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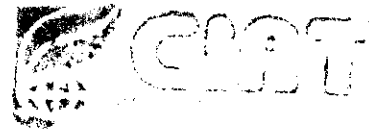


SKILLS TRAINING COURSE

# STRENGTHENING TEAM

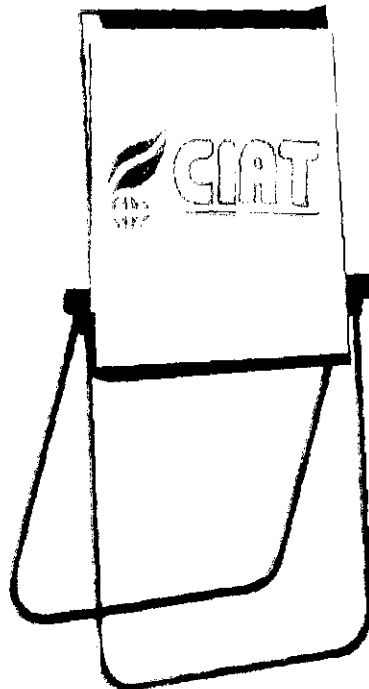


# MANAGEMENT



UNIDAD DE FOLIO MEDICO Y  
DOCUMENTACION

# Follow Up COURSE



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**STRENGTHENING TEAM MANAGEMENT SKILLS COURSE**

**FOLLOW UP**

**Purpose**

To continue to build and reinforce the skills and knowledge needed for CIAT leaders and managers that strengthen team-based research and assist with the transition from working in commodity teams to fluid project based teams.

**Objectives**

1. To refocus attention on the skills and concepts presented in the Strengthening Team Management course, especially with respect to inter-team and intra-team relationships
2. To develop a shared understanding of the key messages contained in CIAT's vision, AND increase the communication skills required to communicate this vision to staff, partners, clients, and donors
3. To identify how CIAT can continue to strengthen and develop teams

**AGENDA**

**Tuesday**

- o Introductory activities
- o Review of Foundation skills - Feedback and Facilitation
- o Successes and Opportunities for Using These Skills
- o Applying These Skills to a Team Challenge

**Wednesday**

- o Working with CIAT's vision
  - What is vision and why it important
  - Major (key) messages in CIAT's vision
  - Practice articulating this vision with key stakeholder groups
- o Furthering the Development of Teams
  - What helps/hinders teams at CIAT
  - What could be done to move our team agenda forward
  - Next steps

## Effective Facilitation Skills

Effective listening skills are basic facilitation skills required of all leaders and managers.

Effective listening skills include the following:

**Paraphrasing** - The listener, using his/her own words, reflects what the speaker is saying and how the speaker is feeling. The purpose of paraphrasing is to determine if the listener understands what the speaker is trying to get across, and also, the affective (emotional) aspect of what is being shared. This gives the speaker the opportunity to acknowledge the listener's understanding, or to correct it. This skill is extremely useful when clarifying and understanding a problem or situation.

**Questioning** - The listener asks open-ended, clarifying and, occasionally, closed questions to expand both the listener's and the speaker's understanding of the situation. Open-ended questions usually begin with "what," "how," "when," "where," and are posed in a way in which the speaker cannot answer "yes" or "no," but must expand the base of information. Clarifying questions are posed in order for the listener to become more clear about the situation and often begin with "which," "why," "do you mean to say..." etc. Closed questions can be answered with a "yes" or "no" and are asked to get specific information.

**Encouraging** - The listener, through facial expressions, body language, and comments, encourages the speaker to say more about the situation. When encouraging another to speak, the listener should be aware of behaviors which are actually encouraging to the other, as well as those which may be discouraging.

**Summarizing** - The listener, when appropriate during the course of the conversation, identifies and verbalizes the key elements or details of the conversation up to that point. The purpose of summarizing is to end one phase of the conversation and either terminate or move on to the next phase. Summarizing is valuable in controlling the pace and amount of time spent listening and conversing.

## Suggested Open-Ended Questions – Clarifying And Exploring

1. **Background**
  - What led up to \_\_\_\_\_?
  - What have you tried so far?
  - Can you remember how it happened?
  - What do you make of it all?
2. **Identification of Problems**
  - What seems to be the trouble?
  - What seems to be the main obstacle?
  - What worries you the most about \_\_\_\_\_?
  - What do you consider the most troublesome part?
3. **Example**
  - Can you give an example?
  - For instance?
  - Like what?
  - Will you give me an illustration?
4. **Description**
  - What was it like?
  - Tell me about it.
  - What happened?
  - Can you describe it in your own words?
5. **Appraisal**
  - How do you feel about it?
  - How does it look to you?
  - What do you make of it all?
  - What do you think is best?
6. **Clarification**
  - What if this doesn't make sense to you?
  - What seems to confuse you?
  - Can you explain what you mean by \_\_\_\_\_?
  - What do you make of it all?
7. **Alternatives**
  - What are the possibilities?
  - If you had your choice what would you do?
  - What are the possible solutions?
  - What if you do and what if you don't?
8. **Exploration**
  - How about going into that a little deeper?
  - Are there any other angles you can think of?
  - What were your reactions to these things?
9. **Extension**
  - Can you tell me more about it?
  - Anything else?
  - Is there anything more you would like to discuss?
  - What other ideas do you have about it?
10. **Planning**
  - How could you improve the situation?
  - What do you plan to do about it?
  - What could you do in a case like this?
  - What plans will you need to make?
11. **Predictions and Outcomes**
  - How do you suppose it will all work out?
  - Where will this lead?
  - What if you do – or what if you don't?
  - What are the chances of success?
12. **Reasons**
  - Why do you suppose you feel this way?
  - How do you account for this?
  - What reasons have you come up with?
  - What is the logical solution to this?
13. **Failures, Preparation for**
  - What if it doesn't work out the way you wish?
  - What if that doesn't work?
  - And if that fails, what will you do?
  - What are some alternate plans?
14. **Relation**
  - How does this fit in with your plans?
  - How does this affect your work?
  - How does this stack up with your picture of yourself?
  - How do the two plans relate?
15. **Evaluation**
  - Is this good or bad or in-between?
  - According to your own standards, how does it look?

## **Feedback**

**Feedback is giving someone information about their behavior and its impact**

**Describe the action/behavior** -- what the person did (i.e., "When you ignored my idea...")

**Explain the impact** it had on you -- how you felt (i.e., "I felt excluded...")

**Tell the result/consequence** of behavior and its impact (i.e., "I am hesitant to share my ideas and thoughts.")

## **Performance Feedback**

### **Guidelines for Giving:**

1. Make specific statements; support general statements with specific examples.
2. Use descriptive rather than judgmental language.
3. It is direct, clear and to the point.
4. It is directed toward behavior which the receiver can do something about.
5. It is well-timed.
6. It takes into account the needs of both the receiver and giver of feedback.
7. It is well-planned.

### **Guidelines for Receiving:**

1. Solicit feedback in clear and specific areas.
2. Make it a point to understand the feedback; paraphrase major points; ask clarifying questions.
3. Help the giver use the guidelines for giving useful feedback.
4. Avoid making it more difficult for the giver of feedback than it already is.
5. Avoid explanations of "why I did that," unless asked.
6. Show appreciation for the effort it took for the other person to give you feedback.
7. Remember that feedback is one person's perceptions of another's actions, not universal truth.

## How to Use Feedback to Improve Performance and Enhance Motivation<sup>1</sup>

by James A. McCaffery

"You know, you have to take the bones with the gravy," said the manager.

"Ah, I'm not sure ... ah ... the bones with the gravy?" stammered the assistant in this simulated feedback situation, during a management training workshop.

"Oh yes," said the manager with finality, "You just have to take the bones with the gravy."

*The assistant, with furrowed brow and puzzled look, said "Ah, okay."*

The scene above is from a management training workshop facilitated by the author. At first, when asked what the feedback meant, workshop participants watching the role play said that if this were a real situation, the "assistant" would have "gotten the message." When pressed, however, they couldn't define the meaning of the feedback and decided that maybe it wasn't that effective after all. The "assistant" admitted he had no idea what action to take as a result of the conversation.

Although the words were interesting because of their somewhat mystical tone, the "feedback" had little practical value. Our experience working with managers in our workshops and in their workplace suggests that this is not an unusual situation. We find managers are often not very effective at telling their people on a continuing basis how well or poorly they are doing.

This paucity of effective feedback has serious negative results. People often don't know how others in their organization regard their work. People unknowingly perform their tasks in ways that colleagues regard as "bad." Staff development suffers, positive performance and negative habits are not identified, and the motivational power of positive feedback is lost.

When feedback is provided, it's often done under stress, in a crisis, or after a mistake, and sometimes delivered in abrasive and less than helpful ways. In a worst case scenario, an employee is demoted or even fired for something that no one has ever seriously discussed. And s/he quite legitimately asks, "Why wasn't I ever told this before." These are important results that affect every corner of organizational life. They seriously inhibit production, and they have a powerful — if sometimes indirect — impact on morale and turnover.

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<sup>2</sup> Copyright 1992 by Training Resources Group, Inc. All rights reserved. Reproduction by any means is prohibited without written permission of the author. Revised December 1994. The "giving feedback" guidelines were adapted from some of those published by National Training Lab many years ago. Because the original NTL feedback guidelines were developed for use in personal growth groups or in other non-organizational settings, some changes and additions were made so they fit organizational contexts.



## Defining Feedback

Before looking in depth at feedback as a management tool, we need to be clear about the way we use the term **feedback** in this article. **Feedback means letting someone know on a timely and ongoing basis how they are performing**, and it includes both positive and corrective observations. This feedback is meant to be given independent of any formal performance review process.

A manager who limits feedback to performance appraisal time is seriously under-utilizing this management tool. The premise of this article is that managers should be skillful enough to make feedback a normal, natural, non-threatening part of everyday organizational life. And the climate should be such that the feedback isn't just between managers and subordinates, but between peers on a work team, or between people who must work together even though they work for different divisions.

### Feedback -- An Unnatural Act

When managers are asked about the lack of feedback effectiveness, they provide certain typical responses: there's not enough time to do it right; the organization's culture doesn't support people using feedback as a management tool; good people know how they're doing, they don't need to be told by others; and positive feedback "will be seen as insincere."

Comments like these are interesting, but they don't fully explain why many managers choose not to give feedback. We think there are two general reasons for this tendency. First, giving feedback is almost an unnatural act and, related closely to the first, most people lack the skills to give feedback effectively.

Feedback is unnatural because (at least in the U.S.) our culture teaches us some rather ineffective ways to give feedback. When people don't perform up to our expectations, we learn to either yell at them or scold them, or we learn to suffer in silence and complain behind their backs to others. When someone does something good, we often don't tell them because "they might get a big head," or because it would embarrass them. These cultural patterns, learned in childhood, stick with us as adults, and form the basis for ineffective feedback patterns in organizations.

As a corollary to this "unnaturalness," most people don't have the skills to give feedback to others effectively. Effective feedback skills aren't learned in college or business school, and although many management training events include some feedback training, it appears to be insufficient to change behavior.

It's also clear that most people aren't good at receiving feedback. They'll get defensive and try to "explain away" their behavior by stating the reasons behind their actions; they don't listen well; or they attack the messenger. All of these responses are likely to result in the giver being less willing to give them feedback in the future.

This situation can be changed by modifying the company's cultural climate around feedback. We have adapted and developed some guidelines for giving and receiving feedback which are simple and practical, and what's more, they work.

## **Guidelines For Giving Feedback**

### **1. Make specific statements; support general statements with specific examples.**

Precise and specific statements are valuable to the receiver for both positive behavior ("Exactly what did I do right?" or "What should I be sure to continue doing?") and negative behavior ("What precisely should I change?"). To be told that "you did well on that project" may be satisfying to both parties, but it's not nearly as effective as saying "you came in on time and under budget on that project." The latter clearly describes exactly what the feedback giver sees as positive in the receiver's performance. To be told that "you dominate meetings" won't be useful unless it's followed up by specifics: "For example, in yesterday's meeting, you talked so much I stopped listening; you may have said some good things toward the end, but I didn't hear them."

### **2. Use descriptive rather than judgmental language.**

By avoiding judgmental language, you reduce the need for a defensive response. For example, regardless of merit, saying that some action was "terrible" or "stupid" or "utterly inappropriate" generally evokes anger, return accusations or passive-aggressive behavior in the listener. The feedback message rarely gets through this kind of verbal clutter.

On the other hand, describing the impact of the receiver's behavior on the performance of another makes it easier for the receiver to understand the meaning and importance of the feedback. Also, it tends to focus the discussion on behavior and not personal characteristics.

**People are more open to listening about the results of their behavior than they are about the worth of their person.** An example is the following: "When you get

angry and use abrasive language, I'm afraid to tell you the truth — so I just tell you what I think you want to hear." In this example, the results of the person's behavior are made clear.

**3. Be direct, clear and to the point.**

No matter how well motivated one might be, certain actions ("beating around the bush," using lots of modifiers, talking in general terms in hopes that the person will "get the message") create misunderstanding and discomfort. The objective is to communicate directly, not leave someone guessing.

**4. Direct feedback toward behavior that the receiver can control.**

Frustration is only increased when a person is reminded of shortcomings over which s/he has no control.

**5. Encourage others to solicit feedback, rather than imposing it on them.**

Feedback is most useful when the receiver has asked for it. If someone's performance is having a negative impact, others are responsible for providing that person with feedback. The ideal is for the organization to create an environment in which people feel comfortable soliciting feedback — since that clearly increases its effectiveness.

**6. Consider the timing of feedback.**

In general, feedback is most useful when communicated at the earliest opportunity after the given behavior (depending, of course, on the person's readiness to hear it, the support available from others, etc.). We are talking here about reasonable time periods — the same day, a day later, within a week, maybe even within a month.

However, when it goes longer than a month, people generally end up arguing about history, about what really happened. Moreover, badly-timed feedback also lends itself to the comment, "Well, if that was so important, then why did you wait all this time to tell me?"

Feedback that's given in small pieces, in a timely manner, is much easier and more effective than saving things up for the "right time." The more natural and ongoing the process, the better it will be for all.

**7. Make sure feedback takes into account the needs of both the receiver and giver.**

Feedback can be destructive when it serves only one's own needs and fails to consider the needs of the person on the receiving end. This is especially true when the giver is angry and wants to "unload" on the receiver. There may be a certain psychological satisfaction for one of the parties in this instance, but it generally results in ineffective feedback and a strained relationship.

**8. Make sure feedback is well planned.**

It takes time to plan for a feedback conference. What to say, in what order, how much — all these need careful thought. If, however, feedback is given on a more regular basis, then feedback conferences will grow to be much easier.

### **Helping Others Give You Feedback**

Feedback from another person is important information about how your actions are affecting others. Even if you disagree with the feedback, it's important to hear it clearly and understand it.

Feedback tells you how another person sees your actions and gives you the choice of trying to change behavior. People act on their perceptions of your actions; you may be coming across in unintended ways and not know it — there is probably nothing worse than being ineffective in ways that are clear to others but not clear or apparent to you. Feedback gives you information about your impact on others. Such knowledge is invaluable for individual performance in organizations. People who are interested in enhancing their performance should do everything possible to make it easier for others to give them feedback.

Getting the feedback is sometimes difficult; it's especially difficult if you are trying to get feedback from a subordinate. The following guidelines make it easier for others to give you useful feedback. Keep in mind that these guidelines are meant to be used for both positive and negative feedback. It's often as hard (or harder) for people to hear positive feedback as it is for them to hear negative feedback.

### **Guidelines for Receiving Feedback:**

**1. Solicit feedback in clear and specific areas.**

It's always easier to give feedback if one is asked. It's made even easier when a specific question is asked — "Could you let me know what you think of my current speed and quality of turning out widgets?"

- 2. Make it a point to understand the feedback; paraphrase major points; ask clarifying questions.**

Active listening helps insure that real understanding has happened. Ask clarifying questions in order to understand the feedback. Doing so helps the giver know that you are indeed interested and trying hard to understand.

- 3. Help the giver use the criteria for giving useful feedback.**

For example, if the feedback is too general, ask "Could you give me a specific example of what you mean?"

- 4. Avoid making it more difficult for the giver of feedback than it already is.**

Reacting defensively or angrily, or arguing with negative feedback, or saying, "Oh it was nothing, anyone could have done as well," in response to positive feedback are all ways of turning off the feedback spigot.

- 5. Don't give explanations.**

This particular guideline is perhaps the most important, yet it's the one that most people have trouble with. It's natural to want an explanation for the immediate feedback you're receiving. Unfortunately, in almost all cases, explanations can seem defensive and often end up in an argument. As a result, the giver backs off, thinking, "Hey, this is simply not worth the trouble," and is discouraged from giving effective feedback in the future. The giver isn't discouraged from seeing negative behavior or assessing your performance; the person simply becomes unwilling to provide the feedback. Focus instead on understanding the behavior and its impact.

- 6. Show appreciation for the person's effort to give you feedback.**

Saying "thank you" or "I'm grateful for the effort you took to tell me" is a clear message that you appreciate receiving feedback, whether or not agreement is reached. This action invites feedback in the future. In some ways, feedback is like a gift, because one has to care enough to give it; if the signals are wrong, one simply will not give the "gift."

7. **In response to key points in the feedback, you should say what you intend to do as a result.**

A response may be "Thanks, I need to think about it" or "Let me check it out with others" or "That makes sense, I'll try in the future to..." If you just listen — even politely — and walk away, it may give a message that you don't take what the giver said very seriously (of course, that may be the case in some instances!).

8. **Remember that feedback is one person's perceptions of another's actions, not universal truth.**

Keeping this in mind helps one be less defensive about feedback. Check it out with others to determine the presence of patterns of behavior. If two or three people provide similar feedback, there may be a pattern reflected which needs to be considered.

These guidelines for giving and receiving feedback work. If all people in a particular work setting understand and use the guidelines, the feedback will be extremely useful and become an integral part of everyday activities. The more people who are skilled in giving feedback the better. This, of course, is why we recommend that the guidelines be "installed" on a system-wide basis. If, however, even one person in a feedback situation uses the guidelines, the effectiveness of the feedback will still be very high.

It's vital for general managers to understand that increasing the level of feedback skills within organizations enhances performance and produces better results. We aren't stressing the importance of feedback because it's "nice to do," or because it will make the workplace more humane -- although it may indeed have those effects. **Getting people to talk routinely about performance in a more acceptable, clear and precise way simply increases work output.**

If people learn how they are doing from different sources (including themselves), they will work to correct their deficiencies and capitalize on their strengths. Everyone will reduce the amount of unproductive time they spend complaining to others about the performance of a third party. Individuals will feel that managers value high-quality performance and communicate about it in ways that give everyone a chance to perform at their optimum levels. Everyone wins.

This, of course, sounds easier than it is. Practically speaking, how can you as a manager increase feedback skills within your office?

## **Making Feedback a More Effective Tool in Your Organization**

There are several specific actions that you can take:

- You can publish the feedback guidelines throughout your organization or office at *all levels* so that everyone is aware of the "rules of the game." This will also indicate that feedback is a two-way process, and that everybody bears responsibility for the success or failure of the feedback process. It establishes standards for everyday talk about performance to which all have access.
- You can run (or arrange for) focused training sessions so people can get practice at both giving and receiving feedback. Everyone should be included in the sessions. They can be short (2 or 3 hours) and be totally skill-focused. A trainer or skilled manager can explain the guidelines and perhaps model an effective feedback conversation. Then, people can be divided into groups of three to practice giving *and* receiving feedback given typical situations that might exist in your work context. The third person is an observer, and gives feedback about how well the guidelines are followed.
- Once everyone is reasonably clear about the guidelines, you should then reinforce the act of giving feedback. People should be encouraged to try, even if they feel they will not get it "exactly right." After all, if the feedback process isn't exactly correct, the receiver can ask questions which will get the conversation back on target.
- If you're a manager, you're very visible. You can serve as a role model for using feedback effectively by showing you understand and use the guidelines.
- Take some time to give unsolicited, "no-strings-attached," clear, specific, positive feedback. This will have a powerful impact on people. It will also help set a clear and well-listened to example of how to give feedback.
- In terms of receiving feedback, you can make a visible contribution by asking for it, and expressing appreciation when it's received.

Each one of these suggestions for action is seemingly small; yet they will create incremental – but significant – change. This will have the effect of changing the norms about feedback in your organization. Since everybody "knows the rules," they can help one another be effective with feedback.

This will make feedback more a part of everyday life. As was mentioned earlier, the impact of *feedback is optimized when it is a normal, routine part of the work environment*. If it's rarely given, or only given at performance appraisal time, feedback becomes strained and imbued with a sense of trauma which makes it almost impossible to do well. When given in small, "chewable chunks" in a timely fashion, it's much easier to do and much more effective.

### **Motivating Power of Authentic Positive Feedback**

There is one aspect of feedback that deserves a special note. Positive feedback by itself, when authentic, is a superb tool to motivate people. And it's a tool that is grossly under-used. People don't provide sufficient positive feedback; it's often used to soften the blow of negative feedback, as a way to pave the way for the "bad news." Organizational life has conditioned us to see positive feedback that way. Yet, when no-strings-attached positive feedback is given, the results are immediately clear.

There's much that goes on every day that's positive. We all should make it a point to give one or two people some positive feedback each day -- without any negative feedback attached to it. That's not to say we should ignore the negative; rather it's to point out that a great number of positive things often get no verbal notice.

In an age when we're trying to locate the magic formula for motivation, the power that *communicating positive feedback has for motivating people is manifest*. It's simple to do, and it doesn't cost anything. It's a waste not to use it.



## Teams <sup>2</sup>

<b>Team</b>	A small number of people with complementary skills who are committed to a common purpose, goals, and approach for which they hold themselves mutually accountable.
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### Expanding on each part of the team definition.....

- **...small number of people** – Most successful teams are small in size...between two and twenty but mostly centering at six to ten.
- **...complementary skills** -- Teams must have or develop the right mix of skills, and they include the following categories:
  - ◆ technical or functional expertise
  - ◆ problem-solving and decision-making skills
  - ◆ interpersonal skills
- **...committed to a common purpose, goals and approach** -- Teams must be committed to a common purpose and appropriate goals
  - ◆ a common, meaningful purpose sets the tone and helps develop and maintain aspirations.
  - ◆ specific goals are an integral part of the purpose...this means transforming broad directives into specific and measurable goals. The specificity of the goals facilitates clear communication about team direction. Goals should allow small wins which are invaluable to building commitment.
  - ◆ defining the team work product that is different from both an organization-wide

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4 Adapted from J. Katzenbach and D. Smith, The Wisdom of Teams.

mission and the summation of individual job objectives. Team work products require roughly equivalent contributions from all the people on the team.

- ◆ in terms of common approach, teams must agree on who will do particular jobs, how schedules will be set and adhered to, what skills need to be added or developed, how the team will make decisions, how new members will be added, how and when modification of approach to the job will take place, and so on. Agreeing on an approach to the specifics of the work, how it all fits, and how people are integrated lies at the heart of building a common approach.
- ***...hold themselves mutually accountable*** -- At its core, team accountability is about the sincere promises we make to ourselves and others, promises that underpin two critical aspects of teams: commitment and trust. These tend to grow as a natural counterpart to the development of team purpose, performance goals, and approach. When people do real work together toward a common objective, trust and commitment follow.

## Characteristics of Effective Teams

A team is a small number of individuals with complementary skills who are committed to a common purpose, performance goals, and approach for which they hold themselves mutually accountable. Effective teams tend to have the following characteristics:

**1. Clear, commonly-agreed upon, and meaningful purpose.**

There is a clear understanding and agreement among team members about why this team exists and what it is expected to accomplish. This purpose and mandate is also understood throughout the rest of the organization.

**2. Roles and responsibilities of team members, including the team leader or manager are clear.**

The team has taken the time to sort out the roles and responsibilities of each team member - understanding and taking into account other work assignments or teams on which individuals might also be working. They have discussed the role of the team manager/leader and agreed on the leadership approach that will work best for the team. The leader or manager carries out this role as the team has defined it.

**3. Specific performance goals and work plan or approach to accomplishing these goals.**

The team has developed specific goals - products or services that it is responsible for producing. There is an agreed-upon approach to completing this work and a work plan for doing so.

**4. Formal or informal agreement on how the team will work together.**

Team members have worked out how they will share information and keep one another informed; how they will resolve conflicts; how they will handle performance problems; when and how often they will have meetings, etc. When there are "issues" between team members, it gets addressed and dealt with, and the team moves on. Team members seem to accept one another's strengths and weaknesses and there is not much talking or complaining behind one another's backs.

**5. Team has or can access the right mix of skills and knowledge to do their work.**

Team members possess the technical skills to do their work or know how to access this either inside or outside the organization. The team has effective problem solving skills and interpersonal skills.

**6. Appropriate participation in decision making.**

There is an appropriate level of team member participation in decision making - not so much that decisions take too long to make but enough so there is sufficient team member input to insure the quality of decisions and the commitment of team members to implementing the decision that is made. Team members tend to be very supportive of decisions that were made by others on the team; however, they are quick to voice their opinion if they feel a serious error is being made.

**7. Team leadership/management is more facilitative than it is directive.**

Team leaders focus on providing leadership that helps the team get its work done rather than directing or monitoring individual team member performance. Examples of this are: working to remove obstacles that block getting the work done, getting resources needed, resolving priority conflicts with other teams, coaching or training team members, helping solve problems, and doing real work.

**8. Team is concerned with both task accomplishment and how team works together.**

Team members know that in order for the work to get done over the long run, that the team must work well together. Team is conscious of both how it is doing the work and how team members are working together. There is a concern for both team accomplishment and individual accomplishment.

**9. Powerful sense of mutual accountability.**

There is a well-developed sense of mutuality - team members know that for the team to succeed everyone has to succeed. Team members are quick to help one another if someone has problems. At the same time the team does not tolerate poor performance or individuals who don't carry their share of the load.

**10. Team has fun doing their work.**

There is a sense of enjoyment and fulfillment coming from being a part of a team. Team members enjoy and have fun with one another. This creates energy and motivation that is important for sustained high performance.

## Getting Teams Started on the “Right Foot”

There are many questions that need to be addressed as a team forms itself and begins its operations -- What is our purpose? What are we supposed to do? Who will do what? What is my role? How will we work together? What do we mean by mutual accountability? The list goes on. TRG believes that teams will be more successful if they address these issues as they form themselves before they begin “doing their work.”

The following is intended to provide guidance for teams to help them engage in planning and agenda setting discussions that will build a strong foundation from which the team can move toward performing their work successfully.

We believe teams that are getting started should have meetings in which they;

1. Review their mandate, discuss and agree upon the purpose of the team
2. Clarify and agree upon the role and responsibilities of each team member, including the team leader
3. Develop operating guidelines or norms which describe how the team will work together
4. Develop specific team goals or outputs and a work plan for how the team will meet these goals

Below are guidelines for how the team might have a series of meetings or discussions to reach agreement on the above four points.

### 1. **REACHING AGREEMENT AND COMMON UNDERSTANDING ON THE MANDATE OR PURPOSE OF THE TEAM**

The intent of this meeting or discussion is for the team members to develop a common understanding of the purpose of the team and how it fits into the broader picture of the entire organization. If team members already share a common understanding of their purpose, then this discussion will only take a few minutes; however, if there are differences, the discussions will take longer.

A team purpose makes clear why the team exists, the boundaries within which it operates, and its principal role and responsibilities within the larger context. In a discussion on team purpose do the following:

- a. Each team member should share what they believe the purpose of the team to be. Look for commonality. Explore differences. Talk it through until sufficient agreement is reached. You might want to ask a team member to draft a purpose statement for the team that reflects the agreements reached in these discussions.
- b. Team members should describe what the team is accountable for. Make a list. Use the flipchart. Reach agreement. You might want to add this to the purpose statement.
- c. Team should identify any boundary issues it feels are not clear. For example, one team's work may integrate or exist side-by-side with another team. Are the boundaries - who is responsible for what - clear? If something needs clarifying, the team should take steps to talk this through with appropriate "others" so the boundary issue does not become a problem.

## **2. CLARIFYING INDIVIDUAL ROLES AND RESPONSIBILITIES**

The purpose of these discussions is to help the team members develop a common understanding of individual team member roles and responsibilities, including that of the team leader/manager. In a discussion on roles and responsibilities, do the following:

- a. Each team members lists their role/responsibilities as they see them. Write these down. It is especially effective if each member writes on a piece of flipchart paper so it can be posted around the room. Then take each team member, one at a time, and ask the group to respond to how that person described their role/responsibilities. Check for agreement. When there are differences of opinion, talk about it. Seek agreement.
- b. Engage in discussions about the role of the team leader. One way to do this would be, using the flipchart, have the team generate a list of responsibilities of the team leader. Put each contribution on the flipchart as it is given. Then go back to each item and discuss. Work to reach agreement. Discuss differences. Involve the team leader, but s/he should not dominate. Try for general agreement on the principle responsibilities.

Some teams have found it useful to write up these team leader responsibilities as a kind of "informal" agreement between the team and its leader about what is expected from the leadership role.

### **3. CREATING TEAM OPERATING GUIDELINES (NORMS) FOR HOW MEMBERS WILL WORK TOGETHER**

The purpose of this effort is to work out the agreements or norms that the team wants to use in working together. These agreements will drive the day-to-day operations of the team. Operating guidelines are agreements on how work will be done and how the team will work together. These guidelines should cover issues such as how decisions will be made, how work assignments are determined, what the team means by mutual accountability, how differences or conflicts will be resolved, attendance at meetings, how to deal with disappointing performance from a team members, etc.

One way to organize discussions around these agreements would be to ask the team to discuss and reach agreement on these questions:

- o What are the kinds of decisions that ought to involve all or most of the team members? How do we want to make these decisions? What will be the role of the team leader?
- o What kinds of conflicts or differences might we have as we work together? How will we resolve conflicts among the team members? With other teams?
- o If or when we are disappointed with or concerned about a team member's performance, how will we handle it?
- o What do we mean by mutual accountability? What does this mean operationally?
- o How often will we have meetings? For what purposes? Who plans and conducts these meetings?

Ask a couple of team members to write up these agreements. It will be important to review them in 4 to 6 months to see how you are doing and to see if there are additions or changes that should be made.

### **4. BUILDING A TEAM WORK PLAN**

The purpose of this meeting or discussion is to have the team focus on the results or outputs for which it is accountable over the next several months. Some teams in their initial stages of working together prefer to plan for the next 3

months and others prefer a longer time frame, 6 or 9 months. Don't make the time frame too long. If you want to build a team that tracks progress, offers help to one another when there are problems, and works in a team culture of mutual responsibility, it will be important that they plan, monitor progress and resolve problems as a team. Engage in discussions that will do the following:

- a. Identify the things that need to get done within the time frame you have chosen. Concentrate on the major tasks. Remember it is a team work plan, not a work plan for each individual on the team.
- b. Clarify who will be working on each of these major tasks. You may want to do some specific planning for how each major task will be accomplished. Or you may want team members working on these tasks to develop a work plan and bring it back to a team meeting.

Write up the plans. Be brief - this is just a record of your agreed upon plan. You can refer back to it as you monitor progress.

- c. Plan how and when you will monitor progress. Schedule the first progress review meeting. Clarify the role and responsibility of the team leader in this monitoring and tracking process.

Remember, by creating a team work plan and laying the ground work for the team to monitor progress against this plan, you are building the foundation for teamwork and full team accountability for delivering the products, outputs, or commitments the team has promised.



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# The Discipline of Teams

By Jon R. Katzenbach and Douglas K. Smith



Harvard Business Review

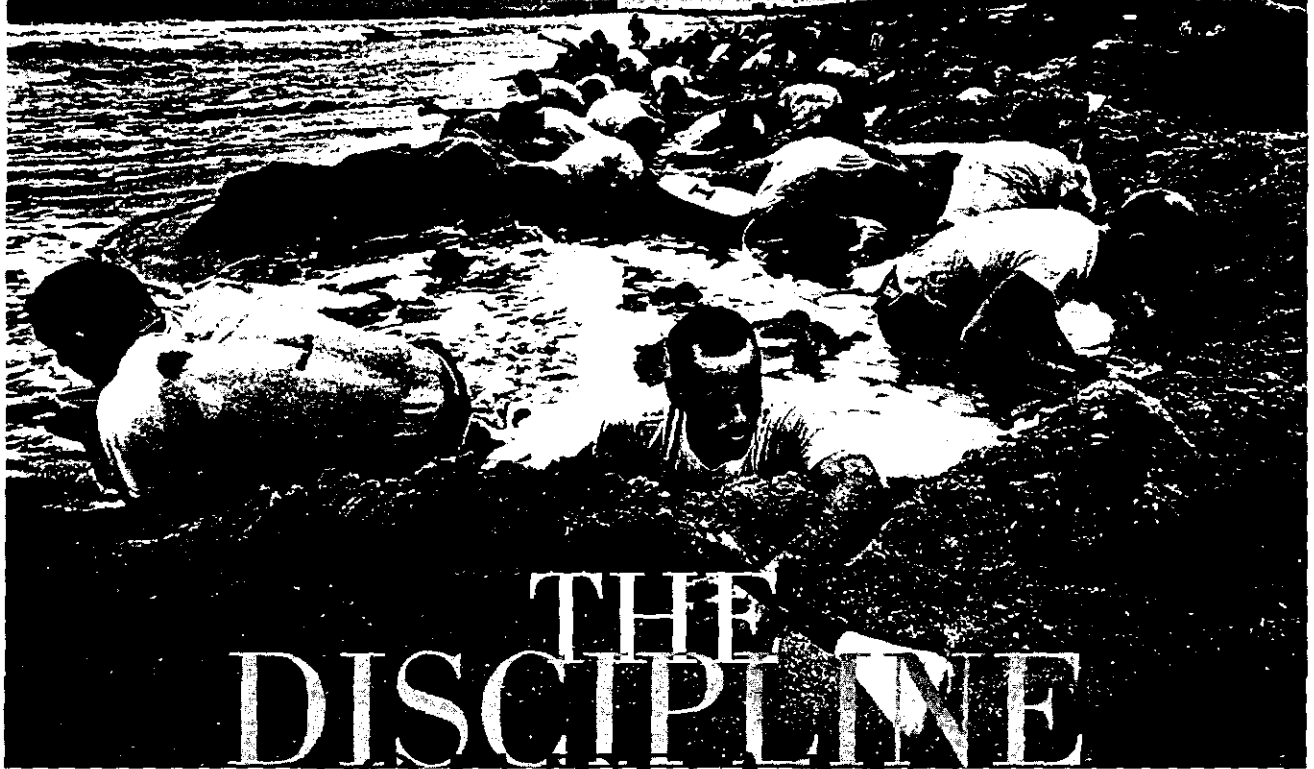
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*What makes the difference between a team that performs and one that doesn't?*



# THE DISCIPLINE OF TEAMS

By Jon R. Katzenbach and Douglas K. Smith

Early in the 1980s, Bill Greenwood and a small band of rebel railroaders took on most of the top management of Burlington Northern and created a multibillion-dollar business in "piggybacking" rail services despite widespread resistance, even resentment, within the company. The Medical Products Group at Hewlett-Packard owes most of its leading performance to the remarkable efforts of Dean Morton, Lew Platt, Ben Holmes, Dick Alberting, and a handful of their colleagues who revitalized a health care business that most others had written off. At Knight-Ridder, Jim Batten's "customer obsession" vision took root at the *Tallahassee Democrat* when 14 frontline enthusiasts turned a charter to eliminate errors into a mission of major change and took the entire paper along with them.

Such are the stories and the work of teams – real teams that perform, not amorphous groups that we

call teams because we think that the label is motivating and energizing. The difference between teams that perform and other groups that don't is a subject to which most of us pay far too little attention. Part of the problem is that *team* is a word and concept so familiar to everyone.

Or at least that's what we thought when we set out to do research for our book *The Wisdom of Teams*. We wanted to discover what differentiates various levels of team performance, where and how teams work best, and what top management can do to enhance their effectiveness. We talked with hundreds of people on more than 50 different teams in

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30 companies and beyond, from Motorola and Hewlett-Packard to Operation Desert Storm and the Girl Scouts.

We found that there is a basic discipline that makes teams work. We also found that teams and good performance are inseparable; you cannot have one without the other. But people use the word *team* so loosely that it gets in the way of learning and applying the discipline that leads to good performance. For managers to make better decisions about whether, when, or how to encourage and use teams, it is important to be more precise about what a team is and what it isn't.

Most executives advocate teamwork. And they should. Teamwork represents a set of values that encourage listening and responding constructively to views expressed by others, giving others the benefit of the doubt, providing support, and recognizing the interests and achievements of others. Such values help teams perform, and they also promote individual performance as well as the performance of an entire organization. But teamwork values by themselves are not exclusive to teams, nor are they enough to ensure team performance.

Nor is a team just any group working together. Committees, councils, and task forces are not necessarily teams. Groups do not become teams simply because that is what someone calls them. The entire work force of any large and complex organization is *never* a team, but think about how often that platitude is offered up.

To understand how teams deliver extra performance, we must distinguish between teams and other forms of working groups. That distinction turns on performance results. A working group's performance is a function of what its members do as individuals. A team's performance includes both individual results and what we call "collective work-products." A collective work-product is what two or more members must work on together, such as interviews, surveys, or experiments. Whatever it is, a collective work-product reflects the joint, real contribution of team members.

Working groups are both prevalent and effective in large organizations where individual accountability is most important. The best working groups come together to share information, perspectives, and insights; to make decisions that help each person do his or her job better; and to reinforce individual performance standards. But the focus is always on individual goals and accountabilities. Working-group members don't take responsibility for results other than their own. Nor do they try to develop incremental performance contributions requiring the combined work of two or more members.

Teams differ fundamentally from working groups because they require both individual and mutual accountability. Teams rely on more than group discussion, debate, and decision, on more than sharing information and best practice performance standards. Teams produce discrete work-products through the joint contributions of their members. This is what makes possible performance levels greater than the sum of all the individual bests of team members. Simply stated, a team is more than the sum of its parts.

The first step in developing a disciplined approach to team management is to think about teams as discrete units of performance and not just as positive sets of values. Having observed and worked with scores of teams in action, both successes and failures, we offer the following. Think of it as a working definition or, better still, an essential discipline that real teams share.

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

**T**he essence of a team is common commitment. Without it, groups perform as individuals; with it, they become a powerful unit of collective performance. This kind of commitment requires a purpose in which team members can believe. Whether the purpose is to "transform the contributions of suppliers into the satisfaction of customers," to "make our company one we can be proud of again," or to "prove that all children can learn," credible team purposes have an element related to winning, being first, revolutionizing, or being on the cutting edge.

Teams develop direction, momentum, and commitment by working to shape a meaningful purpose. Building ownership and commitment to team purpose, however, is not incompatible with taking initial direction from outside the team. The often-asserted assumption that a team cannot "own" its purpose unless management leaves it alone actually confuses more potential teams than it helps. In fact, it is the exceptional case – for example, entrepreneurial situations – when a team creates a purpose entirely on its own.

Most successful teams shape their purposes in response to a demand or opportunity put in their path, usually by higher management. This helps teams get started by broadly framing the company's performance expectation. Management is responsible for clarifying the charter, rationale, and perfor-

mance challenge for the team, but management must also leave enough flexibility for the team to develop commitment around its own spin on that purpose, set of specific goals, timing, and approach.

The best teams invest a tremendous amount of time and effort exploring, shaping, and agreeing on a purpose that belongs to them both collectively and individually. This "purposing" activity continues throughout the life of the team. In contrast, failed teams rarely develop a common purpose. For whatever reason – an insufficient focus on performance, lack of effort, poor leadership – they do not coalesce around a challenging aspiration.

The best teams also translate their common purpose into specific performance goals, such as reducing the reject rate from suppliers by 50% or increasing the math scores of graduates from 40% to 95%. Indeed, if a team fails to establish specific performance goals or if those goals do not relate directly to the team's overall purpose, team members become confused, pull apart, and revert to mediocre performance. By contrast, when purposes and goals build on one another and are combined with team commitment, they become a powerful engine of performance.

Transforming broad directives into specific and measurable performance goals is the surest first step for a team trying to shape a purpose meaningful to its members. Specific goals, such as getting a new product to market in less than half the normal time, responding to all customers within 24 hours, or achieving a zero-defect rate while simultaneous-

ly cutting costs by 40%, all provide firm footholds for teams. There are several reasons:

■ Specific team performance goals help to define a set of work-products that are different both from an organizationwide mission and from individual job objectives. As a result, such work-products require the collective effort of team members to make something specific happen that, in and of itself, adds real value to results. By contrast, simply gathering from time to time to make decisions will not sustain team performance.

■ The specificity of performance objectives facilitates clear communication and constructive conflict within the team. When a plant-level team, for example, sets a goal of reducing average machine changeover time to two hours, the clarity of the goal forces the team to concentrate on what it would take either to achieve or to reconsider the goal. When such goals are clear, discussions can focus on how to pursue them or whether to change them; when goals are ambiguous or nonexistent, such discussions are much less productive.

■ The attainability of specific goals helps teams maintain their focus on getting results. A product-development team at Eli Lilly's Peripheral Systems Division set definite yardsticks for the market introduction of an ultrasonic probe to help doctors locate deep veins and arteries. The probe had to have an audible signal through a specified depth of tissue, be capable of being manufactured at a rate of 100 per day, and have a unit cost less than a pre-established amount. Because the team could measure

## Not All Groups Are Teams: How to Tell the Difference

### Working Group

- Strong, clearly focused leader
- Individual accountability
- The group's purpose is the same as the broader organizational mission
- Individual work-products
- Runs efficient meetings
- Measures its effectiveness indirectly by its influence on others (e.g., financial performance of the business)
- Discusses, decides, and delegates

### Team

- Shared leadership roles
- Individual and mutual accountability
- Specific team purpose that the team itself delivers
- Collective work-products
- Encourages open-ended discussion and active problem-solving meetings
- Measures performance directly by assessing collective work-products
- Discusses, decides, and does real work together

its progress against each of these specific objectives, the team knew throughout the development process where it stood. Either it had achieved its goals or not.

■ As Outward Bound and other team-building programs illustrate, specific objectives have a leveling effect conducive to team behavior. When a small group of people challenge themselves to get over a wall or to reduce cycle time by 50%, their respective titles, perks, and other stripes fade into the background. The teams that succeed evaluate what and how each individual can best contribute to the team's goal and, more important, do so in terms of the performance objective itself rather than a person's status or personality.

■ Specific goals allow a team to achieve small wins as it pursues its broader purpose. These small wins are invaluable to building commitment and overcoming the inevitable obstacles that get in the way of a long-term purpose. For example, the Knight-Ridder team mentioned at the outset turned a narrow goal to eliminate errors into a compelling customer-service purpose.

■ Performance goals are compelling. They are symbols of accomplishment that motivate and energize. They challenge the people on a team to commit themselves, as a team, to make a difference. Drama, urgency, and a healthy fear of failure combine to drive teams who have their collective eye on an attainable, but challenging, goal. Nobody but the team can make it happen. It is their challenge.

The combination of purpose and specific goals is essential to performance. Each depends on the other to remain relevant and vital. Clear performance goals help a team keep track of progress and hold itself accountable; the broader, even nobler, aspirations in a team's purpose supply both meaning and emotional energy.

Virtually all effective teams we have met, read or heard about, or been members of have ranged between 2 and 25 people. For example, the Burlington Northern "piggybacking" team had 7 members, the Knight-Ridder newspaper team, 14. The majority of them have numbered less than 10. Small size is admittedly more of a pragmatic guide than an absolute necessity for success. A large number of people, say 50 or more, can theoretically become a team. But groups of such size are more likely to break into subteams rather than function as a single unit.

Why? Large numbers of people have trouble interacting constructively as a group, much less doing real work together. Ten people are far more likely than fifty are to work through their individual,

functional, and hierarchical differences toward a common plan and to hold themselves jointly accountable for the results.

Large groups also face logistical issues, such as finding enough physical space and time to meet. And they confront more complex constraints, like crowd or herd behaviors, which prevent the intense

Goals help a team keep track of progress, while a broader purpose supplies meaning and emotional energy.

sharing of viewpoints needed to build a team. As a result, when they try to develop a common purpose, they usually produce only superficial "missions" and well-meaning intentions that cannot be translated into concrete objectives. They tend fairly quickly to reach a point when meetings become a chore, a clear sign that most of the people in the group are uncertain why they have gathered, beyond some notion of getting along better. Anyone who has been through one of these exercises knows how frustrating it can be. This kind of failure tends to foster cynicism, which gets in the way of future team efforts.

In addition to finding the right size, teams must develop the right mix of skills, that is, each of the complementary skills necessary to do the team's job. As obvious as it sounds, it is a common failing in potential teams. Skill requirements fall into three fairly self-evident categories:



*Technical or functional expertise.* It would make little sense for a group of doctors to litigate an employment discrimination case in a court of law. Yet teams of doctors and lawyers often try medical malpractice or personal injury cases. Similarly, product-development groups that include only marketers or engineers are less likely to succeed than those with the complementary skills of both.

*Problem-solving and decision-making skills.* Teams must be able to identify the problems and opportunities they face, evaluate the options they have for moving forward, and then make necessary trade-offs and decisions about how to proceed. Most teams need some members with these skills to begin with, although many will develop them best on the job.

*Interpersonal skills.* Common understanding and purpose cannot arise without effective communication and constructive conflict, which in turn depend on interpersonal skills. These include risk taking, helpful criticism, objectivity, active listening, giving the benefit of the doubt, and recognizing the interests and achievements of others.

Obviously, a team cannot get started without some minimum complement of skills, especially technical and functional ones. Still, think about how often you've been part of a team whose members were chosen primarily on the basis of personal compatibility or formal position in the organization, and in which the skill mix of its members wasn't given much thought.

It is equally common to overemphasize skills in team selection. Yet in all the successful teams we've encountered, not one had all the needed

skills at the outset. The Burlington Northern team, for example, initially had no members who were skilled marketers despite the fact that their performance challenge was a marketing one. In fact, we discovered that teams are powerful vehicles for developing the skills needed to meet the team's performance challenge. Accordingly, team member selection ought to ride as much on skill potential as on skills already proven.

**E**ffective teams develop strong commitment to a common approach, that is, to how they will work together to accomplish their purpose. Team members must agree on who will do particular jobs, how schedules will be set and adhered to, what skills need to be developed, how continuing membership in the team is to be earned, and how the group will make and modify decisions. This element of commitment is as important to team performance as is the team's commitment to its purpose and goals.

Agreeing on the specifics of work and how they fit together to integrate individual skills and advance team performance lies at the heart of shaping a common approach. It is perhaps self-evident that an approach that delegates all the real work to a few members (or staff outsiders), and thus relies on reviews and meetings for its only "work together" aspects, cannot sustain a real team. Every member of a successful team does equivalent amounts of real work; all members, including the team leader, contribute in concrete ways to the team's work-product. This is a very important element of the emotional logic that drives team performance.



When individuals approach a team situation, especially in a business setting, each has preexisting job assignments as well as strengths and weaknesses reflecting a variety of backgrounds, talents, personalities, and prejudices. Only through the mutual discovery and understanding of how to apply all its human resources to a common purpose can a team develop and agree on the best approach to achieve its goals. At the heart of such long and, at times, difficult interactions lies a commitment-building process in which the team candidly explores who is best suited to each task as well as how individual

Think about the difference between "the boss holds me accountable" and "we hold ourselves accountable."

roles will come together. In effect, the team establishes a social contract among members that relates to their purpose and guides and obligates how they must work together.

No group ever becomes a team until it can hold itself accountable as a team. Like common purpose and approach, mutual accountability is a stiff test. Think, for example, about the subtle but critical difference between "the boss holds me accountable" and "we hold ourselves accountable." The first case can lead to the second; but without the second, there can be no team.

Companies like Hewlett-Packard and Motorola have an ingrained performance ethic that enables teams to form "organically" whenever there is a clear performance challenge requiring collective rather than individual effort. In these companies, the factor of mutual accountability is commonplace. "Being in the boat together" is how their performance game is played.

At its core, team accountability is about the sincere promises we make to ourselves and others, promises that underpin two critical aspects of effective teams: commitment and trust. Most of us enter a potential team situation cautiously because ingrained individualism and experience discourage us from putting our fates in the hands of others or accepting responsibility for others. Teams do not succeed by ignoring or wishing away such behavior.

Mutual accountability cannot be coerced any more than people can be made to trust one another. But when a team shares a common purpose, goals, and approach, mutual accountability grows as a natural counterpart. Accountability arises from and reinforces the time, energy, and action invested

in figuring out what the team is trying to accomplish and how best to get it done.

When people work together toward a common objective, trust and commitment follow. Consequently, teams enjoying a strong common purpose and approach inevitably hold themselves responsible, both as individuals and as a team, for the team's performance. This sense of mutual accountability also produces the rich rewards of mutual achievement in which all members share. What we heard over and over from members of effective teams is that they found the experience energizing and motivating in ways that their "normal" jobs never could match.

On the other hand, groups established primarily for the sake of becoming a team or for job enhancement, communication, organizational effectiveness, or excellence rarely become effective teams, as demonstrated by the bad feelings left in many companies after experimenting with quality circles that never translated "quality" into specific goals. Only when appropriate performance goals are set does the process of discussing the goals and the approaches to them give team members a clearer and clearer choice: they can disagree with a goal and the path that the team selects and, in effect, opt out, or they can pitch in and become accountable with and to their teammates.

The discipline of teams we've outlined is critical to the success of all teams. Yet it is also useful to go one step further. Most teams can be classified in one of three ways: teams that recommend things, teams that make or do things, and teams that run things. In our experience, each type faces a characteristic set of challenges.

*Teams that recommend things.* These teams include task forces, project groups, and audit, quality, or safety groups asked to study and solve particular problems. Teams that recommend things almost always have predetermined completion dates. Two critical issues are unique to such teams: getting off to a fast and constructive start and dealing with the ultimate handoff required to get recommendations implemented.

The key to the first issue lies in the clarity of the team's charter and the composition of its membership. In addition to wanting to know why and how their efforts are important, task forces need a clear definition of whom management expects to participate and the time commitment required. Management can help by ensuring that the team includes people with the skills and influence necessary for crafting practical recommendations that will carry weight throughout the organization. Moreover,



management can help the team get the necessary cooperation by opening doors and dealing with political obstacles.

Missing the handoff is almost always the problem that stymies teams that recommend things. To avoid this, the transfer of responsibility for recommendations to those who must implement them demands top management's time and attention. The more top managers assume that recommendations will "just happen," the less likely it is that they will. The more involvement task force members have in implementing their recommendations, the more likely they are to get implemented.

To the extent that people outside the task force will have to carry the ball, it is critical to involve them in the process early and often, certainly well before recommendations are finalized. Such involvement may take many forms, including participating in interviews, helping with analyses, contributing and critiquing ideas, and conducting experiments and trials. At a minimum, anyone responsible for implementation should receive a briefing on the task force's purpose, approach, and objectives at the beginning of the effort as well as regular reviews of progress.

*Teams that make or do things.* These teams include people at or near the front lines who are responsible for doing the basic manufacturing, development, operations, marketing, sales, service, and other value-adding activities of a business. With some exceptions, like new-product development or process design teams, teams that make or do things tend to have no set completion dates because their activities are ongoing.

In deciding where team performance might have the greatest impact, top management should concentrate on what we call the company's "critical delivery points," that is, places in the organization

Where does the team option make sense? Where the cost and value of the company's products and services are most directly determined.

where the cost and value of the company's products and services are most directly determined. Such critical delivery points might include where accounts get managed, customer service performed, products designed, and productivity determined. If performance at critical delivery points depends on combining multiple skills, perspectives, and judg-

ments in real time, then the team option is the smartest one.

When an organization does require a significant number of teams at these points, the sheer challenge of maximizing the performance of so many groups will demand a carefully constructed and performance-focused set of management processes. The issue here for top management is how to build the necessary systems and process supports without falling into the trap of appearing to promote teams for their own sake.

The imperative here, returning to our earlier discussion of the basic discipline of teams, is a relentless focus on performance. If management fails to pay persistent attention to the link between teams and performance, the organization becomes convinced that "this year we are doing 'teams.'" Top

Top management's focus on teams and performance challenges will keep both "performance" and "team" from becoming clichés.

management can help by instituting processes like pay schemes and training for teams responsive to their real time needs, but more than anything else, top management must make clear and compelling demands on the teams themselves and then pay constant attention to their progress with respect to both team basics and performance results. This means focusing on specific teams and specific performance challenges. Otherwise "performance," like "team," will become a cliché.

*Teams that run things.* Despite the fact that many leaders refer to the group reporting to them as a team, few groups really are. And groups that become real teams seldom think of themselves as a team because they are so focused on performance results. Yet the opportunity for such teams includes groups from the top of the enterprise down through the divisional or functional level. Whether it is in charge of thousands of people or a handful, as long as the group oversees some business, ongoing program, or significant functional activity, it is a team that runs things.

The main issue these teams face is determining whether a real team approach is the right one. Many groups that run things can be more effective as working groups than as teams. The key judgment is whether the sum of individual bests will suffice for the performance challenge at hand or whether

the group must deliver substantial incremental performance requiring real, joint work-products. Although the team option promises greater performance, it also brings more risk, and managers must be brutally honest in assessing the trade-offs.

Members may have to overcome a natural reluctance to trust their fate to others. The price of faking the team approach is high: at best, members get diverted from their individual goals, costs outweigh benefits, and people resent the imposition on their

**Teams at the top are the most difficult but also the most powerful.**

time and priorities; at worst, serious animosities develop that undercut even the potential personal bests of the working-group approach.

Working groups present fewer risks. Effective working groups need little time to shape their purpose since the leader usually establishes it. Meetings are run against well-prioritized agendas. And decisions are implemented through specific individual assignments and accountabilities. Most of the time, therefore, if performance aspirations can be met through individuals doing their respective

jobs well, the working-group approach is more comfortable, less risky, and less disruptive than trying for more elusive team performance levels. Indeed, if there is no performance need for the team approach, efforts spent to improve the effectiveness of the working group make much more sense than floundering around trying to become a team.

Having said that, we believe the extra level of performance teams can achieve is becoming critical for a growing number of companies, especially as they move through major changes during which company performance depends on broad-based behavioral change. When top management uses teams to run things, it should make sure the team succeeds in identifying specific purposes and goals.

This is a second major issue for teams that run things. Too often, such teams confuse the broad mission of the total organization with the specific purpose of their small group at the top. The discipline of teams tells us that for a real team to form there must be a *team* purpose that is distinctive and specific to the small group and that requires its members to roll up their sleeves and accomplish something beyond individual end-products. If a group of managers looks only at the economic performance of the part of the organization it runs to assess overall effectiveness, the group will not have any team performance goals of its own.

## Building Team Performance

Although there is no guaranteed how-to recipe for building team performance, we observed a number of approaches shared by many successful teams.

**Establish urgency, demanding performance standards, and direction.** All team members need to believe the team has urgent and worthwhile purposes, and they want to know what the expectations are. Indeed, the more urgent and meaningful the rationale, the more likely it is that the team will live up to its performance potential, as was the case for a customer-service team that was told that further growth for the entire company would be impossible without major improvements in that area. Teams work best in a compelling context. That is why companies with strong performance goals usually form teams readily.

**Select members by skill and skill potential, not personality.** No team succeeds without all the skills needed to meet its purpose and performance goals. Yet many teams ignore the skills they will need after they are formed. The wise manager will choose people not only for their existing skills and their potential to improve existing skills and learn new ones.

**Pay particular attention to first meetings and actions.** Initial impressions always mean a great deal. When potential teams first gather, everyone monitors the signals given by others to confirm, suspend, or dispel assumptions and concerns. They pay particular attention to those in authority: the team leader and any executives who set up, oversee, or otherwise influence the team. And, as always, what such leaders do is more important than what they say. If a senior executive leaves the team kickoff to take a phone call ten minutes after the session has begun and he never returns, people get the message.

**Set some clear rules of behavior.** All effective teams develop rules of conduct at the outset to help them achieve their purpose and performance goals. The most critical initial rules pertain to attendance (for example, "no interruptions to take phone calls"), discussion ("no sacred cows"), confidentiality ("the only things to leave this room are what we agree on"), analytic approach ("facts are friendly"), end-product orientation ("everyone gets assignments and does them"), constructive confrontation ("no finger pointing"), and, often the most important, contributions ("everyone does real work").

While the basic discipline of teams does not differ for them, teams at the top are certainly the most difficult. The complexities of long-term challenges, heavy demands on executive time, and the deep-seated individualism of senior people conspire against teams at the top. At the same time, teams at the top are the most powerful. At first we thought such teams were nearly impossible. That is because we were looking at the teams as defined by the formal organizational structure, that is, the leader and all his or her direct reports equals the team. Then we discovered that real teams at the top were often smaller and less formalized – Whitehead and Weinberg at Goldman, Sachs; Hewlett and Packard at HP; Krasnoff, Pall, and Hardy at Pall Corp; Kendall, Pearson, and Calloway at Pepsi; Haas and Haas at Levi Strauss; Batten and Ridder at Knight-Ridder. They were mostly twos and threes, with an occasional fourth.

Nonetheless, real teams at the top of large, complex organizations are still few and far between. Far too many groups at the top of large corporations needlessly constrain themselves from achieving real team levels of performance because they assume that all direct reports must be on the team; that team goals must be identical to corporate goals; that the team members' positions rather than skills determine their respective roles; that a team

must be a team all the time; and that the team leader is above doing real work.

As understandable as these assumptions may be, most of them are unwarranted. They do not apply to the teams at the top we have observed, and when replaced with more realistic and flexible assumptions that permit the team discipline to be applied, real team performance at the top can and does occur. Moreover, as more and more companies are confronted with the need to manage major change across their organizations, we will see more real teams at the top.

**W**e believe that teams will become the primary unit of performance in high-performance organizations. But that does not mean that teams will crowd out individual opportunity or formal hierarchy and process. Rather, teams will enhance existing structures without replacing them. A team opportunity exists anywhere hierarchy or organizational boundaries inhibit the skills and perspectives needed for optimal results. Thus, new-product innovation requires preserving functional excellence through structure while eradicating functional bias through teams. And front-line productivity requires preserving direction and guidance through hierarchy while drawing on energy and flexibility through self-managing teams.

*Set and seize upon a few immediate performance-oriented tasks and goals.* Most effective teams trace their advancement to key performance-oriented events. Such events can be set in motion by immediately establishing a few challenging goals that can be reached early on. There is no such thing as a real team without performance results, so the sooner such results occur, the sooner the team congeals.

*Challenge the group regularly with fresh facts and information.* New information causes a team to redefine and enrich its understanding of the performance challenge, thereby helping the team shape a common purpose, set clearer goals, and improve its common approach. A plant quality improvement team knew the cost of poor quality was high, but it wasn't until they researched the different types of defects and put a price tag on each one that they knew where to go next. Conversely, teams err when they assume that all the information needed exists in the collective experience and knowledge of their members.

*Spend lots of time together.* Common sense tells us that team members must spend a lot of time together, scheduled and unscheduled, especially in the beginning. Indeed, creative insights as well as personal

bonding require impromptu and casual interactions just as much as analyzing spreadsheets and interviewing customers. Busy executives and managers too often intentionally minimize the time they spend together. The successful teams we've observed all gave themselves the time to learn to be a team. This time need not always be spent together physically; electronic, fax, and phone time can also count as time spent together.

*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. If people in the group, for example, are alert to a shy person's initial efforts to speak up and contribute, they can give the honest positive reinforcement that encourages continued contributions. There are many ways to recognize and reward team performance beyond direct compensation, from having a senior executive speak directly to the team about the urgency of its mission to using awards to recognize contributions. Ultimately, however, the satisfaction shared by a team in its own performance becomes the most cherished reward.

We are convinced that every company faces specific performance challenges for which teams are the most practical and powerful vehicle at top management's disposal. The critical role for senior managers, therefore, is to worry about company performance and the kinds of teams that can deliver it. This means that top management must recognize

a team's unique potential to deliver results, deploy teams strategically when they are the best tool for the job, and foster the basic discipline of teams that will make them effective. By doing so, top management creates the kind of environment that enables team as well as individual and organizational performance.

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*How's Your Team?*

*In recent research, many executives have reported acute concern about how to build teams and how to work in teams. Few other skills, the data say, tap more intense interest among hundreds of managers. That's why we want to ask the community of HBR readers to deepen our knowledge on this subject, to let us learn from your experience.*

*The above article provides systematic findings on how and why teams work, and why some fail. We'd be grateful for a note from you on your personal experiences with teams. Please include your educational and work background and indicate any portions you do not want to be quoted. The authors are pleased to join us in studying your ideas, responding, and perhaps in further writing on teams.*

*We'd like to know if economic and technical changes have made teams more important to you in recent years. Do teams become critical as you move into higher management levels? Does MBA training help an executive to be more effective on teams? Less? Does previous success lock some executives into habits that inhibit their participation in teams or make them deaf to ideas from others? How can HBR be more useful in your own continuous improvement at team skills?*

*Please mail your comments to Teams, Harvard Business Review, Soldiers Field Road, Boston, MA 02163 or fax them to 617-495-9933 The Editors*

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Reprint 93207

# Leadership and Management Functions

<p><b>Leadership Function:</b> to produce adaptive change - move people to a place in which they are genuinely better off.</p>	<p><b>Management Function:</b> to keep a complex organization accurate, on time, and on budget.</p>
<p>Both managers and leaders are responsible for the following:</p> <ol style="list-style-type: none"> <li>1. Creating an agenda of what needs to be done</li> <li>2. Creating networks for achieving the agenda</li> <li>3. Execution of the agenda</li> <li>4. Outcomes</li> </ol> <p>They use different processes for addressing these responsibilities.</p>	
<p><b>Leadership Processes:</b> Establishing Direction Aligning People Motivating and Inspiring</p>	<p><b>Management Processes:</b> Planning and Budgeting Organizing and Staffing Controlling and Problem- Solving</p>

## Leadership

**Setting Direction** is commonly done through the development and communication of a vision of what the desired future could be - something that points toward where people ought to go in the future.

**Aligning people** is getting people to understand and believe the vision by communicating the vision repeatedly to all involved.

**Motivating and Inspiring** is to energize people to overcome major obstacles toward achieving a vision and producing the change by a) communicating, b) involving others in how to achieve the vision, c) supporting through feedback, coaching, modeling and enthusiasm, and d) recognizing and rewarding all successes.

## Management

**Planning and Budgeting** sets targets or goals for the future, establishes detailed steps for achieving the targets, and then allocates resources to accomplish the plans.

**Organizing and Staffing** establishes structure and jobs necessary to accomplish the plans, staffs the jobs, communicates the plan, delegates, and monitors.

**Controlling and Problem Solving** monitors results against plans and analyzes problems preventing the achievement of the plans.

## **KEY PROJECT LEADERSHIP AND MANAGEMENT SKILLS**

### **Sustaining Team Performance**

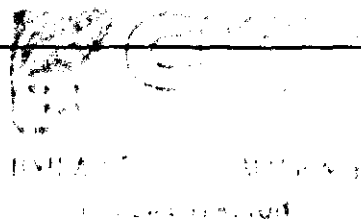
Serves as team leader and/or team member. Helps develop and sustain effective, high performing teams where individuals work productively together. Ensures team members understand and agree on the overall purpose/mandate of the team and are active in developing vision and direction for the future. Makes certain that individual team member are clear about their roles and responsibilities. Helps team develop a work plan and monitor the quality and progress of team activities against this work plan. Helps the team build and sustain a sense of mutual accountability for results. Helps make meetings work; optimizes participation while getting job done without wasting time. Helps team see how their results connect to the larger CIAT goals and objectives. Makes sure team values the importance of not only **what** they are trying to achieve, but also **how** they are working together to achieve results. Encourages systematic learning within the team on how to work together effectively.

### **Aligning People**

Works with others to create a vision and set direction for the future. Communicates this vision and direction to those whose cooperation is needed to achieve results. Provides on-going help in focusing attention on strategy and goals. Encourages participation of others and listens attentively to understand their perspectives. Articulates views, beliefs and values in compelling ways that engender support. Negotiates different points of view to reach mutually acceptable agreements. Demonstrates appropriate level of persistence in persuading and influencing others. Creates an environment where people feel empowered and committed to CIAT and project team goals and strategy.

### **Motivating and Inspiring**

Understands that the organization is "grieving" over recent losses, listens and expresses empathy; however, is able to demonstrate a positive attitude and keep people moving in the right direction despite resource constraints, downsizing, and uncertainty. Within this environment works with team to create a commonly-shared vision and direction. Speaks about the value of the work the Center is doing and the significant contribution the team and individual team members are making. Focuses the team on getting work accomplished and celebrates and encourages this achievement. Demonstrates fairness and transparency in dealing with others and insists that team members do the same.



**Problem Analysis and Decision Making**

Monitors, helps team monitor, work progress against the agreed-upon outputs or work plan, recognizes emerging problems and/or deviations from work plan, marshals appropriate people and resources to address difficulties and explore potential solutions. Due to the interconnectedness of CIAT project teams (multitasking of staff), takes a systemic approach when analyzing problems, involves other people appropriately, asks questions about broader implications. Exhibits skill in synthesizing information and developing options from which to make decisions. Involves team members appropriately in decisions - listens, consults, and either makes decisions or sees that decisions are made in a timely manner. Responds to both successes and mistakes as learning opportunities to increase skill in analysis and future decision making.

**Demonstrating Interpersonal Competence**

Understands that interpersonal competence is critical for success in team based organizations. Works to develop productive relations with team members, other CIAT staff, beneficiaries, donors, and partners based on trust, support, and mutual respect. Mobilizes the full participation of people of diverse backgrounds disciplines, and perspectives. Able to give and receive feedback both positive and corrective. Listens to others and considers their thoughts and feelings. Able to express own points of view without dominating other team members, is flexible and open to different approaches. Able to express his/her own emotions productively. Demonstrates a commitment to working collaboratively to resolve conflicts, confronts areas of disagreement openly, and finds win-win solutions whenever possible. Able to use humor to add a sense of enjoyment to working relationships.

**Accountability**

Understands and is committed to building a team environment of mutual accountability. Helps team define structure, gain agreement on tasks to be done, create work plans, and set performance standards so that all staff know what is expected of them. Delivers on his/her own promises and commitments and expects others to do the same. Offers help to others when they are experiencing problems. Takes responsibility when things go wrong. Gives clear and direct feedback when others have not delivered on their promises and commitments.

**External Relations**

Takes initiative to represent the team to the external world. Finds ways to authentically speak of current CIAT operations in positive ways. Develops productive relationships with beneficiaries, partners, and donors - seeks their opinions and feedback. Works with team to develop an outreach approach or strategy that effectively presents project purpose, accomplishments, and value added. Able to articulate this - "tell the project's story" - in

interesting and compelling ways. Energetic about finding resources. Represents the team effectively within the Center, including other project teams and the senior management team.

**Communicating**

Recognizes that access to needed information enables team members to do their work more productively. Supports patterns of communication that emphasizes participation, trust, and openness. Creates a climate where information is shared widely and in a timely way, and where people feel free to state views which are different from each others'. Effectively facilitates information sharing forums including staff meetings, one-on-one meetings, and written communication. Builds networks of people who are eager to share information. Practices good individual communication skills, particularly by demonstrating an ability to ask questions which involve people and by actively listening.



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# Leading Change: Why Transformation Efforts Fail

By John P. Kotter



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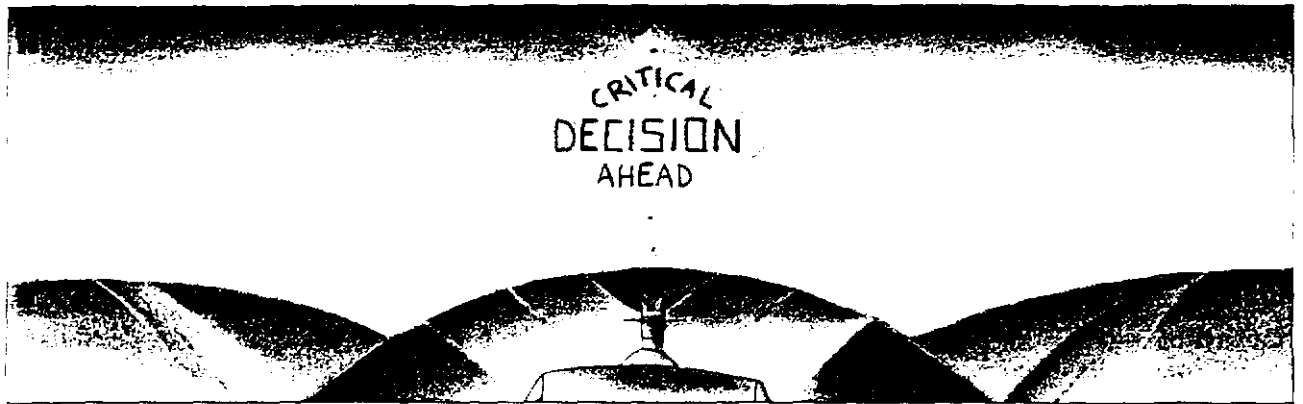
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# Leading Change:



## Why Transformation Efforts Fail

by John P. Kotter

Over the past decade, I have watched more than 100 companies try to remake themselves into significantly better competitors. They have included large organizations (Ford) and small ones (Landmark Communications), companies based in the United States (General Motors) and elsewhere (British Airways), corporations that were on their knees (Eastern Airlines), and companies that were earning good money (Bristol-Myers Squibb). These efforts have gone under many banners: total quality management, reengineering, right sizing, restructuring, cultural change, and turnaround. But, in almost every case, the basic goal has been the same: to make fundamental changes in how business is conducted in order to help cope with a new, more challenging market environment.

A few of these corporate change efforts have been very successful. A few have been utter failures. Most fall somewhere in between, with a distinct

tilt toward the lower end of the scale. The lessons that can be drawn are interesting and will probably be relevant to even more organizations in the increasingly competitive business environment of the coming decade.

The most general lesson to be learned from the more successful cases is that the change process goes through a series of phases that, in total, usually require a considerable length of time. Skipping steps creates only the illusion of speed and never produces a satisfying result. A second very general

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lesson is that critical mistakes in any of the phases can have a devastating impact, slowing momentum and negating hard-won gains. Perhaps because we have relatively little experience in renewing organizations, even very capable people often make at least one big error.

### Error #1: Not Establishing a Great Enough Sense of Urgency

Most successful change efforts begin when some individuals or some groups start to look hard at a company's competitive situation, market position, technological trends, and financial performance. They focus on the potential revenue drop when an important patent expires, the five-year trend in declining margins in a core business, or an emerging market that everyone seems to be ignoring. They then find ways to communicate this information broadly and dramatically, especially with respect to crises, potential crises, or great opportunities that are very timely. This first step is essential because just getting a transformation program started requires the aggressive cooperation of many individuals. Without motivation, people won't help and the effort goes nowhere.

Compared with other steps in the change process, phase one can sound easy. It is not. Well over 50% of the companies I have watched fail in this first phase. What are the reasons for that failure? Sometimes executives underestimate how hard it can be to drive people out of their comfort zones. Sometimes they grossly overestimate how successful they have already been in increasing urgency. Sometimes they lack patience: "Enough with the preliminaries; let's get on with it." In many cases, executives become paralyzed by the downside possibilities. They worry that employees with seniority will become defensive, that morale will drop, that events will spin out of control, that short-term business results will be jeopardized, that the stock will sink, and that they will be blamed for creating a crisis.

A paralyzed senior management often comes from having too many managers and not enough leaders. Management's mandate is to minimize risk and to keep the current system operating. Change, by definition, requires creating a new system, which in turn always demands leadership. Phase one in a renewal process typically goes nowhere until enough real leaders are promoted or hired into senior-level jobs.

Transformations often begin, and begin well, when an organization has a new head who is a good leader and who sees the need for a major change. If the renewal target is the entire company, the CEO is key. If change is needed in a division, the division general manager is key. When these individuals are not new leaders, great leaders, or change champions, phase one can be a huge challenge.

Bad business results are both a blessing and a curse in the first phase. On the positive side, losing money does catch people's attention. But it also gives less maneuvering room. With good business results, the opposite is true: convincing people of the need for change is much harder, but you have more resources to help make changes.

But whether the starting point is good performance or bad, in the more successful cases I have witnessed, an individual or a group always facilitates a frank discussion of potentially unpleasant facts: about new competition, shrinking margins, decreasing market share, flat earnings, a lack of revenue growth, or other relevant indices of a declining competitive position. Because there seems to be an almost universal human tendency to shoot the bearer of bad news, especially if the head of the organization is not a change champion, executives in these companies often rely on outsiders to bring unwanted information. Wall Street analysts, custom-

## One chief executive officer deliberately engineered the largest accounting loss in the history of the company.

ers, and consultants can all be helpful in this regard. The purpose of all this activity, in the words of one former CEO of a large European company, is "to make the status quo seem more dangerous than launching into the unknown."

In a few of the most successful cases, a group has manufactured a crisis. One CEO deliberately engineered the largest accounting loss in the company's history, creating huge pressures from Wall Street in the process. One division president commissioned first-ever customer-satisfaction surveys, knowing full well that the results would be terrible. He then made these findings public. On the surface, such moves can look unduly risky. But there is also risk in playing it too safe: when the urgency rate is not pumped up enough, the transformation process

# Eight Steps to Transforming Your Organization

## 1 Establishing a Sense of Urgency

Examining market and competitive realities  
Identifying and discussing crises, potential crises, or major opportunities

## 2 Forming a Powerful Guiding Coalition

Assembling a group with enough power to lead the change effort  
Encouraging the group to work together as a team

## 3 Creating a Vision

Creating a vision to help direct the change effort  
Developing strategies for achieving that vision

## 4 Communicating the Vision

Using every vehicle possible to communicate the new vision and strategies  
Teaching new behaviors by the example of the guiding coalition

## 5 Empowering Others to Act on the Vision

Getting rid of obstacles to change  
Changing systems or structures that seriously undermine the vision  
Encouraging risk taking and nontraditional ideas, activities, and actions

## 6 Planning for and Creating Short-Term Wins

Planning for visible performance improvements  
Creating those improvements  
Recognizing and rewarding employees involved in the improvements

## 7 Consolidating Improvements and Producing Still More Change

Using increased credibility to change systems, structures, and policies that don't fit the vision  
Hiring, promoting, and developing employees who can implement the vision  
Reinvigorating the process with new projects, themes, and change agents

## 8 Institutionalizing New Approaches

Articulating the connections between the new behaviors and corporate success  
Developing the means to ensure leadership development and succession

cannot succeed and the long-term future of the organization is put in jeopardy.

When is the urgency rate high enough? From what I have seen, the answer is when about 75% of a company's management is honestly convinced that business-as-usual is totally unacceptable. Anything less can produce very serious problems later on in the process.

## Error #2: Not Creating a Powerful Enough Guiding Coalition

Major renewal programs often start with just one or two people. In cases of successful transformation efforts, the leadership coalition grows and grows over time. But whenever some minimum mass is not achieved early in the effort, nothing much worthwhile happens.

It is often said that major change is impossible unless the head of the organization is an active supporter. What I am talking about goes far beyond that. In successful transformations, the chairman or president or division general manager, plus another 5 or 15 or 50 people, come together and develop a shared commitment to excellent performance through renewal. In my experience, this group never includes all of the company's most senior executives because some people just won't buy in, at least not at first. But in the most successful cases, the coalition is always pretty powerful—in terms of titles, information and expertise, reputations and relationships.

In both small and large organizations, a successful guiding team may consist of only three to five people during the first year of a renewal effort. But in big companies, the coalition needs to grow to the

20 to 50 range before much progress can be made in phase three and beyond. Senior managers always form the core of the group. But sometimes you find board members, a representative from a key customer, or even a powerful union leader.

Because the guiding coalition includes members who are not part of senior management, it tends to operate outside of the normal hierarchy by definition. This can be awkward, but it is clearly necessary. If the existing hierarchy were working well, there would be no need for a major transformation. But since the current system is not working, reform generally demands activity outside of formal boundaries, expectations, and protocol.

A high sense of urgency within the managerial ranks helps enormously in putting a guiding coalition together. But more is usually required. Someone needs to get these people together, help them develop a shared assessment of their company's problems and opportunities, and create a minimum level of trust and communication. Off-site retreats, for two or three days, are one popular vehicle for accomplishing this task. I have seen many groups of 5 to 35 executives attend a series of these retreats over a period of months.

Companies that fail in phase two usually underestimate the difficulties of producing change and thus the importance of a powerful guiding coalition. Sometimes they have no history of teamwork at the top and therefore undervalue the importance of this type of coalition. Sometimes they expect the team to be led by a staff executive from human resources, quality, or strategic planning instead of a key line manager. No matter how capable or dedicated the staff head, groups without strong line leadership never achieve the power that is required.



In failed transformations, you often find plenty of plans and programs, but no vision.

Efforts that don't have a powerful enough guiding coalition can make apparent progress for a while. But, sooner or later, the opposition gathers itself together and stops the change.

### Error #3: Lacking a Vision

In every successful transformation effort that I have seen, the guiding coalition develops a picture of the future that is relatively easy to communicate and appeals to customers, stockholders, and employees. A vision always goes beyond the numbers that are typically found in five-year plans. A vision says something that helps clarify the direction in which an organization needs to move. Sometimes the first draft comes mostly from a single individual. It is usually a bit blurry, at least initially. But after the coalition works at it for 3 or 5 or even 12 months, something much better emerges through their tough analytical thinking and a little dreaming. Eventually, a strategy for achieving that vision is also developed.

In one midsize European company, the first pass at a vision contained two-thirds of the basic ideas that were in the final product. The concept of global reach was in the initial version from the beginning. So was the idea of becoming preeminent in certain businesses. But one central idea in the final version—getting out of low value-added activities—came only after a series of discussions over a period of several months.

Without a sensible vision, a transformation effort can easily dissolve into a list of confusing and incompatible projects that can take the organization in the wrong direction or nowhere at all. Without a sound vision, the reengineering project in the accounting department, the new 360-degree performance appraisal from the human resources department, the plant's quality program, the cultural change project in the sales force will not add up in a meaningful way.

In failed transformations, you often find plenty of plans and directives and programs, but no vision. In one case, a company gave out four-inch-thick notebooks describing its change effort. In mind-numbing detail, the books spelled out procedures, goals, methods, and deadlines. But nowhere was there a clear and compelling statement of where all this was leading. Not surprisingly, most of the employees with whom I talked were either confused or alienated. The big, thick books did not rally them together or inspire change. In fact, they probably had just the opposite effect.

In a few of the less successful cases that I have seen, management had a sense of direction, but it was too complicated or blurry to be useful. Recently, I asked an executive in a midsize company to describe his vision and received in return a barely comprehensible 30-minute lecture. Buried in his answer were the basic elements of a sound vision. But they were buried—deeply.

A useful rule of thumb: if you can't communicate the vision to someone in five minutes or less and get a reaction that signifies both understanding and interest, you are not yet done with this phase of the transformation process.

### Error #4: Undercommunicating the Vision by a Factor of Ten

I've seen three patterns with respect to communication, all very common. In the first, a group actually does develop a pretty good transformation vision and then proceeds to communicate it by holding a single meeting or sending out a single communication. Having used about .0001% of the yearly intracompany communication, the group is startled that few people seem to understand the

**A vision says something that clarifies the direction in which an organization needs to move.**

new approach. In the second pattern, the head of the organization spends a considerable amount of time making speeches to employee groups, but most people still don't get it (not surprising, since vision captures only .0005% of the total yearly communication). In the third pattern, much more effort goes into newsletters and speeches, but some very visible senior executives still behave in ways that are antithetical to the vision. The net result is that cynicism among the troops goes up, while belief in the communication goes down.

Transformation is impossible unless hundreds or thousands of people are willing to help, often to the point of making short-term sacrifices. Employees will not make sacrifices, even if they are unhappy with the status quo, unless they believe that useful change is possible. Without credible communication, and a lot of it, the hearts and minds of the troops are never captured.

This fourth phase is particularly challenging if the short-term sacrifices include job losses. Gain-

ing understanding and support is tough when downsizing is a part of the vision. For this reason, successful visions usually include new growth possibilities and the commitment to treat fairly anyone who is laid off.

Executives who communicate well incorporate messages into their hour-by-hour activities. In a routine discussion about a business problem, they talk about how proposed solutions fit (or don't fit) into the bigger picture. In a regular performance appraisal, they talk about how the employee's behavior helps or undermines the vision. In a review of a division's quarterly performance, they talk not only about the numbers but also about how the division's executives are contributing to the transformation. In a routine Q&A with employees at a company facility, they tie their answers back to renewal goals.

In more successful transformation efforts, executives use all existing communication channels to broadcast the vision. They turn boring and unread company newsletters into lively articles about the vision. They take ritualistic and tedious quarterly management meetings and turn them into exciting discussions of the transformation. They throw out much of the company's generic management education and replace it with courses that focus on business problems and the new vision. The guiding principle is simple: use every possible channel, es-

kept reminding him of the desired behavior, and all the feedback from his peers and subordinates, which helped him see when he was not engaging in that behavior.

Communication comes in both words and deeds, and the latter are often the most powerful form. Nothing undermines change more than behavior by important individuals that is inconsistent with their words.

### Error #5: Not Removing Obstacles to the New Vision

Successful transformations begin to involve large numbers of people as the process progresses. Employees are emboldened to try new approaches, to develop new ideas, and to provide leadership. The only constraint is that the actions fit within the broad parameters of the overall vision. The more people involved, the better the outcome.

To some degree, a guiding coalition empowers others to take action simply by successfully communicating the new direction. But communication is never sufficient by itself. Renewal also requires the removal of obstacles. Too often, an employee understands the new vision and wants to help make it happen. But an elephant appears to be blocking the path. In some cases, the elephant is in the person's head, and the challenge is to convince the individual that no external obstacle exists. But in most cases, the blockers are very real.

Sometimes the obstacle is the organizational structure: narrow job categories can seriously undermine efforts to increase productivity or make it very difficult even to think about customers. Sometimes compensation or performance-appraisal systems make people choose between the new vision and their own self-interest. Perhaps worst of all are bosses who refuse to change and who make demands that are inconsistent with the overall effort.

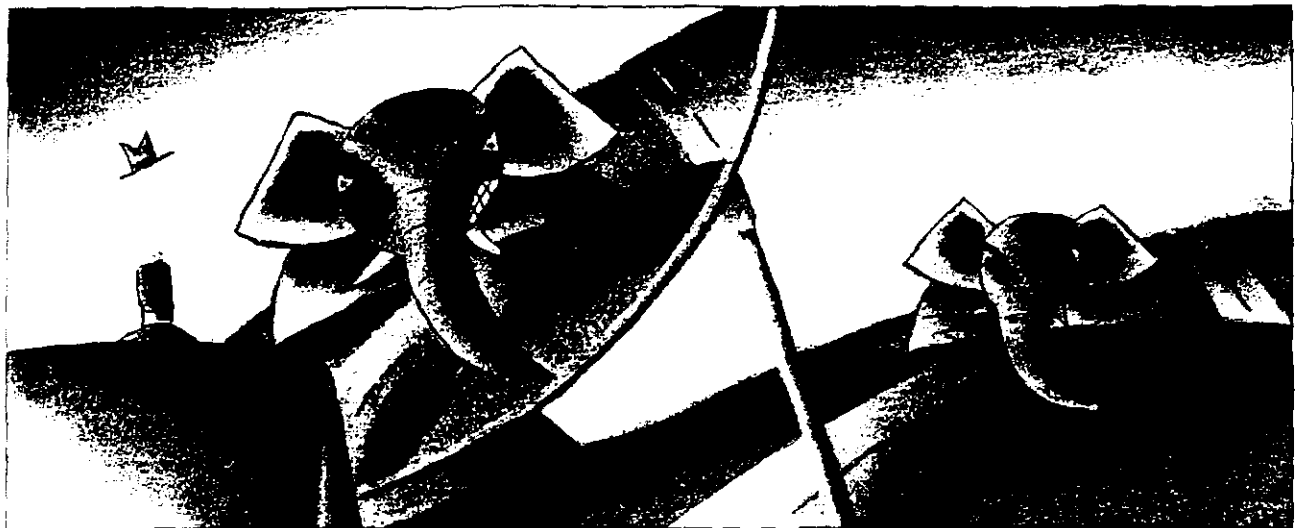
One company began its transformation process with much publicity and actually made good progress through the fourth phase. Then the change effort ground to a halt because the officer in charge of the company's largest division was allowed to undermine most of the new initiatives. He paid lip service to the process but did not change his behavior or encourage his managers to change. He did not reward the unconventional ideas called for in the vision. He allowed human resource systems to remain intact even when they were clearly inconsis-

## Worst of all are bosses who refuse to change and who make demands that are inconsistent with the overall effort.

pecially those that are being wasted on nonessential information.

Perhaps even more important, most of the executives I have known in successful cases of major change learn to "walk the talk." They consciously attempt to become a living symbol of the new corporate culture. This is often not easy. A 60-year-old plant manager who has spent precious little time over 40 years thinking about customers will not suddenly behave in a customer-oriented way. But I have witnessed just such a person change, and change a great deal. In that case, a high level of urgency helped. The fact that the man was a part of the guiding coalition and the vision-creation team also helped. So did all the communication, which





Too often, an employee understands the new vision and wants to help make it happen. But something appears to be blocking the path.

tent with the new ideals. I think the officer's motives were complex. To some degree, he did not believe the company needed major change. To some degree, he felt personally threatened by all the change. To some degree, he was afraid that he could not produce both change and the expected operating profit. But despite the fact that they backed the renewal effort, the other officers did virtually nothing to stop the one blocker. Again, the reasons were complex. The company had no history of confronting problems like this. Some people were afraid of the officer. The CEO was concerned that he might lose a talented executive. The net result was disastrous. Lower level managers concluded that senior management had lied to them about their commitment to renewal, cynicism grew, and the whole effort collapsed.

In the first half of a transformation, no organization has the momentum, power, or time to get rid of all obstacles. But the big ones must be confronted and removed. If the blocker is a person, it is important that he or she be treated fairly and in a way that is consistent with the new vision. But action is essential, both to empower others and to maintain the credibility of the change effort as a whole.

### Error #6: Not Systematically Planning For and Creating Short-Term Wins

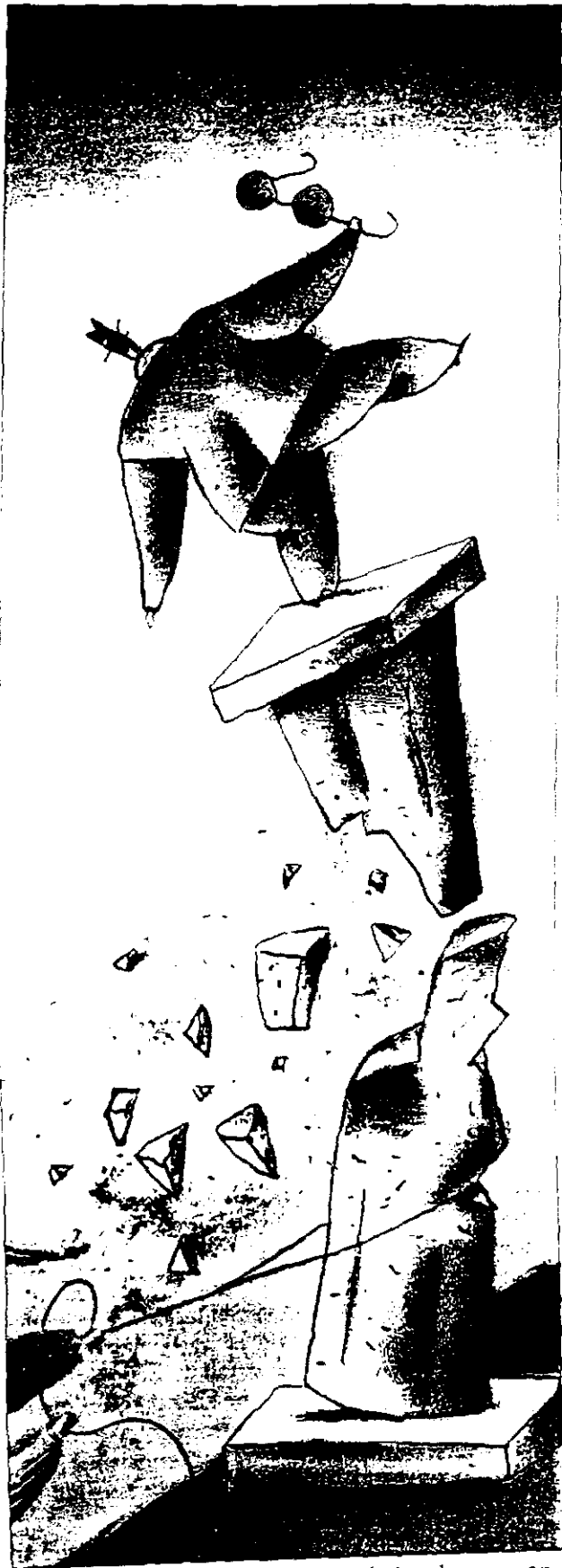
Real transformation takes time, and a renewal effort risks losing momentum if there are no short-term goals to meet and celebrate. Most people won't go on the long march unless they see compelling evidence within 12 to 24 months that the journey is producing expected results. Without short-term wins, too many people give up or active-

ly join the ranks of those people who have been resisting change.

One to two years into a successful transformation effort, you find quality beginning to go up on certain indices or the decline in net income stopping. You find some successful new product introductions or an upward shift in market share. You find an impressive productivity improvement or a statistically higher customer-satisfaction rating. But whatever the case, the win is unambiguous. The result is not just a judgment call that can be discounted by those opposing change.

Creating short-term wins is different from hoping for short-term wins. The latter is passive, the former active. In a successful transformation, managers actively look for ways to obtain clear performance improvements, establish goals in the yearly planning system, achieve the objectives, and reward the people involved with recognition, promotions, and even money. For example, the guiding coalition at a U.S. manufacturing company produced a highly visible and successful new product introduction about 20 months after the start of its renewal effort. The new product was selected about six months into the effort because it met multiple criteria: it could be designed and launched in a relatively short period; it could be handled by a small team of people who were devoted to the new vision; it had upside potential; and the new product-development team could operate outside the established departmental structure without practical problems. Little was left to chance, and the win boosted the credibility of the renewal process.

Managers often complain about being forced to produce short-term wins, but I've found that pressure can be a useful element in a change effort.



While celebrating a win is fine, declaring the war won can be catastrophic.

When it becomes clear to people that major change will take a long time, urgency levels can drop. Commitments to produce short-term wins help keep the urgency level up and force detailed analytical thinking that can clarify or revise visions.

### Error #7: Declaring Victory Too Soon

After a few years of hard work, managers may be tempted to declare victory with the first clear performance improvement. While celebrating a win is fine, declaring the war won can be catastrophic. Until changes sink deeply into a company's culture, a process that can take five to ten years, new approaches are fragile and subject to regression.

In the recent past, I have watched a dozen change efforts operate under the reengineering theme. In all but two cases, victory was declared and the expensive consultants were paid and thanked when the first major project was completed after two to three years. Within two more years, the useful changes that had been introduced slowly disappeared. In two of the ten cases, it's hard to find any trace of the reengineering work today.

Over the past 20 years, I've seen the same sort of thing happen to huge quality projects, organizational development efforts, and more. Typically, the problems start early in the process: the urgency level is not intense enough, the guiding coalition is not powerful enough, and the vision is not clear enough. But it is the premature victory celebration that kills momentum. And then the powerful forces associated with tradition take over.

Ironically, it is often a combination of change initiators and change resisters that creates the premature victory celebration. In their enthusiasm over a clear sign of progress, the initiators go overboard. They are then joined by resisters, who are quick to spot any opportunity to stop change. After the celebration is over, the resisters point to the victory as a sign that the war has been won and the troops should be sent home. Weary troops allow themselves to be convinced that they won. Once home, the foot soldiers are reluctant to climb back on the ships. Soon thereafter, change comes to a halt, and tradition creeps back in.

Instead of declaring victory, leaders of successful efforts use the credibility afforded by short-term wins to tackle even bigger problems. They go after systems and structures that are not consistent with the transformation vision and have not been confronted before. They pay great attention to who is promoted, who is hired, and how people are developed. They include new reengineering projects that are even bigger in scope than the initial ones. They

understand that renewal efforts take not months but years. In fact, in one of the most successful transformations that I have ever seen, we quantified the amount of change that occurred each year over a seven-year period. On a scale of one (low) to ten (high), year one received a two, year two a four, year three a three, year four a seven, year five an eight, year six a four, and year seven a two. The peak came in year five, fully 36 months after the first set of visible wins.


### Error #8: Not Anchoring Changes in the Corporation's Culture

In the final analysis, change sticks when it becomes "the way we do things around here," when it seeps into the bloodstream of the corporate body. Until new behaviors are rooted in social norms and shared values, they are subject to degradation as soon as the pressure for change is removed.

Two factors are particularly important in institutionalizing change in corporate culture. The first is a conscious attempt to show people how the new approaches, behaviors, and attitudes have helped improve performance. When people are left on their own to make the connections, they sometimes create very inaccurate links. For example, because results improved while charismatic Harry was boss, the troops link his mostly idiosyncratic style with those results instead of seeing how their own improved customer service and productivity were instrumental. Helping people see the right connections requires communication. Indeed, one company was relentless, and it paid off enormously. Time was spent at every major management meeting

to discuss why performance was increasing. The company newspaper ran article after article showing how changes had boosted earnings.

The second factor is taking sufficient time to make sure that the next generation of top management really does personify the new approach. If the requirements for promotion don't change, renewal rarely lasts. One bad succession decision at the top of an organization can undermine a decade of hard work. Poor succession decisions are possible when boards of directors are not an integral part of the renewal effort. In at least three instances I have seen, the champion for change was the retiring executive, and although his successor was not a resistor, he was not a change champion. Because the boards did not understand the transformations in any detail, they could not see that their choices were not good fits. The retiring executive in one case tried unsuccessfully to talk his board into a less seasoned candidate who better personified the transformation. In the other two cases, the CEOs did not resist the boards' choices, because they felt the transformation could not be undone by their successors. They were wrong. Within two years, signs of renewal began to disappear at both companies.

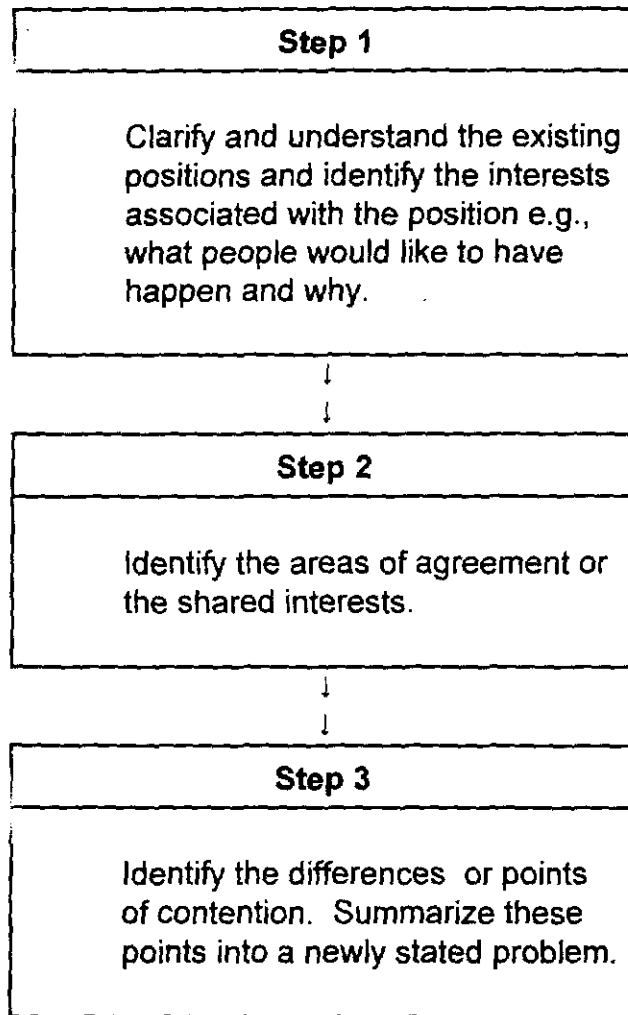
There are still more mistakes that people make, but these eight are the big ones. I realize that in a short article everything is made to sound a bit too simplistic. In reality, even successful change efforts are messy and full of surprises. But just as a relatively simple vision is needed to guide people through a major change, so a vision of the change process can reduce the error rate. And fewer errors can spell the difference between success and failure. 

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## Collaborative Approach to Managing Conflict: Five Steps to Success<sup>4</sup>

### Phase 1- Differentiation: Understand the Nature of the Conflict

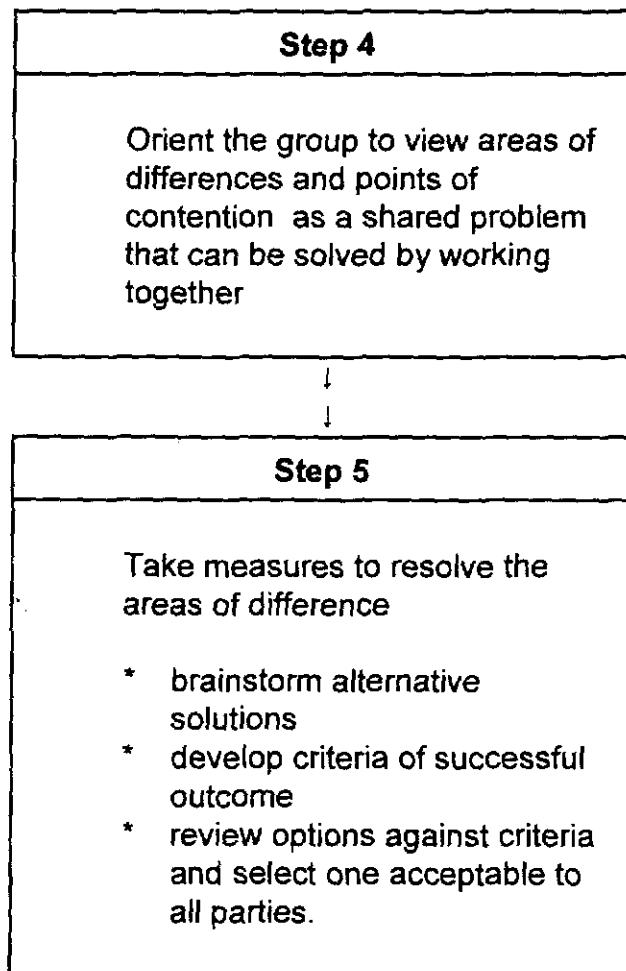
Parties in conflict describe the issues that divide them and ventilate their feelings about the issues and each other. Each person is allowed to state his or her views and receive some indication that these views are understood by the other principals.



<sup>4</sup> Adapted from Thomas A. Kayser's book, Building Team Power: How to Unleash the Collaborative Genius of Work Teams, Irwin Professional Publishing, Burr Ridge, Illinois, New York, New York

## Phase 2 - Integration: Orient the Group and Resolve

In this phase, the parties need to acknowledge their common goals, own up to positive aspects of the ambivalences, express warmth and respect, or engage in other positive actions to manage their conflict.



## **A COLLABORATIVE APPROACH TO MANAGING CONFLICT**

**Use these guidelines for engaging in a conversation with another person(s) to resolve a conflict in a collaborative way.**

### **1. Set the climate**

State that you believe there to be a difference of opinion or conflict between the two of you about....., and that you want to work together to resolve that conflict. Say that you want to resolve the conflict in a win/win way in order for you both to get your needs met.

### **2. Clarify and understand one another's point of view (position) and why (interests) it is of importance to that person.**

Invite the other person to go first. Say, "Tell me about your point of view and why it is important to you." Ask questions to understand. Paraphrase what you understand. Do not get into a debate about anything at this point. Just try to understand and demonstrate to the other person that you understand. (Understanding the other person's point of view does not mean you agree with it.)

Then, present your own point of view. Help the other person understand you. Do not argue with them or try to persuade them. Concentrate on increasing their understanding of your position.

### **3. Identify the areas of agreement or shared interests.**

Say, "let's identify our shared interests and areas of agreement first." Talk a bit about your common interests.

### **4. Identify the differences or points of contention. Try to summarize these points into a newly stated problem which you can both work to solve.**

Say, "Let's identify or describe our differences. One thing I see us disagreeing on is...." Ask their opinion. Say, "What do you see as our differences?" Use active listening skills to keep this conversation moving forward. If there are several areas of difference, use the flipchart to list them.

Say, "How can we turn these differences into a problem we can work together to resolve?" Try to come up with a problem statement. (Example: How can we meet your client's needs and still come in under budget? Or How can we provide support to your team after 5 p.m. without taking advantage of any one secretary?)

**5. Work together to develop a solution(s) to the problem.**

Say, "Let's try to come up with a mutually satisfying solution to this problem, one that meets your needs and mine." Try brainstorming a list of alternative solutions. Use the flipchart or a yellow pad. List as many possible solutions as you can think of. Do not stop to evaluate the suggestions as they are generated. That will limit your creativity.

Select the solution that does the best job of meeting both your needs. Do not try to lobby for a solution that is better for you than for him/her. If the solution does not satisfy the other person, do not push it. If the other person pushes for a solution that serves him/her more than it does you, state clearly and firmly why you cannot live with that solution.

### Personal Notes

There are 4 phases of a project cycle  
1. Planning  
2. Execution  
3. Monitoring  
4. Evaluation

→ Team work: execution work.

goals

Questions

monitoring

Execution

Two phases!

work

beginning to end

open ended

close the project

closed

important / result of feedback

→ Discuss work plans of individual team members in teams!

→ You can take team exercises and integrate this to the next workshop  
- leader success and goal  
- example: leader of a team



### Personal Notes



Priority info available via...

1<sup>st</sup> Staff

2<sup>nd</sup>/<sub>3<sup>rd</sup></sub> day / partners in a room

business with challenges to the face  
many elements

People always reacts:

"want to go for me!" ← direct here

open mission information

- not that well within network/structure
- when do they come in for face about

apply this to staff

- time
- colleague to HR site

reimburse  
log post  
get out of post

Remind: Optimism  
enthusiasm

Beats - what's in it for me  
→ ego vs. group

check can the person be motivated?



**Personal Notes**



**Personal Notes**



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**Personal Notes**



**Personal Notes**



**Personal Notes**



## Personal Notes

