Actually building these skills requires their managers—not the training department—bear the responsibility to further develop, coach and hold supervisors accountable for team development and implementation goals. Many organizations provide, however, internal training or consulting resources to help supervisors gain confidence with team development training and meeting management.

"If supervisors are to be part of a team, then they need to be trained with the team," says Center for the Study of Work Teams' Ballantine. "Including supervisors works best when they have been previously trained and had a chance to develop as part of a supervisor team, especially if they are going to be expected to continue in this role as part of the management structure of the organization."

Another answer to why team implementations can take so long has to do with traditional hiring and promotional strategies, populating many leadership positions with technical experts who have to learn the people side. Facilitative leadership skill development is not a sure thing. "In an organization making the transition away from traditional supervisory roles, the question about what happens to the traditionalists is a major one," says Marty Cohen, senior vice president of the Work in America Institute of Scarsdale, New York. "Can they be retrained to function as trainers, coaches or leaders in a team-based environment? Can they make the transition to more pure support roles?" Cohen asks.

Beyerlein of The Center for the Study of Work Teams is of the opinion that every supervisor deserves the opportunity to make the transition from traditional to facilitative leadership. "Team leadership can become a hurdle or remove hurdles to high performance. Some cannot change sufficiently to enable their teams to flourish, and so must be intelligently reassigned." This does not always happen in practice, though traditional "brownfield" sites that have successfully implemented high performance teams have trained supervisors in their facilitative role and/or transitioned many of their supervisors into other positions.

Are supervisors absolutely essential? "You may succeed in a structure which ostensibly has no supervisors," says Work in America Institute's Cohen, "but team members must be trained to perform the tasks that would have been performed by traditional supervisors." "Greenfield" team sites can design the organization and jobs for teaming, then hire and train experienced team players right from the start.

But, if you're transitioning to a new culture, or need to accelerate team performance and skill development, the leadership factor is essential. AMETEK's Binghamton site has never had supervisors. Ziegenfus says, "Now that we are eight years into implementation, I can definitely see the benefit of having front line support from the beginning. I think it would facilitate a faster implementation and would provide more buy-in at that level."

Launching and/or Developing Teams

If teams have a meaningful piece of the business to run, they need the maturity, know how, and time to make their business hum. This means training, but there are many potential mines in this stretch of the road to performance.

With a zest for implementation, management often jumps right to training, without getting themselves or the organization ready first. When this happens, training teams is akin to putting a little bit of fertilizer on a plant that is dying in the desert. It might help for a while, but they will eventually wither from lack of support from their environment.

Then there's the time factor. Since work team transitions at already operating sites are something like changing the tire on a moving vehicle, it's a tough call to take people off production to invest in team skill development. And when business is slow, it's often more tempting to reduce numbers than strategically invest in training. The paradox is you can't reach potential performance levels if you don't. It can be accomplished in a work compatible way, during weekly meetings, for example. Are meetings essential? Absolutely. One of the underlying principles of building high performance teams is that they have the tools and time to engage in the continuous improvement of their "business."

"Teams require continuous training and coaching so that team members remain focused on performance and continuous improvement," says Reeves. "To accomplish this, we rely on the coaching ability of our Supervisors and Team Leaders."

Team development is part of the front line leaders role in a team-based organization. But to be successful, they need a clear roadmap on how to develop their teams, backed by the training and tool kit necessary to support it. Don't underestimate the time it will take.

Often, there's an overemphasis on soft-skills training. This makes it difficult for team members to connect what they're learning with their work. Intersperse soft-skills training with work-related improvement projects so team members can apply both technical tools and people skills. The resulting sense of accomplishment is particularly important to teams closer to the beginning of their development process. This is also a way to help teams move through their inevitable storming phases, while impacting the bottom line fairly early on in the implementation process.

Ziegenfus suggests to "strike a balance between technical and behavioral skill development. Too much time spent on soft-skills training won't satisfy the needs of the whole group. Focus just as heavily, if not more so, on skill development in performance measures, process improvement and problem solving."

There just isn't time or money for minimal transfer of behavior and skills from team development training to the workplace. To "pull" these into the workplace, teams can undergo a periodic, developmental auditing process. This provides feedback on their development progress, strengths and improvement needs. Even advanced teams can become stagnant. This is a way to help them continue to raise the bar. Reward development progress. An auditing process also makes it possible to answer a critical change management question that often goes unanswered: "Where are our teams? What's their level of maturity? Are we making progress?"

Excellent performance management is more than half the battle in effective team development. It provides goals for the group to rally around, and an opportunity to work together to set, achieve and improve on them. Beyerlein mentions that monthly within team performance reviews, quarterly management team performance reviews, and an annual charter renewal process help provide the structure for sustaining and rewarding team development. "These provide essential feedback to the team about what the organization values, so effort is in alignment with company goals."

Empowering the Teams

If empowerment is such a good thing, why have we had such a poor track record? The stumbling block is the assumption that it magically happens if you set people free. But to do what? When? Which skills will it require? Who will do it? Empowerment that comes from a "waving of the wand" only results in people who are more cynical about empowerment than they were to begin with, another reason it can take so long to implement work teams.

"You can't just sprinkle team dust and say, 'You're empowered!' says Ford's DeGrands. "Supervisors and team members need a process and specific information to successfully manage the transfer of tasks and duties to the teams. In general, our team empowerments align to FPS measurables. So, this requires us to thoroughly educate our people about specific measurables, as we coach them on the tasks and tools to improve them. As the teams take on more and more tasks, they gain the know-how to really make a contribution to the business."

An empowerment plan is a great demystifier. It helps the organization learn what empowerment is and what it isn't. By mapping out a process that breaks empowerment into tasks and duties, how they are spread among team members, and the rate at which they're acquired, team members can see what they're expected to take on. And supervisors clearly know which tasks have to be gradually transferred to the team, by when, so they can coach and manage the entire transfer-learning process.

"First and foremost is a clear empowerment plan, one that is understood and well communicated," says Ziegenfus. "I think that many times teams view empowerment as an all or nothing kind of thing. It's important to lay out from the beginning the tasks and roles that teams will assume responsibility for as they develop. At our plant, the more they develop, the more empowerment they assume. As you empower teams to do more and make more decisions, you are also responsible for providing support and training to allow them to be successful."

Tuning Support Systems to High Performance

A systems perspective is required for a successful team implementation. Hanes' Jiménez mentions that one of the reasons team implementations fail is that people become so focused on the final outcome, that they often forget about the formal structures and systems that have to be designed and implemented.

Unless support systems are in place that reward, support and stimulate high performance, the team implementation will eventually slow because of misalignment. "The environment either enables or hinders the work of the team," says Center for the Study of Work Teams' Beyerlein. Support system alignment should be considered up front during the planning process, and prioritized according to team implementation and development needs.

Companies often begin with reward, recognition and compensation systems. One successful team site ties team member compensation to skill acquisition related to product knowledge, computers and financial and business information. They also used an R&R program that recognizes team development based on the levels achieved in a team auditing process carried out by its quality organization. Management is held accountable for achieving objectives associated with team implementation, which, in turn, is taken into account when discretionary bonuses are given.

AMETEK uses a hiring/selection process that focuses on identifying specific behaviors that are needed in our team environment. Members of the teams are involved in the interviewing and assessment process. "We have an alternate compensation plan that we call Flexibility Pay," explains Ziegenfus. "Team members can earn additional compensation based on additional contributions to the business. There are three categories within the Flexibility Pay plan. They are Task/Cross-training, Leadership Roles, and Skill/Certification training. Currently we are working on a performance feedback and appraisal model to provide specific feedback on team and individual performance to each team member. Our goal is to create a tool that is reflective and supportive of our team-based environment. The results will be tied into the overall compensation plan for each team member."

Continuous Improvement

Creating a flourishing, team-based organization is a big challenge that requires a never give up attitude, and a mental discipline trained on small step-by-step priorities that move things along. Focusing on the immensity of the challenge is debilitating, and a culprit in the failure of many ambitious change efforts. Astute implementers know when to stop along the way to check and see what's been accomplished, and what's still left to do. Often, we get so enmeshed in the present, we forget to check how far we've come and realign our goals with the future.

A work team implementation is a work in progress. A periodic progress check against best practice standards, discovers the gaps and permits planning to close them. This establishes new goals that help keep the effort aligned with constant change, while providing essential feedback that leads to sense of accomplishment. "No matter how far along you are," says Ziegenfus, there's always something new to learn. A periodic assessment provides new insight on where we can make improvements, while forcing us to stop and take note of our accomplishments."

While the concept of team may be evolving, the need for teamwork has never been greater. Research has shown if we focus only on the technical or people side, that initiative might produce some performance improvement but will underdeliver. But, focusing on both the technical and people sides will lead to the kind of performance gains essential to business success. We now have the toolbox and the know how to apply it confidently on the people side.

Work Team initiatives are satisfying and exciting, but tough because success requires behavior change. "Teams are worth the effort," says Air Canada's McCartney. "Once you have experience leading and succeeding with teams you will never return to authoritative leadership. The opportunities will come to those that have mastered leading teams and those that can integrate with ease into existing teams."

Success on the people side of performance is more of an art, than a science. There are best practices to guide us, but the art comes in when tailoring how to accomplish them in a way that makes sense to each unique organization. There is no cookie-cutter approach. If something doesn't fit, throw it out and adapt. And as with any successful work of art, "passion, persistence and patience are key ingredients," says Delphi's Reeves. Fords DeGrands sums it up like this: "The results will be pretty amazing!"

Barry Rubin is President and founder of TeamPath, a training company that helps to lead organizations through complex cultural changes towards achievement of performance-oriented, flourishing team-based operations.