CHAPTER II

LITERATURE REVIEW

In this chapter, literature on teamwork will be presented. Empirical studies related to teamwork will also be presented.

Team undoubtedly conjures different images to different people. Some think of a sports team while others envision workplace teams; teams that cut across functional lines, teams on which labour and management collaborate, teams that direct their own activities without supervisions.

What do all these teams have in common ? Jon Katzenbach and Douglas Smith of McKinsey consultant (1993) describe teams as " ***A team is a small number of people with complimentary skills who are committed to common purpose, performance goals, and approach for which they hold themselves mutually accountable.***"

The important elements of this definition are complimentary skills, common purpose, and mutual accountability. Without these elements, a team may be little more than a loose collection of individuals with nothing more in common than employment by the same company and a few identical appointments on their calendars.

The concept of teamwork has never been more important in the management of organisations today than it was a decade ago. Management of many organisations

globally has placed greater emphasis on teamwork, undoubtedly an important ingredient to achieve organisation excellence. The rapid changes in the social, technological and informational fields have posed an unprecedented level of stress never before encountered by organisations. Organisations can no longer depend on a few peak performers or superheroes. The complexity of today's business requires effective and efficient groups to compete and to achieve performance that matches expectations of stockholders.

If organisations are to survive, it must find ways of tapping the creativity and potential of people at all levels. K.Blanchard (Build High Performance Team: 1993) described teamwork as " ***a movement toward participation and involvement so strong that it's called the Third Revolution in management practice. A new organisational structure is coming into its own - the team which increases ownership and commitment, unleashes creativity and builds skills. Today's leader must be an enabler of people and facilitators of groups - not only as an affective group leader but as effective group member as well***"

Definitely, organisations are giving more attention on teamwork. Managers and supervisors alike realised that in order to succeed and effectively lead in their current businesses, developing their subordinates into effective teams becomes a primary objective. No doubt that to some, topics of teams in organisations is of only peripheral concerns. However it is worth noting Blanchard's(1993) comments that ***"Most managers spend no less than 50 percent - and possibly as much as 90 percent - of their working time in some type of group activity. Groups or teams are the backbones***

of organisations. They can produce more and better solutions to problems than individuals can." Whether the figures are accurate or not is of no real concern. The evidence to date is fairly conclusive: teams are capable of outstanding performance and they must therefore be worth serious consideration. CEO of Allied Signal (1993) was quoted to have said that " ***there will continue to be an emphasis on teamwork as opposed to individual contribution. Hierarchy and authoritarian structures don't involve as many people, so employees don't buy it. And therefore they tend to be less successful.***"

Organisations must be clear on objectives of creating teams, must follow up with support, encouragement and nurture them in the best possible manner. Susan Mohrman (1994) in the preface of her book on team-based organisations is of the opinion that of late organisations are flattening their structures and creating teams to produce products and deliver services more effectively to customers. Yet making the successful transition to teams has proven to be a challenging and daunting process. An effective team-based organisations requires more than mere formation of teams. It demands a fundamental change in the design and practice of the organisation itself.

Teamwork is the process which allows the organisation to empower its staff to make and implement decisions. The corporate culture within which teams operate will ultimately determine how successful or unsuccessful teams will be. Jerry Junkins, CEO of Texas Instruments was quoted as saying " ***Of the strengths that separate us from other companies, the number 1 thing is our teams and teamwork. We have about***

1,900 teams across our group at all levels. Teamwork allows us to accomplish things better than we could do it any other way."

Effective teams are necessary for the continual growth, development and day-to-day management of an organisation. An effective team consists of individuals, delivering boundless energy and commitment, who take responsibility for problems and actions, who have clear direction and mission in their work and who value the organisation's goal as much as their own personal goals. Charles P . McCormack said on teams *" Two men working as a team will produce more than three men working as individuals".* Thus the important elements in team work are a sense of responsibility, clear direction, mission and organisational goals as personal goals. In other words, when all these elements are present, individuals are unified in purpose and are able to co-operate and work as a team.

The most recent observation of companies world-wide indicates that organisations are abandoning the outmoded tradition of dividing workprocesses into compartmentalised functions and opting for simplified tasks. In these companies, managers are taking away the unnecessary supervisory structures and they are empowering teams to improve quality, enhance customer responsiveness and increase efficiency and productivity. At all levels in the most up-to-date organisations, the flat, lean and team-based structures and high-involvement workplaces are high in the priority list of the most effective managers. Robert Townsend, former President of Avis - Rent- a- Car had this opinion on organisations *" Good organisations are living*

bodies that grew new muscles to meet challenges. An organisation chart demoralises people. Nobody thinks himself as below other people. And in good company, he isn't"

Why the change to team-based concept ?

Advocates of team-based concept argue that the loss of competitive market positions and changing social values have led to the rethink of how jobs are designed, how functions are organised and the level of autonomy given to teams. But the real reasons of this trend toward teamwork is simple : ***Teamwork works***.

Teamwork helps companies gain speed, shed unnecessary work, consistently delivering high gains in productivity, quality and job satisfaction.

Organising interdependent work functions and business processes into teams and challenging team members to reach business objectives such as quality customer services is not an easy task. Team has to be given autonomy to get things done and team members are given opportunity to develop and grow. Feedback on how well teams are performing need to be provided to them. The emphasis is on trust and belief in people. Companies which are willing to give teamwork idea a chance by closing the gaps between those who manage and those who work with enlightened idea of co-operation, are discovering benefits that exceed the highest expectations.

How has the upsurge in teams and teamwork come about ? Kenneth Stoth and Allan Walker (1995) opined that ***" there are many possible answers, but at the root of them is the manager's dilemma, best expressed in two key questions . First, how does the manager mobilise the energy and talent of organisational members to achieve***

organisations goals? Second, how is a climate established in which there is commitment, involvement and high performance?" Ends and Page (1977) commented that solving these problems has inevitably led to a realisation of considerable benefits of people working together to draw their collective capabilities. It has also led to a recognition that people are the most important resource, and that using a pool of knowledge and experience in a productive way leads to improvements in products and service quality.

Attitudes of contemporary managers have also changed. Graham (1991) noted that the autocratic stereotype has been placed by a notion of managers as team leader and "transformer", with a belief that working together to achieve results is a model for modern times. ***The emphasis has moved from getting, by order, the most out of individuals to that of creating the conditions in which they, as parts of group and their own volition, will want to give the best. The new managerial mode requires changes in perception and a subtle understanding of the dynamics involved in group-work***

The importance of effective teamwork was described by Horak (1991: 65) on the study of teamwork amongst hospital staff. The study concluded that differences in mortality in intensive care units are directly influence by the level of involvement and interactions between physicians and nurse.

There are organisations which believe that teamwork is adequate even when it barely exists. Some of them claim that they have a good team of people here in their organisations, which may represent a gross distortion of reality. But how does one

detect the imperfections in teamwork ? Some symptoms of bad teamwork is provided by Woodcock (1989:). These include frustration, little inspiration, lack of commitment and motivation, backstopping and rivalry between departments, grumbling and retaliation, unhealthy competition, and jockeying for organisational position, influence or perks. This indicates some of dysfunctional behaviour. Therefore, part of the challenge in management is to transform these negative behaviours into positive and supportive behaviours in order for the teams to function effectively.

On teamwork in manufacturing industries, Jeffrey L. Funk (1992) observed that teamwork in manufacturing industries has increased significantly in importance over the last 70 years. Increase product and process complexity and shorter product lives have been the major reasons for this shift. The dramatic changes in discrete parts manufacturing have made teamwork more important to the performance of the production process. The production process is an example of Porter's concept of value chain. Firms translate inputs from suppliers into outputs to customers. The ultimate value a firm creates is measured by the amount buyers are willing to pay for its service and products. A firm is profitable if this value exceeds the collective cost of performing all of the required activities.

In a recent article on teamwork, Business Week concluded that American companies are now discovering what the Japanese learned long time ago: People - not technology alone or marketing ploys, are the keys to success in global competition .

Lundy (1994) posed the question of how could we possibly hope to :

- *establish optimal goals,*
- *clarify expectations and strategies*
- *perform most effectively and efficiently*
- *follow through to timely completion and*
- *achieve success after success after success*

if we don't establish good teamwork? He appropriately coined the following positive attributes from the word "TEAMS".

- **T***ogether*
- **E***ach*
- **A***chieves*
- **M***ore*
- **S***uccess*

Up to now, there has been no consensus on the definition of team. As such, there is no common construct to measure the effectiveness of team building.

RESEARCH IN TEAMWORK

Team development has received much attention in view of the widespread support for teams in organisations in the prevailing times where changes are happening rampantly. Bradford (1990:140) proposed number of reasons which are related to organisations' responses to changes. They include:

- ***After size reduction when new management teams must be formed.***
- ***At the beginning of productivity drive.***
- ***As part of quality enhancement programme.***
- ***To introduce technological change.***
- ***As part of major policy and programme shift.***

Stott and Wallker (1995) agreed that the above are reasonable suggestions, but they contended that research that relate the suggestion to team development have been inconclusive. They gave two reasons for this; firstly the ambiguity in the definition of teamwork, (in fact there are numerous different definitions and interpretations of teamwork) and secondly the research methodology is weak probably due to the earlier reason.

Margerison (1988) in his project, examined a team of airline pilots recommended that further study on team development should be conducted blind folded, that is observers would not know whether the subjects had participated in a team development interventions. This raises another issue, that is much of the research into teams and participative decision making has been experimental and conducted with heterogeneous groups working under laboratory conditions (Wynn and Guditus 1984). For example we may wish to understand relationship between co-operation in teams and performance amongst permanent groups of professional managers who are dealing with complex managerial problems. In this condition it is difficult to transpose the findings to the actual context.

De Meuse and Libowitz (1981) analysed a number of studies and provide useful information on 'teamwork' intervention:

- ***Initial reactions***: These are remarks made soon after the event and relate to the perceived usefulness of the team development programme. As a dependent variable, it may be useful in deciding whether to continue the effort.

- ***Attitudinal and perceptual changes***: The variable is concerned with subjective assessment of changes in the group's condition, and may include such factors as climate, openness, trust, and relations between members. Many of the studies that the authors examined measured this variable, but there was a vast range of concepts covered.

- ***Behavioural changes***: These are concerned with the behaviours of team members that might have been changed through the team development event. Such behaviours included work group performance, turnover , and critical incidents.

- ***Organisational changes***: Unlike the first three, which are all concerned with intra-group responses, these relate to the wider organisation. It is proposed that changes in a team will have an effect in the wider organisation of which the team is a part. Measures used included productivity, turnover and conflict.

More studies found positive behavioural and organisational changes than attitude changes. De Meuse and Liebowitz concluded that the results suggested that team development is consistently effective for enhancing individual attitudes and perceptions and improving individual and organisational performance, with a greater emphasis on the latter. Horak (1991) suggested evaluation of long-term effectiveness may need to take place, rather than short-term measures currently made. As Wolf (1988) observed in discussing interpersonal teambuilding, there is no data to support the belief that lasting benefits are produced, and it is this long-term perspective that is vital in considering teamwork development.

The studies indicated that probably the critical factor in improving future research into team development is agreement on definition of the intervention programme with standard activities. This matter should be looked into in great details by future researchers.

Locally, there has been a dearth of research in this area. Most of the efforts conducted on teamwork were private in nature. Firms that practised teambuilding do it for organisational benefits where private consultants are usually engaged. Academic research on team building is new.

CHAPTER III

RESEARCH METHODOLOGY

This chapter outlines the methodology employed for the study. It includes discussion on the selection of measures, research instruments, sampling design, data collection procedures and the statistical techniques used to analyse the research data.

The Selection of Measures

The areas of interest in this study include the measurement of 'Team Performance Rating' as perceived by members of the team, the effectiveness of the team-awareness program known as 'Team Dynamics', and the assessment on group effectiveness and interpersonal processes.

Team Performance Rating

Section A of the survey measures 'Team Performance Rating'. 'Team Performance Rating' is a model administered by Blanchard (1992) to measure the