

CHAPTER

Building the Team:

4

Tasks, People, and Relationships

Jacqui Lopez, a producer with Industrial Light and Magic, leads what Cheryl Dahle (1999) calls an “extreme” team—where ordinary people are called upon to achieve extraordinary results. According to Lopez, “The trickiest part of the job is when you’re on your 18th straight day of work, when you’ve been at it for 14 hours a day, when the director is screaming at you and the studio is up in arms—and you have to keep all the stress from filtering down to your crew. In film, we can’t miss our deadline, but if I start pressuring artists about time and budget, then creativity suffers” (Dahle, 1999, p. 310). Her team uses parallel processing to achieve great results. Meetings are a series of entrances and exits; no one sits through an entire session. Animators leave as soon as their shots are critiqued; production assistants leave when they get new assignments; model-makers exit after they give their opinions on the logistics for a new scene. “When there’s work to be done, keeping people in a meeting longer than they need to be there is pointless and aggravating” (p. 312). The leaders of this team have created an environment in which people can perform at a high level and not be burned out when they are done. This is critical because everyone knows that three months later, they will all be working as a team on another project.

Seasoned managers recognize that their success in large part depends on how effectively they can build and maintain a well-functioning team, and how they can sustain high performance over time. Managing an effective team involves two sets of responsibilities: (1) managing the internal dynamics of the team itself—that is, specifying the task, selecting the members, and facilitating the team process; and (2) managing the external dynamics of the team—navigating the organizational environment and managing relationships with those on whom the team is interdependent (Ancona, 1990). We refer to these dual processes as “internal team management” and “external team management.” Beginning with this chapter in Part II, we focus on internal team dynamics. The starting point presumes that the manager has determined that teams are necessary to do the work required. For expositional purposes, we take the point of view of the manager when we discuss building the team. However, we do not presume a manager-led team; all of our messages can be extended to the team as its own manager (i.e., as in the case of self-managing and self-designing teams). This chapter takes you through the steps involved in building a team and keeping it running smoothly. The goal of this chapter is to create a tool kit for the busy manager to use in developing and maintaining teams. In Part III, we focus on external team dynamics.

BUILDING THE TEAM

In a 1995 survey distributed to 134 separate project teams in 88 companies in the United States, respondents indicated that “despite positive indications on some of the key team building elements, overall results show companies are generally doing a poor job of team building. Lack of effective rewards, inadequate individual and team performance feedback mechanisms, lack of project management skills, and inadequate individual and team goal-setting are all weak areas” (Tippett & Peters, 1995, p. 29). (For an example of poor team design that was eventually turned around, see Sidebar 4-1.)

Sidebar 4-1. Turning Poor Team Design Around

When Rexam Custom in Matthews, North Carolina, a division of Rexam PLC, first employed teams, the outcome was a failure. Why? The team was too large, which made meetings impossible for anything other than information sharing and updating; there was a lack of goals or objectives, which led to members attending meetings with the sense that anything was fair game. Thus, they addressed everything from capital improvements to pay and benefits. The resulting frustrations often led to extended gripe sessions. Teams were poorly structured, and, as a result, members often had different and competing interests. Members did not share information, and meetings became a competition between conflicting priorities. Consequently, meetings rarely resulted in any action steps or outcomes. After identifying and correcting these key problems, Rexam was able to successfully implement their team-based approach (Pope, 1996).

Any team, whether it is manager-led, self-managing, self-directing, or self-governing, can be better understood and improved by examining its internal dynamics. Contrary to popular thought, it is more important to have a well-designed team than a team with a good leader. For example, in an intensive study of customer service teams at Xerox with team sizes ranging from three to 12 persons, well-designed teams were more successful on a number of key organizational effectiveness criteria—assuming collective responsibility, monitoring their own performance, managing their own task strategies, and customer approval—than were poorly designed teams (Wageman, 1997). Poorly designed teams, even under good leadership, were significantly less effective. In the case of Xerox, team effectiveness was judged by supervisors as well as customers, thus providing a comprehensive view of team effectiveness.

It may be more important to have excellent team members than to have an excellent leader to achieve success. Perhaps this is why many leaders prefer to hire people smarter than they are.

Once it is determined that a team is desirable for the work and viable within the organization, then the manager must focus intently on three key aspects of building a team: the *task*, the *people*, and the *relationships* among team members. These three critical internal dynamics are illustrated in Figure 4-1. Phase 1 concerns the **task** facing the team. Does it call for creativity or problem solving? Is it purely cooperative or do members compete with one another? Phase 2 concerns the **people** on the team. How should team members be selected? What level of diversity is best? Phase 3 involves the **relationships** among the group members in terms of how they do their work together.

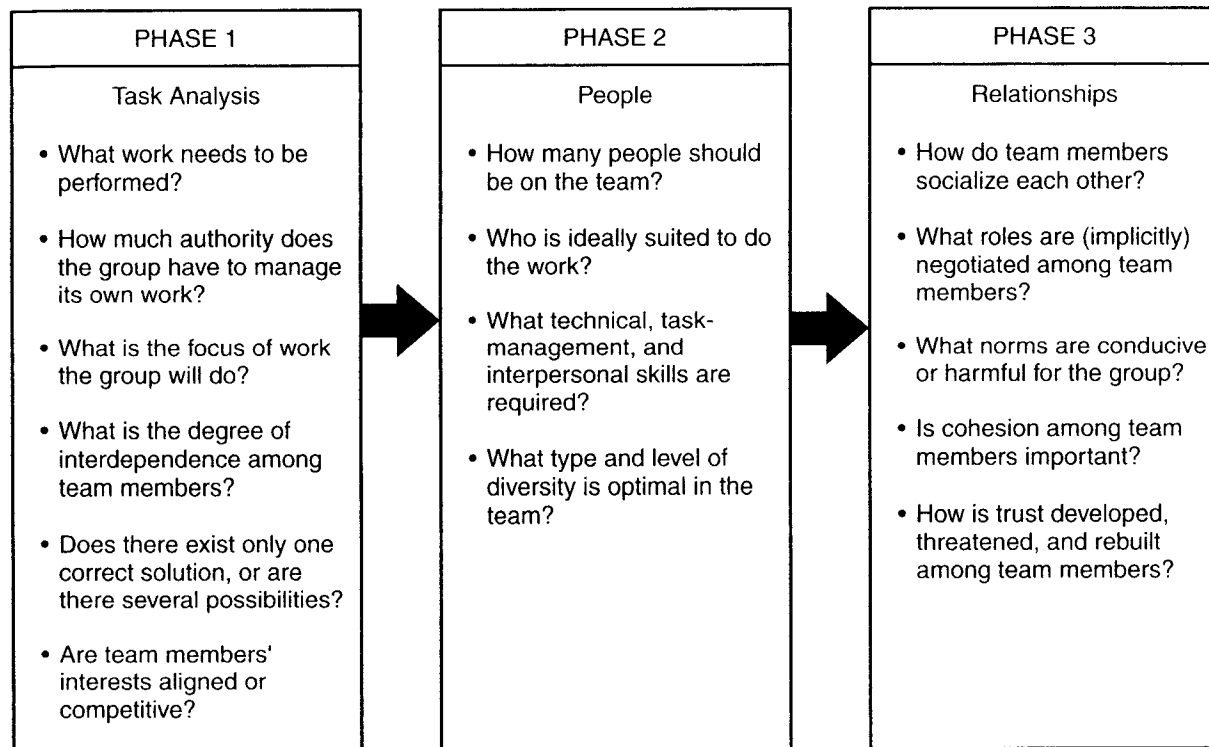


FIGURE 4-1 Internal Dynamics: Key Questions to Ask When Building the Team

Is there a norm of challenging one another? Do members feel cohesive? Do team members trust one another?

These three factors—tasks, people, and relationships—form the basic, internal system of teamwork. Just like Rome, the building and maintenance of a team is not something that is accomplished in a day. We begin by discussing the task, then we move to the people, and we conclude by discussing the relationships.

THE TASK: WHAT WORK NEEDS TO BE DONE?

What practices and structures need to be put into place to achieve highly functioning teams? To a great extent, this is determined by the nature of the work that groups are doing. For example, some teams make products, some teams provide services, other teams make decisions, and still others provide advice and consultation. The nature of the work sets constraints on design. However, there is much variation in team design, even among companies doing very similar types of work—and sometimes even large variation among teams within the same company!

Obviously, there is no single recipe for optimal team design—it depends on the type of work the team is doing, the structure of the organization, and so on. However, managers often do not think carefully about team design, leaving it up to the team to work out on their own or falling back on traditional, functional practices. If left to their own devices, teams rarely explicitly plan or develop performance strategies (Hackman, Brousseau, & Weiss, 1976; Weingart, 1992). Those that do, however, usually perform

better, especially when the appropriate performance strategy is not obvious (Hackman et al., 1976). It is useful to distinguish **preplanning** (before actually performing the task) and **on-line planning** (during the task itself; Weingart, 1992). Teams permitted to plan between periods of task completion perform better than those that plan only during periods of task completion or do not have opportunities to discuss and develop plans (Shure, Rogers, Larsen, & Tasson, 1962).

In keeping with our goal of providing choices for managers, we raise some critical team design issues in the following sections. We suggest that managers and team designers work through each of these issues when thinking about team design and redesign.

How Much Authority Does the Team Have to Manage Its Own Work?

In short, what is the ratio of team governance to managerial governance? This issue was raised in Chapter 1, where we presented four types of teams: manager-led, self-managing, self-directing, and self-governing. There is an inherent trade-off here. The more authority team members have to manage their own work, the more likely they are to be motivated and highly involved in the work. However, this comes at a loss of control for the manager. Furthermore, when teams set and carry out their own objectives, they may not be aligned with those of the larger organization.

What Is the Focus of the Work the Team Will Do?

Obviously, the possibilities are endless. However, it is helpful to distinguish three types of tasks that teams do: tactical, problem solving, and creative. Table 4-1 describes tactical, problem solving, and creative teams and the disadvantages and advantages of each.

Tactical teams are those in which the key objective is to execute a well-defined plan. For tactical teams to be successful, there must be a high degree of task clarity and

TABLE 4-1 Types of Work That Teams Do

| Broad Objective | Dominant Feature | Process Emphasis | Threats |
|-----------------|------------------|---|---|
| Tactical | Clarity | <ul style="list-style-type: none"> • Directive, highly focused tasks • Role clarity • Well-defined operational standards • Accuracy | <ul style="list-style-type: none"> • Role ambiguity • Lack of training • Communication barriers |
| Problem solving | Trust | <ul style="list-style-type: none"> • Focus on issues • Separate people from problem • Consider facts, not opinions • Conduct thorough investigation • Suspend judgment | <ul style="list-style-type: none"> • Failure to stick to facts • Fixate on solutions • Succumb to political pressures • Confirmatory information search |
| Creative | Autonomy | <ul style="list-style-type: none"> • Explore possibilities and alternatives | <ul style="list-style-type: none"> • Production blocking • "Lumpy" participation |

Source: Adapted from Larson, C. E., & LaFasto, F. M. 1989. *Teamwork: What Must Go Right/What Can Go Wrong*. Newbury Park, CA: Sage.

unambiguous role definition. Some examples of tactical teams include cardiac surgery teams, military teams, many sports teams, and other teams that are tightly organized (see LaFasto & Larson, 2001).

Problem-solving teams are those that attempt to resolve problems, usually on an ongoing basis. To be effective, each member of the team must expect and believe that interactions among members will be truthful and of high integrity. Thus, a key feature of problem-solving teams involves trust and respect. Some examples of problem-solving teams include the Mayo Clinic oncology group, the Centers for Disease Control, Sandia Laboratory's nuclear weapons team, and other teams that are focused on solving a problem (see LaFasto & Larson, 2001).

Creative teams are those in which the key objective is to create something, think out of the box, and question assumptions. The process focus of creative teams is that of exploring possibilities and alternatives. We discuss creative teams in much more depth in the last chapter of Part II. Some examples of creative teams include the IDEO design teams, Hallmark's creative advisory group, and the teams responsible for HBO's original programming.

In fact, teams usually contain some blend of all three elements. Usually, however, there is a dominant focus. Sometimes, teams are mischaracterized—for example, a team that is supposed to be creative uses a problem-solving perspective, or a team that really requires problem solving is organized as a tactical team. This may happen when the goals of the team are not clear. This can also happen when teams are not apprised of the organization's objectives. Managers must take a hard look at the type of team they need and guide members' understanding of the relationship between the goal and the design of the team.

What Is the Degree of Task Interdependence among Team Members?

By definition, team members are interdependent. However, there are many types of task interdependence that affect the way teams get their work done (Thompson, 1967, see Figure 4-2). Consider three types of task interdependence:

- **Pooled interdependence** means that group members work independently and then pool their work. For example, a furniture department within a department store is comprised of several salespeople, each of whom is compensated based on sales performance. On an interdepartmental level, however, the sales of each salesperson are added together and compared across departments, so that cosmetics, furniture, and men's accessories can all be compared and added together to determine overall store profit. Throughout this process, each salesperson is independent. Another analogy would be a team of sprinters, each running as fast as they can; the team's output is simply the average time.
- **Sequential interdependence** is the classic assembly line or division of labor; each member of the team has a particular skill or task to perform. Members are more interdependent, with those further down the line more dependent on others. For example, as a new car proceeds through the factory at the Ford Taurus manufacturing plant in Atlanta, pieces are added to it at certain stages of the process that could not have been added prior to that stage. An analogy would be a relay race in which each runner needs to "hand off" to the other team member.
- **Reciprocal interdependence** is the highest form of interdependence. Every member is dependent on others at all levels—not just in a simple linear fashion, as in sequential interdependence. An analogy would be a rowing team in which members need to coordinate

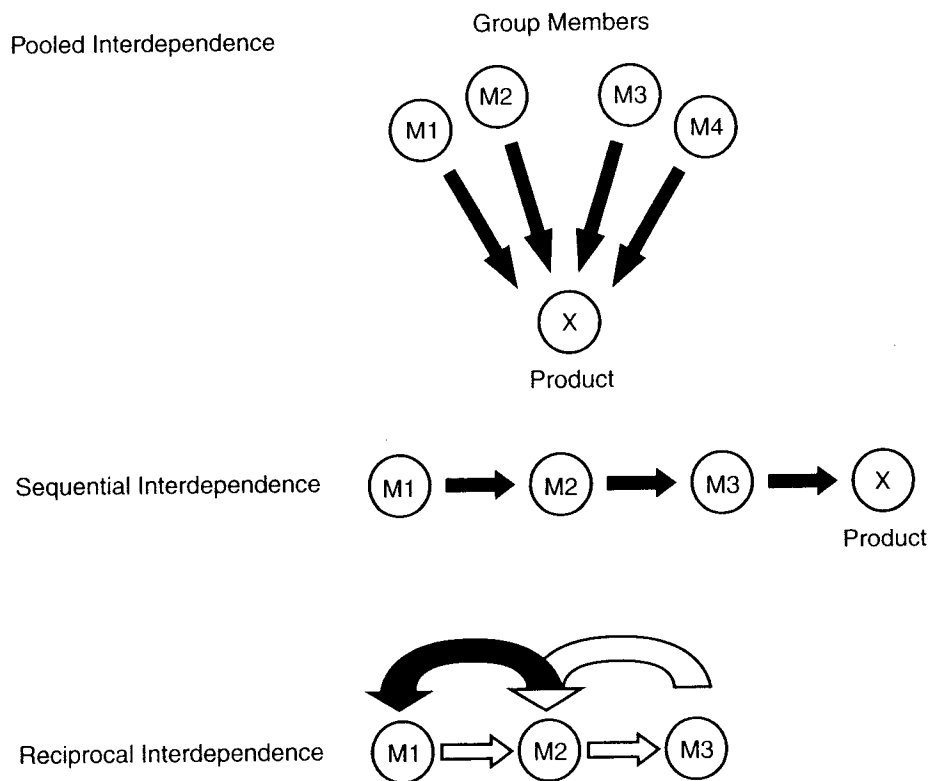


FIGURE 4-2 Levels of Interdependence

and synchronize their work. For example, when software developers are writing code, each person must have a high degree of familiarity with the other pieces of the program, otherwise the likelihood of bugs increases significantly. Charles Parnell of the Miller Brewing Company epitomizes the complexities of reciprocal interdependence. During a speech delivered at Marquette University, Parnell gave an example of teamwork at Miller: "If Marketing wants to launch a group of new products, they will set up a task force and call in someone from Finance, Human Resources and Operations. The Operations people will explain to the Marketing Group the realities of brewing, packaging and shipping more than 40 brands of beer in more than 2,800 different can, bottle, keg, package and label configurations. This means that if Marketing had been thinking about introducing 10 new brands next year, they will understand that's a virtual impossibility for the Operations people and they will know why" (Parnell, 1998).

Recent studies of team performance reveal that high levels of task interdependence, which require interactions among group members to obtain crucial resources (such as in the Miller Brewing Company), consistently enhance performance (Fan & Gruenfeld, 1998). Highly dependent members come up with solutions faster, complete more tasks, and perform better than teams whose members are not highly dependent upon one another.

The degree of interdependence has design implications for teamwork. To the extent that tasks are easily divisible and threats to performance (Chapter 2) have been adequately ironed out, pooled interdependence may be very effective for groups. For example, in a customer service call center, members do roughly the same type of work.

However, pooled interdependence often cannot work for teams because completing the tasks requires specialization and division of labor. Thus, sequential or reciprocal interdependence is necessary. For example, in a Saturn assembly line, members' tasks are highly differentiated and specialized. To a large degree, greater specialization means greater interdependence, because team members must rely on others to complete their portion of the work. The start-up times for reciprocal interdependence may seem daunting, but it may be especially important for highly complex tasks that require high levels of customer satisfaction. Another advantage of reciprocal interdependence is that all team members know the overall objectives of the team and may feel more accountable (thus reducing the motivational problems discussed in Chapter 2).

Is There a Correct Solution That Can Be Readily Demonstrated and Communicated to Members?

Some tasks have one correct solution; other tasks have several possible solutions. Contrast, for example, a team assembling a house, in which each component (the framework, the windows, the insulation, etc.) has to conform to a specified blueprint, versus a consulting team outlining a strategy proposal for a company. In the case of the construction team, the blueprint is the criterion by which the team will be judged. This kind of team task is known as a **demonstrable** task (Steiner, 1972).

In contrast, no single best answer exists for the consulting team. This kind of team task is known as a **nondemonstrable** task. In nondemonstrable tasks, it is important for team members to discuss the indices they will use to assess their performance as a team. Otherwise, there could be considerable disagreement after the work is completed—not only among team members but also between the team and the client!

Are Team Members' Interests Perfectly Aligned (Cooperative), Opposing (Competitive), or Mixed in Nature?

In many team-based organizations, reward structures are constructed so that some portion of team members' pay is contingent on the performance of the team as a whole, to promote cooperation and reduce the incentive for competition among team members.

It is important to determine the extent to which members have an incentive to work with one another or compete with other group members for monetary gain (such as might exist within some sales teams), promotion, and so on. For example, IBM's manufacturing and marketing/sales departments have very closely aligned interests. Teams that are rewarded for a mix of both individual and team performance outperform teams whose rewards are purely individual or purely group based (Fan & Gruenfeld, 1998).

How Big Should the Team Be?

One final issue about task design concerns how many people to put on the team. Obviously, this depends on the nature of the work to be done and the level and overlap of skills among team members. Generally, teams should be fewer than 10 in number. In fact, it is wise to compose teams using the smallest number of people who can do the task (Hackman, 1987). Unfortunately, there is a pervasive tendency for managers to err on the side of making teams too large. There are many reasons for this—it is easier to

include others than to exclude them to the fact. Unfortunately, managers seriously underestimate how coordination problems can geometrically increase as team members are added. This is an example of how managers inadvertently focus on individuals, rather than the team.

Teams that are overgrown can have a number of negative effects on performance (Nieva, Myers, & Glickman, 1979). Larger teams are less cohesive (McGrath, 1984), and members of large teams can be less satisfied with team membership, participate less often in team activities, and are less likely to cooperate with one another (Kerr, 1989; Markham, Dansereau, & Alutto, 1982). People are more likely to behave in negative and socially unacceptable ways in larger teams, perhaps because team members feel more anonymous or are less self-aware (Latané, 1981; Prentice-Dunn & Rogers, 1989).

As team size increases, the frivolity of conversation increases and people tend to avoid serious subjects. One reason is that people tend to become aroused in the presence of others and, therefore, are more self-conscious and concerned about projecting the right image. It is safer for people to avoid serious topics.

A big problem of large teams has to do with the equality of member participation. For example, in a team of two to three, one person may do more of the talking, but all may participate. As the size of the team grows, more and more people do less talking relative to others. Sometimes, a few members say and do nothing.

In contrast, there are advantages to smaller, even understaffed teams. Members of understaffed teams work harder, engage in a wider variety of tasks, assume more responsibility for the team's performance, and feel more involved in the team (Arnold & Greenberg, 1980; Perkins, 1982; Petty & Wicker, 1974; Wicker, Kermeyer, Hanson, & Alexander, 1976; Wicker & Mehler, 1971).

If smaller teams are more advantageous, why are they relatively rare? The problem is that managers of teams appear to have an overstaffing bias. When team leaders are asked whether their teams could ever become too small or too large, 87 percent believe that understaffing is possible, but only 62 percent agree overstaffing is possible (Cini, Moreland, & Levine, 1993).

Once managers have some idea of the task design issues facing them, they are ready to turn to the people part of team building—how to best select members for their team. Obviously, the freedom to select team members is constrained in many ways: Managers may be limited to selecting members from a particular department, of a particular status, and so on. In other cases, managers may go outside the organization to recruit. At the opposite extreme, some managers do not have a choice about who is on their team; existing departmental structures determine team membership. Many teams are built by accretion and swapping members, not just created from scratch. Whatever their position is in terms of selection opportunity, managers need to know some basic facts about team composition.

THE PEOPLE: WHO IS IDEALLY SUITED TO DO THE WORK?

What manager has not wrestled with the question of who to put on the team? As ill-advised as it may sound, many managers form their team without too much thought and, subsequently, attempt to figure out how to capitalize upon and match up people's skills. A much better approach is to carefully think about the task in terms of the work to be done, and then choose people on the basis of their skills relevant to that work. For

example, consider the three basic purposes of teamwork described earlier: tactical, problem solving, and creative. Obviously, creative types are not as well suited for tactical teams as are highly organized, results-driven people, and vice versa.

As a manager faced with the opportunity to build a team, how do you begin? The more you know about the task, the better you can suit people to the task. The following skills are important to think about when forming any team:

- **Technical or functional expertise:** If the task calls for open-heart surgery, a chemist or a lawyer will not suffice, no matter how great they are at what they do. Team members must have demonstrated competence to perform what they need to do for the team to accomplish its goals. In most team tasks, it is necessary to recruit members with diverse skills. In an age of increasing specialization, it is rare for one person to be knowledgeable in all aspects of a complex task.
- **Task-management skills:** It is not enough for team members to simply perform their functional area of expertise. They need to coordinate the efforts of the team, set goals, carry out plans, and so on. Task-management skills involve planning the work, monitoring performance, dealing with disappointments and unknowns, and dealing with coordination problems. The list of key task-management skills is potentially endless, but for starters, see Table 4-2. The left-hand side focuses on task-management skills; the right-hand side focuses on interpersonal skills.
- **Interpersonal skills:** People on teams are not just automatons who simply carry out their tasks according to some predetermined plan. Because members of teams are people first—with their own issues, problems, and agendas—and team members second, the people side of teams is always present and a powerful influence on productivity. Interpersonal skills include attributes such as the ability to give constructive criticism, objectivity, ability to give recognition, ability to learn from others, and so on. Consult the right-hand side of Table 4-2 for examples of interpersonal skills in groups.

The type and blend of skills needed on a team depend largely on the task the team does. For example, problem-solving tasks often require more interpersonal skills; tactical teams require more organizational skills. Unfortunately, there is no simple paper and pencil test that neatly measures and classifies people. However, by drawing upon the following sources of information, the manager can go a long way toward making thoughtful and accurate assessments of skills:

- **Self-report:** What do employees regard to be their key strengths (and weaknesses)?
- **Past accomplishments:** What projects have employees been involved with that called for these skills?
- **360-degree reports:** What do employees' peers, supervisors, and subordinates regard to be their key strengths and weaknesses vis-à-vis these tasks?

The well-rounded team member, who possesses exquisite technical, task-management, and interpersonal skills, is a statistical rarity. More often, team members excel in one area. Thus, a key task of the manager is not to search for “Jacks and Jills of all team skills,” but rather to focus on the task of *diversifying* the team so as to meet and exceed performance objectives. This is a harder goal, because it requires the manager to think in terms of multiple dimensions and blends of team members, rather than evaluating team members solely on their individual merits.

TABLE 4-2 Task-Management and Interpersonal Skills

| Task-Management Skills | Interpersonal Skills |
|---|--|
| <ul style="list-style-type: none"> • Initiating: Suggesting new goals or ideas • Informing seeking: Clarifying key issues • Opinion seeking: Clarifying attitudes, values, and feelings • Elaborating: Giving additional information—examples, rephrasing, implications—about points made by others • Energizing: Stimulating the team to continue working when progress wanes • Coordinating: Pulling together ideas and suggestions • Orienting: Keeping the team headed toward its stated goals • Detailing: Caring for operational details • Recording: Performing a “team memory” function by documenting discussion and outcomes • Challenging: Questioning the quality of the team’s methods, logic, and results | <ul style="list-style-type: none"> • Encouraging: Fostering team solidarity by reinforcing others • Harmonizing: Mediating conflicts • Compromising: Shifting one’s own position on an issue to reduce conflict in the team • Gatekeeping: Encouraging all team members to participate • Reflecting: Pointing out the positive and negative aspects of the team’s dynamics and calling for change if necessary • Following: Accepting the ideas offered by others and serving as an audience for the team • Standard setting: Expressing, or calling for discussion of, standards for evaluating the quality of the team process |

Source: Adapted from Benne, K. D., & Sheats, P. 1948. “Functional Roles of Group Members.” *Journal of Social Issues*, 4, 41–49.

At the heart of this issue is *diversity* in team membership. This being said, how do managers best optimize the diversity of their teams?

Diversity

Diversity is a hot topic in organizations for a lot of reasons. First, it is the correct thing to do. It is illegal to discriminate on the basis of gender, race, sexual orientation, or disability status. However, diversity goes beyond gender and race issues. Diversity is also valuable in terms of functional skills. Diversity in and of itself is an extremely important tool for the team, the manager, and the organization as a whole.

Left to their own instincts, most leaders and most teams opt for homogeneity, not diversity. In a large-scale study, spanning 33 project groups over four years, work partner choice was biased toward others of the same race (Hinds, Carley, Krackhardt, & Wholey, 2000). When people in actual workgroups had an opportunity to select future group members, their choices were biased toward those who were from the same racial group as themselves, but also those who had a reputation for being competent and hardworking, and those with whom they had developed strong working relationships. According to Hinds et al. (2000), people strive for predictability when choosing future work group members. Joe Watson, founder and CEO of StrategicHire.com (an executive search firm), puts it this way: “[P]eople are scared to death about the steps necessary to [diversify their teams]. If you told them that Howard University is having a job fair and they need to drive a car through Washington, D.C., park on the street in a predominantly African-American neighborhood, and walk into a room filled with

African-Americans, let's be honest: That would make a lot of people uncomfortable. They haven't done it before" (Salter, 2002, p. 44).

What are the key advantages of having teams composed of diverse members? There are several compelling reasons.

- **Expanded talent pool:** First and foremost, the company that does not tolerate or promote diversity has access to a smaller amount of corporate talent—the less diversity, the less likelihood of recruiting and maintaining talented individuals.
- **Multiple viewpoints:** Diverse (or heterogeneous) teams are more likely to come up with creative solutions and solve problems more accurately than are homogeneous teams—a topic we take up in Chapter 8 (creativity). Heterogeneous groups are more effective than are homogeneous groups at solving complex problems (for a review, see Shaw, 1981). Groups whose charter members are ethnically diverse socialize newcomers more readily than groups with all Anglo founders (Arrow, 1998).
- **Better decision making:** Diverse decision-making teams make better decisions than teams that lack diversity. For example, all-male or male-dominated teams make decisions that are overaggressive (LePine, Hollenbeck, Ilgen, Colquitt, & Ellis, 2002).
- **Competitive advantage:** The key reason why diversity is so advantageous is that by sampling from a larger pool of potential team members, teams increase their competitive advantage. That is, nondiverse teams have a smaller talent pool to recruit from, which can only hurt their performance.

Challenges of Diversity

Diversity is not without its challenges, however. The following are some key challenges in creating and managing diversity within a team:

Diversify on What? Just exactly what should team leaders diversify? The number of possibilities, such as demographics (age, race, sex, nationality, ethnicity, socioeconomic status), task-related knowledge, values, beliefs and attitudes, personality and cognitive style, or status in the organization, is infinite. Jehn (1999) distinguishes three types of diversity in work teams: social category diversity, informational diversity, and value diversity. *Social category diversity* refers primarily to visible demographic characteristics, such as age, sex, and race. *Informational diversity* refers to differences related to education, work experience, and organizational tenure. *Value diversity* refers to differences in underlying work values and goals. Teams that focus on informational diversity (work experiences, education, training, functional expertise, etc.) debate constructively, whereas teams that focus on differences in gender, race, and age are more likely to stereotype and interpret things in a personal manner that is often destructive. Teams that hold similar values are less likely to engage in destructive conflict. Above all, the organization should focus on companywide values. According to Chatman, Polzer, Barsade, and Neale (1998), the benefits of demographic diversity are more likely to emerge in organizations that make organizational membership salient and encourage people to regard one another as having the organization's interests in common, rather than focusing on individualism and distinctiveness among members.

How Much Diversity? The question of how much diversity to strive for is not always clear. A team that is so diverse that it has little or no overlap in terms of interpersonal style or disciplinary or strategic background and training will have a difficult time getting anything done. As a general principle, however, managers tend to err in the direc-

tion of not diversifying enough. We suggest that managers should specify those skills they see as necessary to perform the job and then sample from *all* persons who meet those requirements. The optimal degree of diversity may depend on “interpersonal congruence”—the degree to which we see ourselves as others see us. A longitudinal study of eighty-three work groups revealed that diversity improved performance on creative tasks—provided that interpersonal congruence was high (Polzer, Milton, & Swann, 2002). Yet, diversity undermined the performance of groups with low interpersonal congruence.

Conflict Diverse teams will often (but not always) experience more conflict than will homogeneous groups, as individuals attempt to reconcile one another’s views or simply decide upon a single course of action. According to Pelled, Eisenhardt, and Xin’s (1999) investigation of 45 teams from the electronics divisions of three major corporations, functional background diversity drives task conflict, but multiple types of diversity drive emotional conflict. Race and tenure diversity are positively associated with emotional conflict, whereas age diversity is negatively associated with emotional conflict. Similarly, in an investigation of 92 work teams in a household goods moving company, three types of team diversity were explored: social category diversity (e.g., gender, race), value diversity, and informational diversity (Jehn, Northcraft, & Neale, 1999). Informational diversity positively influenced group performance; social category diversity positively increased team morale; and value diversity decreased satisfaction, intent to remain, and commitment to the group. In a study of top-management teams in bank holding companies, heterogeneity with respect to age and experience outside the industry was positively related to turnover rates (Jackson, Brett, Sessa, Cooper, Julin, & Peyronnin, 1991). If improperly managed, culturally diverse groups may not perform up to their potential. In a study of culturally diverse work groups over a 15-week period (Watson, Kumar, & Michaelsen, 1993), homogeneous groups reported more process effectiveness than did heterogeneous groups during the early period (the first few weeks). The diverse groups (composed of one Caucasian-American, one African-American, one Hispanic-American, and one foreign national) reported more difficulty in agreeing on what was important and in working together, and they frequently had members who tried to be too controlling. The result was lower total task performance for the culturally diverse groups over the first nine weeks. However, at nine weeks, the diverse and homogeneous groups performed about the same. Diverse groups improved at generating ideas, but homogeneous groups remained superior in overall task performance. “It would seem unwise to expect newly formed groups with a substantial degree of cultural diversity to be able to solve problems very effectively” (Watson et al., p. 598).

Bias in Performance Reviews One of the most important responsibilities of a team leader or any manager is to give performance reviews. Obviously, overly harsh performance reviews should be avoided. However, failing to give team members honest, straightforward feedback is another problem. We noted earlier that learning is a key goal for most team pursuits and in the absence of clear, straightforward, thoughtful feedback, it is not possible for people to change. The leader of diverse teams faces a particular challenge: how to provide constructive, critical feedback along racial and other demographic divides. According to Harber (1998), this task is anything but easy. For example, Harber’s investigation of job performance feedback revealed that the

feedback Caucasian-Americans offer to African-Americans is significantly less critical than when evaluating the identical performance by a Caucasian-American. Moreover, the tendency toward what Harber (1998) called a “positive bias” became even more pronounced as the task grew increasingly subjective—for example, evaluations of the “content” of written essays led to more positive bias than evaluations of the “mechanics” of essays. Whereas the more positive feedback may trace to a norm to be kind (Hastorf, Northcraft, & Picciotto, 1979) or sympathy motives (Jones, Farina, Hastorf, Markus, Miller, & Scott, 1984), the recipients of such “kindness” may, in fact, be robbed of important learning opportunities. Inflated praise and insufficient criticism may dissuade minority team members from striving toward greater achievement levels and may misrepresent the level of effort and mastery that professional advancement in the organization actually entails (Massey, Scott, & Dornbusch, 1975). Biased feedback may deprive minority team members of the mental challenge that educators have cited as critical for intellectual growth (Sommers, 1982). What’s more, African-Americans are wary of praise from a Caucasian supervisor, so much so that the receipt of it can actually depress their self-esteem (Crocker, Voelkl, Testa, & Major, 1991).

What is the best approach that team leaders should follow? The key lies in the delivery of the feedback. In particular, when African-Americans receive “unbuffered” critical feedback, they respond less favorably to the feedback than do Caucasian-Americans who receive identical feedback, both in terms of how they evaluate the person delivering the feedback and how motivated they feel about the task (Cohen, Steele, & Ross, 1999). However, when the critical feedback is accompanied by an invocation of high standards, and by an assurance of that person’s capacity to reach those standards, African-Americans respond as positively as Caucasian-Americans and both groups show more identification with their skills and their careers.

Solo Status Individuals experience solo status when they are the only member of their social category (e.g., gender or race) present in a group. As a general principle, the smaller the number of other (disadvantaged, minority) group members present, the more negative the experience for the individual. According to Kanter (1977), solos are more visible in a group and are more likely to be isolated and experience role entrapment. The increased visibility pressures create performance pressure on the “token.” Because they are more likely to be stereotyped according to their group membership, they experience isolation and are essentially trapped into whatever role is expected of them. For example, an investigation comparing men’s and women’s job performance ratings revealed that women’s performance evaluations worsened as their proportion in the work group declined, whereas men’s performance evaluations were independent of their relative numbers in the work group (Sackett, DuBois, & Wiggins-Noe, 1991). And, in a testing situation, solos performed more poorly during an oral examination (Sekaquaptewa & Thompson, 2002). Moreover, men, particularly solos and nonsolos, appear to merit positive evaluations simply by being men (Williams, 1992). When women are active in groups, they may overcome the solo stigma (Fuegen & Biernat, 2002).

Creating Diverse Teams

Fortunately, there are several opportunities—almost more than ever—to capitalize on diversity. Changing workforce demographics mean that work teams can be diversified in terms of gender, race, ethnicity, national origin, area of expertise, and

organizational affiliation on an increasing level. In California, racial diversity is fast approaching the point at which no single group will represent a majority. Although the proportion of African-Americans has remained relatively stable, their employment patterns have shifted considerably, resulting in higher degrees of racial integration in clerical, technical, and skilled craft jobs (Tuch & Martin, 1991).

Women are entering the labor force in growing numbers. By the year 2008, women are expected to make up approximately 48 percent of the civilian workforce. Furthermore, gender-based segregation in the workforce is declining. Although they are still seldom seen in corporate boardrooms, women currently represent more than 46 percent of the administrative and managerial workforce (International Labour Organization, 1997).

In terms of age and diversity, the shrinking rate of growth in the labor pool is pushing employers to hire at both extremes of the age distributions, with the result that both student interns and former retirees are being hired to fill vacant positions (Hopkins, Nestleroth, & Bolick, 1991). Variability in age may create conflict, because team members with different training and experience are more likely to have different perspectives about their jobs (Pfeffer, 1983). Also, teams whose members vary more widely in age have greater turnover (Wagner, Pfeffer, & O'Reilly, 1984).

Diversity may raise challenges for the managers, but these are not insurmountable problems. In contrast, the problems associated with a *lack* of diversity may be insurmountable. A properly managed workplace meets these challenges, and it is worth the effort that it will take to address these problems because a diverse workforce greatly benefits the firm and the team. However, it would be inaccurate to imply that once diverse teams are created, everything is fine. Managing diversity is an ongoing process. We outline here a four-pronged plan.

Publicly Commit to Valuing Diversity An important first step is for companies to publicly commit themselves to valuing diversity. For example, the diversity (or lack thereof) in recruiting teams sent out to business schools is a public statement about diversity. Ideally, this statement should not be forced upon the company (although it may have to be); rather, it should be something that the company regards to be part of its own mission. (For examples of companies that use their Web sites to promote diversity, refer to Sidebar 4-2.)

Solicit Ideas and Best Practices from Employees on How to Diversify Managers should pay attention to what team members say, and implement at least some of these ideas. Part of this plan also includes asking team members to suggest ways to deal with conflict before it erupts. It is less useful to ask members how to deal with conflict after it erupts because once embroiled in conflict, people are less objective and more ego-centric in their suggestions. Along these lines, asking members to identify the causes of conflict will inevitably lead to finger-pointing or blame-finding attributions.

Educate Members on the Advantages of Diversity Rather than just stating the advantages of diversity, managers should explain in hard numbers the facts. Instead of preaching to the team (e.g., "you should diversify because it is the right thing to do"), managers should explain why diversity is in members' best interests.

Sidebar 4-2. Commitment to Diversity

Evidence of commitment to diversity is sometimes provided by visiting the corporate recruiting Web sites of many global companies.

- **Intel's** Web site contains an entire section dedicated to diversity (it boasts a global workforce of more than 80,000 employees from over 45 nations), including sections on "Women in the Workforce" and "Multicultural Training": <http://www.intel.com/jobs/diversity/>
- **British Telecom's** Web site contains an area dedicated to valuing diversity: <http://www.btplc.com/Betterworld/Employees/Equalityanddiversity/Equalityanddiversity.htm>
- **Exxon Mobil Corp.** has a supplemental area of its Web site which details "Global Diversity—Highlights of Initiatives and Progress": http://www.exxonmobil.com/news/publications/c_diversity_01/c_index.html (for their 2001 report). It also contains a "Minority and Women-Oriented Community Activities" section: http://www2.exxonmobil.com/Corporate/About/CommunityPartnerships/Corp_CP_Ed_WomenMinorities.asp
- **S.C. Johnson Wax** promotes diversity by mentioning that they were nominated as one of the best companies for working mothers: http://www.scjohnsonwax.com/family/fam_pre_pre_news.asp?art_id=27

Diversify at All Levels Joe Watson of StrategicHire.com advises companies that they need to hire diverse people for all areas, particularly middle management, where the majority of hiring is done (Salter, 2002). It is probably not enough for organizations to simply hire more diverse people and hope they interact. Thus, in addition to diversity at the individual level, the organization must commit to and work toward diversity at the team level and the governing level.

Now that we have talked about diversity in detail and proposed an action plan for creating and maintaining diversity, we need to consider the other issues that face the manager when designing the internal dynamics of teams.

RELATIONSHIPS: HOW DO TEAM MEMBERS SOCIALIZE EACH OTHER?

Someone could get the idea from reading this chapter that teams are built from scratch and that, once built, the manager's work is largely done. This assertion, of course, is false. Teams are not built from scratch. Instead, a member or two is added to a team that is changing its direction; members leave teams for natural (and other) reasons. In short, members of teams are continuously entering and exiting; as a consequence, the team itself is constantly forming and reconfiguring itself. Group socialization is the process of how individuals enter into and then (at some point) leave teams. The process is disruptive, to be sure, yet it need not be traumatic or ill-advised.

When people begin to work together as a team, they immediately begin a process of socialization, such that members of the team mutually shape each other's behavior. More often, teams may undergo changes in membership, such that some members may leave and new ones may enter. The process of socialization is essential for team members to be able to work together and coordinate their efforts. We begin by describing

the basic processes involved in team socialization. Then, we discuss the process of role negotiation, norm development and maintenance, cohesion, and trust.

Group Socialization

Group socialization is the process by which a person becomes a member of a group. Most people think of socialization as a one-way process, wherein the team socializes the individual member—usually a newcomer—in the norms and roles of the team. However, this is an overly narrow and inaccurate view. As any leader can attest, the introduction of a new team member is a process of joint socialization.

Think about a time when you joined an existing team. Perhaps you joined a study group that had been previously formed, took a summer internship with a company that had ongoing teams already in place, or moved to a different unit within your organization. In all of these instances, you went through a process of group socialization (Moreland & Levine, 2000a). Three critical things go on during group socialization that can affect the productivity of teams: evaluation, commitment, and role transition.

Evaluation

Teams evaluate individual members, and individual members evaluate teams. In short, the individuals on the team “size each other up.” Basically, people do a primitive sort of cost-benefit analysis when it comes to appraising teams. For example, if team members receive (or expect to receive) relatively high returns from team membership while enduring few costs, they probably like their team. Teams, too, evaluate a member positively who makes many contributions to the collective while exacting few costs (Kelley & Thibaut, 1978; Thibaut & Kelley, 1959). In addition to this direct cost-benefit analysis, some people are simply attracted to teams, whereas others are not. For example, people with either little prior experience or negative experiences in teams often avoid working in groups (Bohrstedt & Fisher, 1986; Gold & Yanof, 1985; Hanks & Eckland, 1978; Ickes, 1983; Ickes & Turner, 1983).

Commitment

Commitment is a person’s “enduring adherence” to the team and the team’s adherence to its members (Kelley, 1983). The key factor that affects commitment is the alternatives that are available to the individual and the team. For example, if a team has its choice of several, highly qualified candidates, its level of commitment to any one candidate is less than if a team does not have as many alternatives.

Role Transition

A person usually moves through a progression of membership in the team, going from nonmember to quasi-member to full member (see Figure 4-3). One key to gaining full member status is to be evaluated positively by the team and to gain the team’s commitment. This can often (but not always) be achieved by learning through direct experience with the team, and also through observations of others in the team. Indeed, newcomers in teams feel a strong need to obtain information about what is expected of them (Louis, 1980; Van Maanen, 1977; Wanous, 1980); simultaneously, teams communicate this knowledge through formal and informal indoctrination sessions (Gauron & Rawlings, 1975; Jacobs & Campbell, 1961; Zurcher, 1965, 1970). However, newcomers may not learn crucial information they need to perform their jobs, such as information about the preferences of supervisors or administrative procedures, until they are

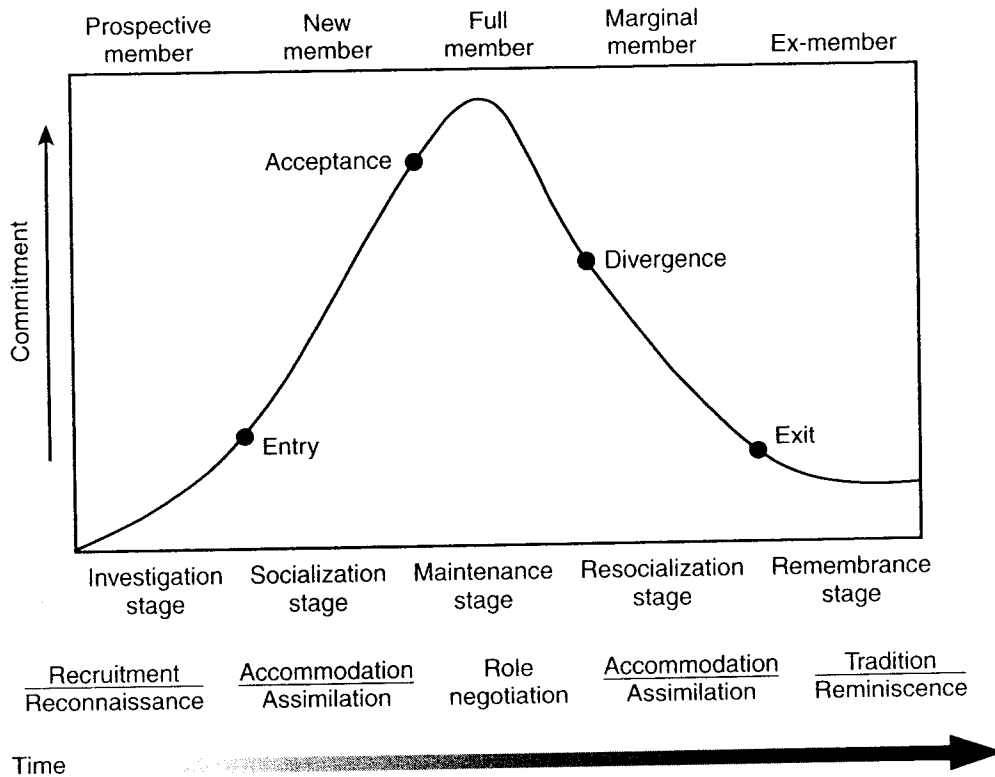


FIGURE 4-3 Role Transition in Groups

Source: Moreland, R. L., & Levine, J. M. 1982. "Socialization in Small Groups: Temporal Changes in Individual-Group Relations." In L. Berkowitz (Ed.), *Advances in Experimental Social Psychology* (Vol. 15, pp. 137-192). New York: Academic Press.

trusted by their coworkers (Feldman, 1977). According to Swann, Milton, and Polzer (2000), people who join groups can either engage in self-verification or what they call appraisal effects. *Self-verification* occurs when group members persuade others in the team to see them as they see themselves. In contrast, *appraisal* occurs when groups persuade members to see themselves as the group sees them. Of the two, self-verification is more prevalent than is appraisal. When team members get their group to see them the way they see themselves, this heightens the feelings of connection to the team, lessens A-type (unhealthy) conflict, and improves performance on creative tasks. In contrast, when groups beseech individuals to see themselves as the group sees them, this improves performance on computational tasks (e.g., tasks that have a single, correct answer).

What are some best practices that managers and team leaders can use to increase the likelihood of a favorable match between an individual and a team? The following strategies are especially useful for integrating new members into teams.

Upper Management and Leaders: Make It Clear Why the New Member Is Joining the Team

Many times, the introduction of a new team member is threatening for individuals, when it need not be. The manager should not assume that everyone is fully aware of

why the newcomer is joining the team. Simple, clear, straightforward statements about how upper management sees the relationship between the individual and the team are needed early on before an unnecessary cycle of paranoia is set in motion.

*Existing Team Members: Explain What You Regard
to Be the Strengths and Weaknesses of the Team*

It can be very revealing for existing team members to talk about their strengths and weaknesses when a new member joins. The new member can “see” the team through the eyes of each team member.

New Members: Understand the Team's Goals and Processes

Existing members often expect newcomers to be anxious, passive, dependent, and conforming. Further, new members who take on those characteristics are more likely to be accepted by old-timers (Moreland & Levine, 1989). What newcomers may not realize, however, is that they inevitably pose some threat to the team. This is often because newcomers have a fresh and relatively objective view of the team, which causes them to ask questions or express opinions that are unsettling. New members can take initiative by demonstrating an interest in learning about the team. Remember that the team may be hypersensitive about past failures. Therefore, it is often a good idea to deflect defensive reactions by noting the team's positive qualities.

Role Negotiation

In all teams, task-management and people-management skills are required. *Task-related roles* focus on getting the work done and accomplishing the task at hand; *interpersonal roles* focus on how the work gets done and satisfying the emotional needs of team members. However, unlike traditional functional roles, such as finance, sales, and manufacturing, the roles of task management and people management are not necessarily played by one particular person. That is, these roles are more fluid and dynamic than are functional roles.

We do not discuss leadership until Chapter 10, but here we distinguish two different kinds of leadership: *task* versus *people*. In virtually all teams, a person or set of persons will take on the role of managing the team in terms of getting the work done. This person is often called the leader. Another role in most teams is that of managing the people aspects of the team—this role may be taken on by the task leader, but not necessarily. In manager-led teams, the manager or supervisor often takes on these roles in some form. However, even in manager-led groups, there can be implicit role renegotiation, whereby team members attempt to demonstrate skill in these areas.

Over time, through the process of role negotiation, various roles emerge (Bettenhausen & Murnighan, 1985). Most often these roles and the negotiations for them are not talked about in an explicit fashion; rather, people engage in actions designed to take on that role, which are either accepted or rejected by other members of the team. What should the manager expect in terms of role negotiation?

First, there is no one set of ideal roles for any particular team. In fact, roles are unique to each team. However, some roles are more common than others. An **action plan** might be to ask the team members, either at the outset or after a few meetings, what roles are helpful to have in the team. (Provide them the list in Table 4-2 as a starting point.)

Second, few people can simultaneously fulfill both the task and interpersonal needs of the team (Bales, 1955, 1958; Parsons, Bales, & Shils, 1953). When taskmasters move troops toward their goals, they often appear domineering, controlling, and unsympathetic. These actions may be conducive to goal attainment, but team members may react negatively. Because team members believe the task specialist is the source of the tension, someone other than the task leader must often assume a role aimed at reducing interpersonal hostilities and frustrations (Burke, 1967). The diplomat who intervenes to restore harmony and cohesion is the *socioemotional master*. An example of this interplay on a corporate scale is provided by the management styles of the former and current chairman and CEO of AMR Corp. (parent of American Airlines), Robert Crandall and Donald Carty, respectively. Although they each assumed the same task-related role as chairman and CEO, their management styles allowed them to play very different socioemotional roles. Crandall was known for his often abrasive and formal demeanor, whereas Carty is known as a soft-spoken, casual leader. Crandall's socioemotional role may have been to push for results from his employees; Carty takes a more coaxing role.

Third, role negotiation may take the form of **status competition** within the team. Status competition is the process by which people acquire the authority and legitimacy to be the taskmaster or the relationship coordinator of the team. Even in teams with established status roles, status competition can emerge as certain members attempt to compete with the leader. How does status competition work in a team and what can the manager do to capitalize on the process so as to improve overall team functioning?

Team members intuitively take note of one another's personal qualities they think are indicative of ability or prestige (years on the job, relevant connections, etc.). People take two types of cues or information into consideration: Real status characteristics and pseudostatus characteristics. **Real status** characteristics are qualities that are relevant to the task at hand (e.g., previous experience with the decision domain). **Pseudostatus** characteristics include factors such as sex, age, ethnicity, status in other groups, and cultural background. Typically, pseudostatus characteristics are those that are highly visible. Pseudostatus characteristics, of course, have little to do with ability but people act as if they do.

Status systems develop very quickly, often within minutes after most teams are formed (Barchas & Fisek, 1984). Soon after meeting one another, team members form expectations about each person's probable contributions to the achievement of the team's goals (Berger, Rosenholtz, & Zelditch, 1980). These expectations are based on personal characteristics that people purposely reveal to one another (real status characteristics such as intelligence, background, and education) or that are readily apparent (pseudostatus characteristics such as sex, age, race, demeanor, size, musculature, and facial expression; Mazur, 1985). Personal characteristics that are more relevant to the achievement of team goals have more impact on expectations, but even irrelevant factors are evaluated. People who possess more valuable characteristics evoke more positive expectations and are thus assigned higher status in the team. An **action plan** for a manager who suspects that pseudostatus characteristics may supplant more relevant qualifications would be to provide clear information to team members about others' qualifications well in advance of the team meeting (e.g., circulating members' resumes). In addition to this, the leader should structure the first meeting of the team

so as to ensure that relevant factors are made known to all members (e.g., a round-robin discussion in which members review their experiences).

Team Norms: Development and Enforcement

Just as role negotiation and status competition occur early on in the development of groups, so do *norms*, or the ideas and expectations that guide appropriate behavior for members. Norms differ from formal rules in that they are not written down. Norms are critical for team and organizational performance. Because norms are expectations about appropriate behavior, they embody information about what people should do under various conditions. This makes it easier for people to respond appropriately under new or stressful conditions and helps ensure that everyone is working toward the same goal. Thus, norms reduce threats to productivity and, in particular, they reduce coordination problems. Precious time is not lost while staff members brainstorm about what to do. For example, at Nordstrom, it is well known by employees as well as shoppers that customer service is the number one priority. In the case of any uncertainty about what needs to be done, the customer service dictum provides direction.

Many norms develop within the first few minutes of a team's first meeting—such as whether it is appropriate to come a few minutes late, seating arrangements, and so on (Bettenhausen & Murnighan, 1985; Gersick, 1988; Schein, 1988). As a general principle, however, this is not a very desirable state of affairs. When norms are left strictly to natural processes and interaction patterns among members, those individuals who are most disruptive and least self-conscious may set unfavorable norms. This is because people who are the most outspoken and the least self-conscious do the most talking. What is the best way to counteract these undesirable norms? One of the best mechanisms is to introduce some kind of structure to the team early on (see Appendix 1 on meeting management); structure is the opposite of free-form interaction, where anything goes.

Adding structure to a team can mean that the team makes a commitment to do what the members value. For example, at Intel Corporation, there is a norm of constructive confrontation, which advocates that people challenge others in a productive fashion, rather than stand idly by and agree just to avoid conflict or hurt feelings. Still other norms may focus on improving group cohesion (e.g., team members regularly arriving with specialty coffee and breakfast items to share with others, technical engineers bringing their dogs to work at companies in Silicon Valley, office birthday parties, and casual Fridays).

Although some level of agreement is necessary for an expectation to be a norm, this does not mean that norms may not be in conflict. For example, in one hospital, nurses might think that the amount of work administrators expect the nurses to do is about right, whereas in another, nurses might think administrators expect the nurses to do too much paperwork (Argote, 1989). It may be that the norm within one department of a company is to allow its employees to take time during the workday to handle personal matters, as long as the time is made up later, but this may not be considered acceptable behavior in another department within the same company.

Like rules, norms may often be broken. What are the consequences of norm violation in a team? Contrary to naive intuition, the first response of a team to a norm violator is not exclusion, but rather to persuade that person to change. When regularity is interrupted, or violated, the “injured” parties frequently attempt to regain regularity

by appealing to the norm (e.g., “Why didn’t you circulate the report—we always do that!”). When a team member repeatedly violates a norm, there are serious repercussions, even if the behavior in question is useful for the organization. Consider, for example, the studies conducted at the Hawthorne Plant in the 1940s. Strong norms developed among work group members concerning the rate of acceptable productivity. That is, members in a particular work group developed a pace at which to work, that was just enough to produce the desired output requested by the supervisor, but not enough to overly tax group members. Consequently, when members of the work group failed to produce at the level displayed by their peers, they were sharply reprimanded. Furthermore, when members of the group overproduced (worked harder than other members of the group), they were harshly punished. In the Hawthorne Plant, a behavior called “binging” was observed, in which the “rate buster” (i.e., the overproducer) was given a sharp blow to the arm so as to reprimand the employee and decrease the level of output.

Certainly, not all cases of norm violation in organizational work groups are met with physical aggression. The first response of a team is usually to attempt to correct the misbehavior with some reminding. Teams will often persist in this kind of corrective activity for a long period of time before they move to more drastic measures. Indeed, there are other forms of punishment and aggression that are perhaps even more detrimental to individual and organizational well-being, such as **ostracism**, in which people are excluded from certain social or professional activities (Williams, 1997). Ostracism can have negative repercussions for the company as well if the isolated individual is not given sufficient information to effectively do the job.

Once established, norms are not easily changed. Norms are often maintained over several “generations” during which old members gradually leave the team and new members join (Jacobs & Campbell, 1961; Weick & Gilfillan, 1971). Teams’ efforts to transmit their norms are particularly strong when newcomers are involved (Levine & Moreland, 1991; Moreland & Levine, 1989). Teams are highly motivated to provide newcomers with the knowledge, ability, and motivation they will need to play the role of a full member. Consequently, newcomers are usually receptive to these influence attempts because they feel a strong need to learn what is expected of them (Louis, 1980; Van Maanen, 1977).

Cohesion: Team Bonding

Most people who have been a part of a team will claim that there is a critical quality of teams that is difficult to capture, but yet is ever-present and very powerful, that goes beyond norms. When asked to describe this quality, managers will use words such as *camaraderie*, *fellow-feeling*, *energy*, *rapport*, *we-feeling*, and *team spirit*. Intuitively, people on teams seem to know when these positive feelings are present and also when they are absent.

Cohesion—or solidarity, morale, community, and fellow-feeling—is the binding material of teams. Cohesion makes people feel better, and it is a crucial ingredient for team viability.

What does a cohesive team look like? Members of cohesive teams sit closer together, focus more attention on one another, show signs of mutual affection, and display coordinated patterns of behavior. Furthermore, members of cohesive teams who have a close relationship are more likely to give due credit to their partners. In contrast,

those who do not have a close relationship are more likely to take credit for successes and blame others for failure (Sedikides, Campbell, Reeder, & Elliot, 1998). Cohesive groups are easier to maintain. Members of cohesive teams are more likely to participate in team activities, stay on the team and convince others to join, and resist attempts to disrupt the team (Brawley, Carron, & Widmeyer, 1988; Carron, Widmeyer, & Brawley, 1988). Cohesion increases conformity to team norms (O'Reilly & Caldwell, 1985; Rutkowski, Gruder, & Romer, 1983). This effect can be helpful when deviance endangers the team or harmful when innovation is required. Cohesive teams are more likely to serve team rather than individual interests (Thompson, Kray, & Lind, 1998). Most important, members of cohesive teams are more productive on a variety of tasks than are members of noncohesive groups (Dion & Evans, 1992; Michel & Hambrick, 1992).

However, *the relationship between team cohesion and performance is primarily correlational rather than causal*. Stated simply, cohesive teams are more productive than are less cohesive teams, but it could very well be that (1) more productive teams become more cohesive, (2) something other than cohesion is responsible for increased productivity, or (3) both. The link of cohesion with performance may depend on team norms: Cohesion amplifies norms favoring both high and low production (Stogdill, 1972). There are many ways to promote cohesion (see Sidebar 4-3 for some interesting examples).

Sidebar 4-3. Notes from the Field

There are two companies based in Boulder, Colorado, that advocate writing poetry or banging on drums to help teams build cohesion. According to a participant in one of Kandome Percussion Workshop's sessions, "It builds a rhythm through the company." A brochure for CorPoet asserts that its method "reveals and anthologizes the heart and soul of your business" (LeJeune, 1997).

Building Cohesion in Groups

Building cohesion is often easier than we think.

- *Help the team build identity.* Simply assembling people into a team is enough to produce some cohesion (Hogg, 1987), and the more time people spend together (in a face-to-face fashion), the more cohesive they become (Manning & Fullerton, 1988). When team members think about their identity (i.e., what they stand for) and what they have in common, they become more cohesive (Prentice, Miller, & Lightdale, 1994).
- *Make it easy for the team to be close together.* Physical proximity and real or perceived similarity strengthen team cohesion (e.g., Ruder & Gill, 1982; Stokes, 1983; Sundstrom & Sundstrom, 1986).
- *Focus on similarities among team members.* Team members feel more cohesive when they focus on their similarities, rather than their differences.
- *Put a positive spin on the team's performance.* Teams are more cohesive when they succeed rather than fail, though some teams can preserve (if not strengthen) cohesion even when they fail (Brawley et al., 1988).
- *Challenge the team.* External pressure (Glickman et al., 1987) and rewards for team performance also increase team cohesion (Shea & Guzzo, 1987).

Warning: Many of the factors that produce greater cohesion in teams are in contradiction to those that promote diversity. We suggest that the manager first consider strategies for building diversity, and then focus on building cohesion within the diverse team.

Trust

Trust is the confidence one person places in another that the other will honor all commitments, including those that are difficult to define or specify in advance, especially when it is difficult to monitor or otherwise observe the other person's behavior after the fact. Trust is built on previous experience, on an understanding of the other party's interests, motives, and ideas, as well as more subtle factors, such as a willingness to believe a commitment. Thus, trust is two-sided, depending partly on the believability of the other party and partly on the willingness to believe. Many things can affect either of these, and abridgments to either can compromise teamwork.

Robert Nagle and Ian Adamson, the founders of Team EcoInternet, an adventure racing team, base their entire team strategy on mutual trust. The team can move only as fast as its weakest member. And because each race stretches over a series of exhausting days, every person on the team will be the weakest member at one point or another. Says Nagle, "If one of us stumbles for the second time in 10 minutes, there's no question about what needs to be done: Somebody reaches into that person's pack and takes out some weight, and then we all just move on" (Dahle, 1999, p. 310). The team members sum it up this way: "You're not the hero for taking on extra weight or the schmoe for needing help. You know that, three hours from now, the guy carrying all your stuff may need you to carry his stuff" (Dahle, 1999, p. 310).

Trust or Faith?

Business is built on relationships of all sorts and almost nothing is truly guaranteed in writing. No contract can be so complete as to specify, for instance, what an employee must actually do at a given time on a given day in a particular instance, especially since at some level, just about every situation is unique. Faith in other team members' integrity to do things that cannot be specified in a contract or monitored after the fact is an essential feature of a successful team—or for that matter, any business relationship. It is the integrity of the individual team members, and the members' trust in this integrity, that allows for successful teamwork.

The absence of a positive, trusting relationship can undermine any team activity, and so fostering trust is one of the most important tasks of a manager. Contractual relationships (such as when a consulting firm is hired for a project) come with the understanding that they will be evaluated, at least in part, by how fairly they used their time, that is, basically, how trustworthy they are in their billing practices. However, this is not a normal part of the relationship between coworkers, who are presumed to be working toward the same common goal. Moreover, what to do in cases when it seems like coworkers are furthering their own interests at the expense of the team is less certain than it is with an outside contractor who, at the least, can be excluded from further work with the company.

Many other forms of trust are also essential inside the organization, such as trust in the abilities or knowledge of other workers. Moreover, the absence of trust need not be associated with anything malicious; a lack of trust can stem, for instance, from a lack of experience working with others, such as when a cross-functional team is put together to

establish organizational policy or to hire key executives to lead the company. The next few sections elaborate on the issue of trust—how to get a better understanding of it and its role in working relationships and, most important, where and when to find it.

Incentive-Based Trust

Incentive-based or *calculated trust* involves designing incentives to minimize breaches of trust. When an arrangement, such as a contract, is made on favorable terms for the other party, it is easier to trust that they will fulfill their end of the deal. Companies often pay bonuses, in fact, to ensure just this kind of outcome. For instance, contracts often include provisions for bonuses depending on when a job gets done. The idea is that by providing incentives to the other party to do things that match your objectives, you can trust that they will be more likely to get things done the way that you want them done. Bonuses are only one mechanism that can be used to ensure this alignment. (As we noted in Chapter 2, free riding is a frequent problem for teams and a major threat to team performance. For an example of free riding in teams, see Sidebar 4-4.)

Trust Based on Familiarity

As people become more familiar with one another, they are more likely to trust each other. For this reason, group turnover presents special challenges for trust within the team. For example, Moreland and Levine (2002b) argue that distrust of new members places extra burdens on full members who must work harder to make sure that the team's expectations are clear and that new members' behaviors are monitored.

Trust Based on Similarity

Oftentimes, trust can develop based on commonalities, such as being alumni of the same school, belonging to the same religious institution, or having kids who play on the same Little League team. People who are similar to one another in beliefs, attitudes, and interests tend to like each other more. It seems natural that we are attracted to those who are similar to us, and we are more likely to help and trust them. This principle explains why successful salespeople are trained immediately to find common ground with others: "Hi, Mrs. Jones! I have the same aluminum siding as you! Would you like to change your long-distance service?" Of course, the dark side of this is that people have lower trust in people who are less similar (more diverse).

Trust Based on Social Networks

Trusting relationships in organizations are often based upon social networks. *Social embeddedness* refers to the idea that transactions and opportunities take place as a result of social relationships that exist between organizational actors (Uzzi, 1997). This is conducive to organizational teamwork in that trust and shared norms of reciprocal compliance have beneficial governance properties for the people involved. In short, embedding commercial exchange in social attachments creates a basis for trust that, if accepted and returned, crystallizes through reciprocal coinvestment and self-enforcement for use in future transactions. Trust based on social networks offers several advantages (Uzzi, 1997). According to Uzzi, "embedded ties" reduce the time needed to reach and enforce agreements. Second, the expectations and trust associated with embedded ties increases risk taking and coinvestments in advanced technology. Third, the transfer of proprietary information through embedded ties leads to more

Sidebar 4-4. Free Riding in Teams

An example of free riding in teams can be easily constructed. Imagine that the efforts of each individual on a five-person team consist of choosing a dollar amount to contribute to a joint investment. The investment returns a certain 5 percent; so, for each dollar contributed, the investment returns \$1.05. To make this a team story, let's set up the problem this way. Every person contributes anonymously to a team account (so no one can observe whether or how much any one person contributes—all that can be observed is the net amount of funds collected), and the returns from the investment are distributed to all team members equally. Thus, if all five people contribute \$1 apiece, they each receive \$1.05 back in return; if four people contribute \$1 and one person contributes \$6, they each receive \$2.10. The decision problem faced by individual team members is how much to contribute. Clearly, everyone is better off the higher the total contribution. However, payoffs cannot be separated based on individual contributions, so each team member receives only 21 cents in return directly as a consequence of their contribution (do you see why this is true?). Hence, from an individual point of view, a contribution costs more than it returns. On the other hand, everyone receives a share of the total pie regardless of whether they contribute. If four people contribute \$1 and the fifth person contributes nothing, they each get back 84 cents. This is bad for the four people who pitched in, but great for the person who put in nothing. What will team members do in this instance? If their objective is to maximize return, they will each contribute nothing. Thus, despite the fact that high contribution levels are good for the team as a whole (total contributions are a public good), the free-riding effect prevents anyone from contributing, and so the worst outcome is achieved.

The problem in this example is that individual contributions cannot be monitored. Hence, people can hide behind the anonymity offered by the team structure to mask their lack of effort. If there were a way to remove anonymity, for instance, by having a taxing structure that collected \$1 from everyone, or by somehow installing a monitoring system that could directly observe contributions, this would prevent the free-riding problem, because everyone could get back their fair share attributable to their efforts.

(A final note: Don't get caught up in the artificial details of this example. The structure of the example is meant to capture the fact that putting effort into teamwork is costly and difficult to monitor and that results from teamwork are generally attributed to the entire group, not allocated according to individual efforts.)

win-win types of arrangements. Finally, embedded ties promote cooperation, even when groups will not work together very long.

Implicit Trust

Sometimes, we put our trust in others even in the absence of any rational reason or obvious similarity. We might trust someone on the basis of a short interaction. Trust, in this sense, is based upon highly superficial cues. In every social interaction, there are subtle signals that we attend to even though we are not aware of their influence. They operate below our conscious awareness. Some examples follow.

Instant Attitudes These are near-immediate, intense likes or dislikes for a novel object based on a first encounter with it (Greenwald & Banaji, 1995).

Mere Exposure: “He Grew on Me” The more we see someone, the more we like them (Zajonc, 1968). This even goes for people that we initially do not like. However, most people do not realize that their liking for people is driven by how often they see them. This **mere exposure** principle is the cornerstone of advertising and sales.

Schmoozing: “Let’s Have Lunch Sometime” Small talk might not appear to be relevant to accomplishing a work task. The exchange of pleasantries about the weather or our favorite basketball team seems to be purposeless, except for conforming to social etiquette. However, on a *preconscious* level, schmoozing has a dramatic impact on our liking and trust of others. For example, even a short exchange can lead people to develop considerably more trust in others than in the absence of interaction.

Mirroring People involved in a face-to-face interaction tend to mirror one another in posture, facial expression, tone of voice, and mannerisms. This phenomenon, known as **social contagion**, is the basis for the development of rapport between people (Drolet, Larrick, & Morris, 1998). On the surface, it might seem that mimicking others would be extremely annoying—almost like a form of mocking. However, the type of mimicry that is involved in everyday social encounters is quite subtle, but definitely powerful. When two people are mimicking one another, their movements are like a choreographed dance. In this sense, people’s behavior becomes synchronized. To the extent that our behaviors are synchronized with those of others, we feel more rapport, and this increases our trust in them.

“Flattery Can Get You Anywhere” We like people who appreciate us and admire us. This means that we will tend to trust people more who like us. Many people believe that for flattery to be effective in engendering trust, it must be perceived as genuine. However, even if people suspect that the flatterer has ulterior motives, this can still increase liking and trust under some conditions (Jones, Stires, Shaver, & Harris, 1968).

Face-to-Face Contact We are more likely to trust other people in a face-to-face encounter than when communicating via another medium, such as phone or fax machine. Perhaps this is why people often choose to travel thousands of miles for a short, face-to-face meeting when it would be more efficient to communicate via phone, fax, or mail.

Turnover and Reorganizations

One of the most frequently occurring but daunting challenges for teams is personnel turnover, defined as the entry of new members and/or the exit of old members (Levine, Choi, & Moreland, 2003). Turnover represents a change in team composition that can have profound consequences for team performance, because it alters the technical knowledge of the team, as well as the interpersonal dynamics. As might be expected, turnover disrupts group performance, especially when group members are reciprocally interdependent (Naylor & Briggs, 1965); when the group has high, rather than low structure (Devadas & Argote, 1995); and when the task is complex rather than simple (Argote, Insko, Yovetich, & Romero, 1995).

Newcomer Innovation

A quite different view of turnover is suggested by Levine, Choi, and Moreland (2003), who suggest that, contrary to popular opinion, turnover might benefit a group—through the exit of “oldtimers” who lack the skills or motivation to help the group attain its goals and the entry of newcomers who possess needed skills. Three factors determine the extent to which newcomers can introduce change: (1) their commitment to the team; (2) their belief that they can develop good ideas for solving team problems; and (3) their belief that they will be rewarded. The bottom line is that for turnover to have positive effects, it must outweigh the substantial benefits that group members derive from working together (Argote & Kane, in press; Hollenbeck, Ilgen, LePine, Colquitt, & Hedlund, 1998). In one investigation of turnover, teams worked on an air surveillance task over two days (Levine & Choi, in press). On both days, specialists monitored changing plane information (e.g., airspeed, altitude) and transmitted it to the commander, who integrated this information and assigned threat values to the planes. At the beginning of day 2, there was turnover: In some teams, one of the specialists was replaced with a specialist from another team; in other teams, the commander was replaced with a commander from another team. Teams performed better when newcomers had high rather than low ability; this was particularly pronounced when newcomers had high status (commander) rather than low status (specialist).

Moreover, there are several different “newcomer” roles (Arrow & McGrath, 1995): visitors, transfers, replacements, and consultants. *Visitors* are people who are expected to remain on the team for a short time and are not viewed as instrumental to attaining long-term goals. Because they are viewed as lacking in commitment, their ability to change the team is muted (Gruenfeld & Fan, 1999; Gruenfeld, Martorana, & Fan, 2000). *Transfers* have recently belonged to a similar team and have expertise. *Replacements* take the place of former members. *Consultants* join the team to observe its work practices and to suggest improvements.

CONCLUSIONS

We have focused on some of the important dimensions of creating and managing teams in a direct fashion. Much planning needs to precede the construction of teams, and, once constructed, teams need fairly continuous maintenance. To the extent that the teams are manager-led, this work is the purview of the leader or manager; the more self-directing the team becomes, the more the team must do this for itself. When the team is built—in terms of the task, the people, and their relationships—the leader’s work does not stop. During this time, the leader needs to also assess the physical, material, economic, and staffing resources necessary for performing the work to be done. The focus of the leader should not be to presume that everything is fine, but rather to coach the team to work through the issues of task, people, and relationships systematically.

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