

STERN SCHOOL OF BUSINESS
MANAGING HIGH PERFORMANCE TEAMS
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AN OPENING NOTE - FRAMING THE CHALLENGE:

- A significant paradigm shift is emerging in organizations throughout the world - a shift that has an important effect on the way people work in organizations and consequent implications to the skills that are critical for success both as a member of organizations and as a manager and leader.
- This transition towards a team-based organization is gaining tremendous momentum, a transition where *teams*, rather than the *individual*, are becoming the *unit of production*. A 1996 study commissioned by the Association for Quality and Participation found that 68 percent of Fortune 1000 companies plan to increase their use of teams in the work place. Even more astonishing was the finding that less than 1 percent of the surveyed companies are planning to lessen their use of teams.
- What drives this shift is the realization that the business world has become far too complex and uncertain for the single mind to handle alone. Facing fierce and dynamic competition that for the most part is cross-border and cross-boundary, agile, responsive customer-centric and technology-capable, both individuals and companies are facing similar challenges regarding sustaining employability and competitiveness of their value adding and extracting strategies. And this is where the 'team issue' enters the picture.
- As more companies are establishing a flat – networked – diverse – global - flexible organizational structure in response to competitive pressures, the cross-functional team is becoming the basic production unit that is believed to possess greater potential for innovation than individuals and as such is viewed as more capable of handling present competitive conditions.
- Note the word 'potential'. It is assumed that bringing together people from different functions and disciplines will give rise to a new synergy - a novel way of mixing individual knowledge into new outcomes – product, services or solutions.
- And indeed when we piece together the following elements...
 1. That the company's strategic advantage is driven by its ability to bring to market innovative solutions on a timely basis
 2. That the company's competitive environment is hostile, complex, dynamic and uncertain thus requiring continuous innovation efforts to sustain competitive edge
 3. That being innovative requires that we know and foresee customer needs, as well as market trends, emergent technologies and competitors' next moves and respond to them quickly, creatively and effectively...We come to realize why no single mind can handle this complexity. It is also then that we better understand why various expertise must be brought together to generate novel solutions to sustain the business' strategic edge. And it is this potential to seize opportunities of strategic leverage that promotes the interest in managing high performance cross-functional teams.
- Unfortunately the innovation potential of cross-functional teams is only rarely realized. In a reality where so very few managers and professionals have knowledge of team dynamics many are quite apprehensive about teams and pessimistic about their value. Most are more comfortable managing individuals than teams.
- Indeed, teams can be wonderful or terrible, productive or stagnant, imprisoning or freeing, blind or creative, but in a world where teams become the best [and sometimes only] way to manage uncertainty, dynamism and complexity one can no longer afford ignoring them. It is essential to understand what make teams effective, what characteristics separate the effective from the ineffective ones, what skills need to be developed to ensure team productivity and various other questions / aspects of team life.

COURSE OBJECTIVES:

- The purpose of this course is to provide knowledge and skills that will enable you to be a more productive team leader and member. Throughout this course you will advance your expertise in the team discipline exploring conditions that enable and/or hinder high performance teamwork by:
 1. learn theory of high performance teamwork
 2. identify tensions and complexities of group dynamics
 3. understand the particular challenges of cross-functional/boundary teams
 4. explore leadership strategies that inspire great team performance
 5. analyze the strengths and weaknesses of current field practices of teamwork

CLASS FORMAT

- The class will use an interactive seminar format. Participants will learn high-performance teamwork through readings, lectures and discussions, film clips, and group assignments.
- Think of this class as a team of teams all engage in the task of better understanding teamwork in general and their own team experience in particular. I intend the class teams to be somewhat similar but not identical to work teams in business environments. While the primary goal of teams at work is likely to be a quality outcome we are more interested in the learning that this experience allows for.
- While it is likely that you will experience problems similar to those you often encounter with task teams in your work life, class teams create an opportunity to leverage personal skills and learning to cope with these problems during the life of the team and take meaningful action. Practice skill like:
 1. Contracting
 2. Peer feedback
 3. Diagnostic of group process
 4. Leadership
 5. Decision-making
- Becoming a skillful and knowledgeable team member, leader and facilitator requires that you actively consider your learning needs as well as the knowledge and experience you have that the other members in class can benefit from. Your contribution to class should reflect thorough preparation. Ideas offered should be substantive and provide good insights and direction for the class. While it'll be your peers who will grade your in-class contribution [see Appendix 3], I reserve the right to reward excellent contribution and to lower grades of poor quality participants.

REQUIRED TEXT

- Course packet (additional reading materials will be posted on BB as indicated below)

COURSE ASSIGNMENTS

I. In-class contribution [10%]:

This course has an interactive format, with class discussions playing a central role. Students are therefore expected to actively contribute to class discussions. You are also expected to have read the assigned material before class. As always, your class participation grade will be based on the

quality (not quantity) of your in-class contributions. When you talk, make it count. You should also keep in mind that excessive absences or lateness may affect your grade for participation.

II. Individual assignment [20%]:

For this assignment please choose one of the following two alternatives:

[A] You will submit in writing an analysis of the Challenger Tragedy HBSP case. The page limit for this assignment is 3 pages. The purpose of this assignment is to give you an opportunity to synthesize the concepts, theories and frameworks you will have acquired regarding team dynamics and performance issues and to apply them. The due date for this assignment is February 19, 2008.

[B] You will submit in writing an analysis of your project team effectiveness. The page limit for this assignment is 3 pages. Here too you are asked to synthesize the concepts, theories and frameworks you will have acquired regarding team dynamics and performance issues and to apply them to better evaluate your team effectiveness and make recommendations for improvement. The due date for this assignment is April 29, 2008.

III. Team assignments:

1. Two in-class team assignments [15% each]:

You will work in your project teams to analyze the movies 'Flight of the Phoenix' [Midterm - Due to March 13, 2008 by e-mail to alechner@stern.nyu.edu] and the movie 'Fat Man Little Boy' [Final - Due April 17 also via e-mail] – the movies will be shown in class and your team will be asked to analyze various team dynamics applying course material and brainstorming ideas. The final product will be submitted on the aforementioned dates. Further instructions will be given shortly before the assignments date.

2. Benchmarking Team Practices Project [40%] –

This assignment provides you with the opportunity to participate on a field study of team practices that will be conducted by all participating course teams looking at specific topics across companies and industries. Your team will be assigned to collect data regarding one of the following topics: team composition / facilitation-development / leadership / performance management. Data collection will encompass a sample of approximately 10-15 companies across various industries [contingent on research interests and accessibility to companies]. You will analyze the data collected against existing literature on the researched topic and present your analysis, insights and recommendations to the overall class forum on the last two class sessions. Additional instructions for this project will be provided separately.

EVALUATION

Final grades will be determined as follows:

1. Individual assignment:	Case <u>or</u> Team analysis	20 points
2. Team assignments:	Team cases	15 points each
	Team final project	40 points
3. Individual contribution:	In class contribution	10 points
		Total 100 points

COURSE OUTLINE & ASSIGNMENTS

SESSION 1 – JANUARY 29 - INTRODUCTION

This session provides a broad overview of business management dynamics pertaining to the changing nature of competition and the consequent emergence of the team paradigm. Specifically we'll address issues related to a knowledge driven economy.

Read:

1. Nonaka and Takeuchi - The new product development game [hbs]
2. Kaplan and Norton - Innovation Processes [hbs]
3. Wenger et al - Communities of practice [hbs]

SESSION 2 – FEBRUARY 5 - UNLIMITED BY DESIGN

Unlimited by design solutions are discussed and innovation management strategies and structures are explored .

Read:

1. Snow et al - Use transnational teams. [BB]
2. Denison et al From Chimneys to CFT [BB]
3. Jay Galbraith [BB]
4. West and Wind - Putting the Organization on Wheels: Workplace Design at SEI [hbs]

Prepare

1. The Nokia case - [Innovative Nokia](#) is available [BB]

In class exercise – Charles Handy: The age on unreason [handout in class]

SESSION 3 – FEBRUARY 12 - TEAM THEORIES

This session reviews a variety of Team Theories and typologies. What is a team? What are typical team dynamics? What challenges and issues are typically confronted by teams? Are among the questions / issues addressed.

Read:

2. Tuckmann and Jensen - Development sequence in small groups [Handout]
3. Katzenbach and Smith - The discipline of teams [hbs]
4. Gersick - Marking time...[BB]
5. Identity issues in teams [hbs]

SESSION 4 – FEBRUARY 19 - TEAM LEVEL PHENOMENON

What are some of the prevalent team level phenomena? We'll discuss issues pertaining to decision making and groupthink, social loafing, social facilitation and team Norms.

Read:

1. Challenger Shuttle Disaster [BB]
2. Feldman - The development and enforcement of team norms [BB]
3. Latane et al - any hands make light the work [Handout]

Submit:

- Individual assignment - [The Challenger Tragedy](#) analysis -is due

SESSION 5 – FEBRUARY 26 – TEAM MANAGEMENT

This session discusses team leadership, self management and EIQ of groups, all necessary contributors to team success.

Read:

1. Hackman on Leadership in teams [BB]
2. Druskat and Wolff - Building the emotional intelligence of groups [hbs]
3. Jassawalla and Sashittal - Strategies for effective new product team leaders [HBS]
4. Denison & Quinn on Paradox ...leadership [BB]
5. Brett et al - Managing multicultural teams [hbs]

SESSION 6 – MARCH 4 – TEAMING UP

This session is all about experience and (hopefully) fun. Teams will be assigned a task, an observer, and will be asked to perform /compete following specific guidelines. After presenting the results, teams will debrief the process and focus on observation tactics and insights (See appendix 1 for some relevant information)

SESSION 7 – MARCH 11 – TEAM ASSIGNMENT 1

Flight of the Phoenix' [or alternative] - Movie and work in teams

Team analysis paper is due March 13 via e-mail to alechner@stern.nyu.edu

Submit:

Mid Project report is due – details to follow

SESSION 8 – MARCH 25 – TEAM PRACTICE A

This session focuses on setting and managing the high performance team examining issues related to context, [composition, charter] and process [facilitation]

Read:

1. Ancona and Caldwell - Beyond task and maintenance: An intro to team building [BB]
2. Hill and Farkas - A note on team process [hbs]
3. Hoegl - Smaller team better teamwork [hbs]
4. Weiss and Hughes - Want collaboration [hbs]
5. Gratton and Erickson - Eight Ways to Build Collaborative Teams [HBS]
6. Waldrop and Butler - The executive as a coach [hbs]

SESSION 9 – APRIL 1 – TEAM PRACTICE B

This session focuses on setting and managing the high performance team examining issues related to performance management – results, measurements, rewards, and learning

Read:

1. Peiperl - Getting 360- feedback right [hbs]
2. Meyer - How the right measures... [hbs]
3. Kerr - On the folly of rewarding A... [BB]
4. Gary - How to compensate teams [hbs]
5. Hillman et al - When failure isn't n option [hbs]

SESSION 10 – APRIL 8 – PROJECT WORK

Session workbook to be handed out at the beginning of the session

SESSION 11 – APRIL 15 – TEAM ASSIGNMENT 2

'Fat man little boy' - Movie and work in teams

Team analysis paper is due April 17th via e-mail to alechner@stern.nyu.edu

SESSION 12 – APRIL 22 – PROJECT PRESENTATIONS

Project presentations:

1. Team best practices project - Composition
2. Team best practices project – Facilitation

SESSION 13 – APRIL 29 – PROJECT PRESENTATIONS

Project presentations:

1. Team best practices project - Leadership
2. Team best practices project - Performance Management

Course wrap up

Submit:

Individual Case [for those selecting Individual Assignment option B]

APPENDIX 1: WHAT TO OBSERVE IN A TEAM

Although most of us have been in various kinds of teams throughout our lives, we seldom take time to systematically observe and analyze how they function. Yet observation and analysis are the first steps in understanding teams, shaping their dynamics, and ultimately, improving their performance. Team process observation focuses on individuals and the ways in which they interact with one another.

1. Membership: It helps to understand something about the individuals who comprise a team. Differences in personality, style, background and gender can affect team dynamics. Within organizations, differences in hierarchical level, functional background, and commitment to team goals can contribute to the level of cohesion and conflict within a team. Some key questions:

- Do team members have the required expertise to carry out the task?
- Are all individuals who have a stake in the team's decisions included in the team?
- What are the personalities and styles of team members?
- How does this combination affect the team?
- How committed are individual members to the team?
- How are conflicts over different levels of commitment resolved? [Is there sub-teaming]

2. Organizational Context: The larger organization can affect the team. Teams need organizational direction, information, and resources. Problems occur when the organization's mission is unclear, tasks are poorly defined, teams are not allowed sufficient autonomy, and rewards are granted to individuals rather than to teams. Key questions regarding a team's organizational context include:

- Have the goals and task of the team been clearly identified?
- Are team members rewarded for individual rather than team performance?
- Has management granted the team enough autonomy to accomplish its task?
- Does the team have access to the information and resources needed to perform its task?

3. Communication and participation: Here you attempt to track and map the team's internal communication network addressing questions like:

- Who is influencing the team?
- What sub-teams and coalitions are forming;
- What are the patterns of communication;
- Do certain people only talk with certain others
- Who are the most frequent participators? Why?
- What is the effect of their participation?
- Who are the least frequent participators? Why?
- What is the effect of their lack of participation?
- Are there shifts in participation? What causes this? Who talks with whom? Who responds to whom? Who triggers whom?
- How are "silent" and "noisy" members handled?
- Are team members with the necessary and important information contributing?

4. Influences and Control

- Who has the most impact on the team's action and decisions?
- Whose ideas are ignored? What is the result?
- What tactics do members use to influence one another?
- Is there rivalry in the team? What effect does it have?
- How does the formal leader exert his/her influence?
- What influence tactics does each person use

5. Climate and "Interpersonal Underworld":

- Are there signs of emotion-anger, irritation, frustration, warmth, affection, boredom, defensiveness, withdrawal, controlling others, being dependent on others, helping others
- Do people feel free to probe others about feelings do people allow conflict; is conflict suppressed

6. Minority Opinions

- How is deviance dealt with; are minority opinions suppressed

7. Leadership

- What type of power structure did the team operate under? (one definite leader; shared leadership;
- Power struggles, how does each member feel about the leadership structure used?
- Would an alternative have been better
- Did the chair provide adequate structure for the discussion.
- Was the discussion governed by the norms of equity?
- Was the chair's contribution to the discussion overbearing?

8. Task and Maintenance Functions: Effective teams require both task and maintenance functions. .

- What key task functions and maintenance functions are not being carried out?

9. Decision Making: Teams make decisions all the time, both consciously and unconsciously. Those decisions may concern the task at hand, team procedures, norms, and standards of behavior, or how much work the team will take on. Many key decisions that subsequently shape the team are made early-sometimes at the first meeting- and are notoriously hard to reverse. Therefore, understanding how decisions are made is key to team. Did the team go through all four steps in decision making (see section on decision making below):

- Did the team decide how to decide?
- How were decisions made? What criterion were used to establish agreement (majority vote, consensus; no opposition means agreement)
- What was done if people disagreed
- How effective was your decision-making process
- Does every member feel his or her input into the decision process was valued by the team, or were the comments of some members frequently discounted?

Teams seldom run sequentially through these steps; they often cycle back a number of times. Many factors can obstruct an effective decision making process. It is important to be aware of these factors. The most common is **team think** or the pressure to conform: it is helpful to have a devil's advocate or appoint one of one doesn't emerge.

10. Conflict:

- It is important for teams to encourage useful conflict over substantive issues while taking time to improve relations among members when affective (emotional) conflict is apparent. Key questions include:
- How often do members disagree about the work to be done?
- To what extent are their arguments about which procedure should be used to do the work?
- To what extent do people take the arguments in the team personally?
- How often do members get angry with one another

11. Atmosphere We differ on our attitudes about how teams should function; some prefer "only business"; others want more of a friendly, social atmosphere. Some prefer a single leader; others prefer more shared leadership

- Are people friendly, open, or defensive; is the atmosphere supportive or hostile
- Are people involved, interested, competitive
- Is there constant conflict, disagreement;

- Do people ignore unpleasant issues;
- Is the team supportive or defensive?

12. Emotional Issues: We all come to a team with some personal needs and issues that get played out in the team. Some of these issues are:

- **Identity:** who am I on this team; where do I fit in; what role should I play
- **Goals and Needs:** what do I want from this team; what do I have to offer; can the team's goals be made consistent with mine?
- **Power and Control:** Who will control what we do; how much power and influence do I have
- **Intimacy:** how close will we get to each other; how much trust exists among us?
- Teams respond to these issues differently; they can result in **disruptive behaviors** such as: fighting and controlling: asserting personal dominance; attempting to get their own way regardless of others reduce discomfort by psychologically leaving the team dependency and counter-dependency: waiting passively for a leader to emerge who will solve the problem or the opposite-opposing and resisting anyone in the team who represents authority

APPENDIX 2: THREE "STEREOTYPICAL" STYLES OF TEAM BEHAVIOR.

Friendly Helper	Tough Battler	Logical Thinker
World of mutual love, affection, tenderness, sympathy	World of conflict, fight, power, assertiveness	World of understanding, logic, systems, knowledge
Task Maintenance Behavior		
Harmonizing, compromising, encouraging, expressing warmth	Initiating, coordinating, pressing for results, consensus; exploring differences	Gathering information; clarifying ideas and words; systematizing; procedures; evaluating the logic of proposals
Constructs Used in Evaluating Others:		
Who is warm; who is hostile; who helps; who hurts others	Who is strong, weak, winning, losing	Who is bright, stupid, accurate, wrong;; who thinks clearly
Methods of Influence		
Appeasing; appealing to pity	Giving orders; challenging; threatening	Appealing to rules, procedures, logic, facts, knowledge
Personal Threats		
That he will not be loved; that he will be overwhelmed by feelings of hostility	That he will lose his ability to fight, become "soft"	That his world isn't ordered; that he will be overcome by emotion

APPENDIX 3 – TEAM EFFECTIVENESS [IS YOUR TEAM EFFECTIVE?]

What makes a team effective?

Most critically, effective teams are characterized by individual and mutual accountability and a sense of common commitment. All members (whether they are "leaders" or not) must take responsibility for the overall team effectiveness and for dealing with the problems that are inevitable. "The best teams invest tremendous amount of time and effort exploring, shaping, and agreeing on a purpose that belongs to them both collectively and individually and then translate this purpose into specific performance goals." (Katzenbach and Smith).

There is no absolute checklist for what makes a team effective. Different situations may call for different approaches. For example, one particular situation may call for one dominant leader while another situation may call for distributed leadership.

Nevertheless, in general, an effective team is likely to have most of these characteristics:

An effective team is characterized by...

a sense of urgency and direction, purpose and goals a lot of work at the start setting a tone, setting a "contract," specifying a clear set of rules clear notion of what the "problem" is immediate and demanding performance oriented tasks and goals broad sense of shared responsibility for the team outcomes and team process membership based on skill and skill potential, not personality use of positive feedback, recognition, rewards effective ways of **making decisions** and shared leadership high level of **commitment** among members balance of satisfying individual and team needs climate that is cohesive yet doesn't stifle individuality ability to brainstorm confronting differences; confronts conflict; dealing with minority opinions effectively effective communication patterns-both ideas and feelings; good listening skills among members can be objective about reviewing its performance objectively;

Another "cute" list of characteristics has items whose first letter forms the word PERFORM

Purpose

Empowerment

Relationships and Communication

Flexibility

Optimal Productivity

Recognition

Morale

An ineffective team is characterized by...

High level of negativity and passivity

Quick problem solving; lack of clarity about what problem is

Lot of win-lose situations among members

Strangled information flow; dominance by one or two members; power plays

Mistaking silence for support

To be successful, both **task** and **social-emotional** roles have to be filled, but many people can help fill these leadership positions; in fact many teams will be more effective if leadership is spread around. It is important to think about whether the task and maintenance roles are being filled and if necessary you may have to "take on" a role just to make sure the role is filled.