Critical note on "The Wisdom of Teams"

By Jon Katzenbach and Douglas Smith

Harvard Business School Press, 1993

ISBN 0-87584-367-0

René Meldem
Class of 2002

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1. Why did I choose this book?

Most of the time, I work in a so-called team environment. I realized that putting people together and calling the group a team wasn't enough to transform individuals into team members. I chose to read "The Wisdom of Teams" to find out how to allow for hot group to emerge.

In the 90's a lot of attention was given to teams. This need to know how to make a group of people work together efficiently was fostered by changes in the ways business was done. Up until the mid 1980s, a company could have monopoly on knowledge for a fairly long period of time. Companies used to enjoy a 20 to 30 years to globally exploit their firm-specific advantage. Today, knowledge instantly spreads all over the world. Maintaining a competitive advantage requires constant innovation. Breakthroughs and technological progress are seen as an important way to create growth and maintain high margin. Companies discovered new ways to foster innovation with hot groups. [1]

Other factors such as implementation of major changes within a company and taking complex decisions in a time of uncertainty call for high performance teams. In some situations, teams seem to be better suited than individuals to take care of complex situations, but how do teams really work? and how do you build efficient team?

In the next chapter, I will try to summarize how Katzenbach and Smith answered these questions?

2. The Wisdom of Teams

Introduction:

Katzenbach and Smith are former consultants at McKinsey and have spent considerable time working with teams and studying them. The Wisdom of Teams presents lessons learned from the success and failure of actual teams. The authors base their analysis on personal experience along with extensive interviews conducted with 47 different businesses. The book is meant to impart their knowledge to those seeking to form, develop and facilitate successful teams in their organizations. The book focuses on what teams are, what it takes to become a team and how to exploit the potential of successful teams.

Part I: Understanding teams

In their research, the authors have classified teams in three categories: 1) teams who recommends things, 2) teams that make things and 3) teams that manage things. Each has specific characteristics. After unavailing the basics of teams, the article summarizes the most important ideas behind becoming a team and using the team potential. The book focuses on:

- how real teams achieves more than the sum of the individuals that compose it
- how the fuel of real team is challenge.
- how a strong performance ethics is more important than a team promoting environment
- how capital it is that teams have a clear purpose and that their goals are aligned with their mission
- how a team remains a mean not an end
- how individuals not only exist but develop while working in a team

Teams perform well because their multiple skills allow them to respond to challenges. The development of clear goals and approaches establish communications that support effective problem solving and initiative. Overcoming the barriers that the group encounters helps building up the team. Teams ultimately have fun working together. Becoming a member of a team is seen as "becoming a part of something larger than myself".
Many group of people working together never reach the status of team, because of lack of conviction that teams perform better than individuals, personal discomfort, fear of taking risks and weak performance ethics in the company.

Real teams can have a large influence on the extended team around them. By the way it functions and behave, teams can energize and focus the effort of others extending the impact of their performance beyond the team itself. A few real teams in a company are one of the best ways of upgrading the overall performance ethic of an organization. This explains why teams play an important role while implementing changes to an organization.

What is a team?

A "real" team is a small number of people with complementary skills who are committed to a common purpose, performance goals and approach for which they hold themselves mutually accountable. These elements of a team – complementary skills, common purpose, common performance goals, common approach to work and mutual accountability -- define what teams are and how they should be managed. Let's develop some of the elements:

**Complementary skills:** According to the authors, three levels of skills are required in a team (technical and functional expertise, problem solving and decision-making skills and interpersonal skills).

Skill mix is not a prerequisite for member selection: Katzenbach and al. didn't find one team that had all the required skills from the outset. Instead, the teams powered the development of skills to fill the gaps with specific personal development. Natural individualism kicked in once a missing skill was identified and drove motivated members to make their own and distinctive contribution to the team.

**Common purpose:** Most team shapes up their purpose in response to a demand or an opportunity put in their hands by management. Management defines the boundaries and the scope of authority of the team clearly enough to indicate a "solution zone", but flexibly enough to allow for team commitment to develop.

The team then translates the purpose into SMART (specific, measurable, acceptable, realistic and timed) performance goals. These performance goals provide the team with a clear "playground" in which a common approach develops:

- Teamwork product is defined and should require equal contribution from members
- Specificity of the performance objectives will help:
  - communicating when conflict arise (and make it a constructive conflict)
  - leveling out individual frills and perks
  - earning small wins to build up and reinforce members' commitment
- Performance goals are compelling.
Mutual accountability: Team accountability is about sincere promises we make to others and ourselves on which commitment, trust and constructive listening develops. It is expressed by "We hold ourselves accountable for..." vs. "The boss hold me accountable for..."

Leadership is shared in high performance teams. There is a formal leader but his role is mostly ceremonial and used to interact with the "exterior". Team member usually check their initiative with peers before or after taking actions, the comment of the leader matters, but the balance of the approval is in favor of the team. High performance teams are self sufficient, they move away by their own rules and most important of all they have fun working together.

It takes hard work, risks taking involving trust interdependence and conflict to build a team: As Jean Cocteau said, "Harmony results from the conciliation of opposites, not from the crushing of differences".

Appendix 1 gives a framework to assess the present situation of a group.

Part II: Becoming a team
Do we need a team?

The authors make a distinction between different forms of people working together. They introduced a distinction between work groups, work teams, and self-directed teams from all other teams. Teams are distinguished from work groups in that: 1) the work they perform is collective as opposed to the sum of individual contributions, 2) leadership roles are shared and 3) the team does real work together that results in a specific end product or service being delivered. The most important question member of a group can ask themselves is "What will it take for us to achieve significant performance results?" The answer to this question usually helps to determine if a team or a work group approach is best suited. Table 1 presents the main differences between a work group and a team.

<table>
<thead>
<tr>
<th>Work group</th>
<th>Team</th>
</tr>
</thead>
<tbody>
<tr>
<td>➢ Strong clearly focus leader</td>
<td>➢ Shared leadership roles</td>
</tr>
<tr>
<td>➢ Individual accountability</td>
<td>➢ Individual and mutual accountability</td>
</tr>
<tr>
<td>➢ The group's purpose is the same as the broader organization mission</td>
<td>➢ Specific mission that the team itself delivers</td>
</tr>
<tr>
<td>➢ Individual work-product</td>
<td>➢ Collective work-product</td>
</tr>
<tr>
<td>➢ Runs efficient meetings</td>
<td>➢ Encourage open-ended discussion and active problem-solving meetings</td>
</tr>
<tr>
<td>➢ Measures its effectiveness indirectly by its influence on others (e.g. financial performance of the business)</td>
<td>➢ Measures performance directly by assessing work-products</td>
</tr>
<tr>
<td>➢ Discuss, decides, delegates</td>
<td>➢ Discuss, decides and does real work together</td>
</tr>
</tbody>
</table>

Table 1 – How a work group differs from a team

Observation of the following signs, along with answering the questions about team basics (see appendix 1) will help a team assess how well it functions and gives direction on where to focus in order to develop.
Themes and identity:
Look for signs such as special language or codewords, team logos that people wear, special meeting places that symbolizes shared meaning for the team.

Enthusiasm and energy level:
Team work hard and enthusiastically, no one has to put in extra time, they just do it. To outsiders, the energy and enthusiasm level in teams are appealing and seductive. This "special" energy derives from the interaction between members.

Event-driven histories:
Usually a set of galvanizing events played a significant role in the team history and pushed team performance.

Personal commitment:
Members usually have a strong personal commitment to one another's growth and success.

Performance results:
Performance is both the cause and effect of teams. Real teams usually outperform both their own and their boss's initial expectations.

How can we build a high performance team?
There is no guaranteed recipe for building team performance, but the authors have identified common approaches that can help potential teams take the risks necessary to become real teams:

The chances for a real team to emerge will be greater if there is a sense of urgency. Management should define the performance expectations, but leave room for the team to shape their own purpose, goals and approach. The role of the "official leader" is to set direction, build credibility and sell the project outside the team.

Three skill categories must be represented within the team (technical and functional, problem solving and interpersonal). After joining the team, the company might have to invest in its members so that the missing skills won't hinder the job of the team. The most efficient way to build up those skills is to provide customized and on the job training.

From the first meeting rules of behavior (see appendix 2) should be set in order to build up mutual accountability and take advantage of the opportunities that new ideas will bring. The purpose of those rules is to promote focus, openness, commitment and trust.

From the outset, every tasks and goals should be performance-oriented. The team should regularly spend time together in order to keep clear focus on the performance goals and the team's purpose and goals. The members have to get used exploiting the power of positive feedback, recognition, and reward. New information and facts will challenge the group and enrich understanding of the performance challenge.

Despite the rewards that a real team will bring, members have to be aware that risks result from joining a team: Career risks, acknowledging personal responsibility and abandoning the hierarchy.

What is a good team leader
According to the authors, the role of the team leader is very important:

- In order to help the team clarify and commit to their mission, goals and approach, team leaders should keep some distance to have an "helicopter view".
- The team leader should work to build the commitment and confidence of each individual as well as the team as a whole.
He should strengthen the team's collective skills and approach by challenging team member and shifting, if necessary, assignment and role pattern in order to make sure each member's contribution is effective.

The leader manages relationship with outsiders (including removing obstacles) and is the ambassador of the team and its performance objectives.

The leader creates opportunities for others, he steps back when others are in the position to lead key discussion or when it is possible to make opportunities for the extended team to take responsibilities. He knows that he doesn't have all the answers and does not need to make all the decision. A leader cannot succeed without the rest of the team and therefore should not have a predominant ego!

A team leader's job is to find the right balance between providing guidance and giving up control, he needs to carefully listen to the team in order to provide what is needed. Chinese philosopher Lao-Tzu translates this into "As for the best leaders, the people do not notice their existence. The next best, the people honor and praise. The next, the people fear; and the next the people hate. When the best leader's work is done, the people say, 'We did it ourselves.'". Appendix 3 sketches what should be the team leader's attitude.

What should a team do when there is an obstacle?

Obstacles are a continual fact of life for teams. Ideally and usually, real teams thrive on obstacles. Working through obstacles make teams stronger (being stuck for a while might be helpful for reinforcing the team spirit, confidence and mutual accountability).

Dealing with an obstacle depends as much on the team readiness than on the obstacle itself. Sometimes the barrier is such that the team stops looking for team performance: Loss of energy and enthusiasm, sense of helplessness (there's nothing we can do), lack of purpose and identity, unconstructive and one-sided discussion, cynicism, personal attacks and finger pointing are signs that a team is stuck and needs to fix the problem.

The team needs to refocus on the team basics: Achieving the team performance and asks itself: 1) what is the purpose? 2) what is the right working approach? and 3) what are the immediate performance goals?

Once answers have been given, the team should go for small wins because performance calls for performance and achieving specific goals will lift barriers and help the team lift the remaining barriers. At this stage, fresh facts, different perspectives and new information such as competitive benchmark, internal case studies, best practices, customer interviews are source of insight and help team redefine itself and develop.

Sometimes, a facilitator can help turn the collective attention of the team back into its purpose and performance challenge. Specific training program can also bring the necessary knowledge to unlock the situation. Sometimes team members including the leader need to be changed.

In any case, bare in mind that help and support from management is always welcome, but is critical in times of trouble.

Teams are not presented as an organizational ideal. In fact, Katzenbach and Smith encourage looking at the organization's goals and policies to determine if a team or work group is the best choice. Their bias is that teams are worth the trouble where they support organizational goals. As we said earlier, for Katzenbach and Smith, the potential of teams is unlimited and cultivating real teams is one of the best ways of upgrading the overall performance of an organization.
Upon completion of the team's mission, management should focus on the transition phase; valuable performance can be lost if the transition is not well ended

Part III: Exploiting the potential

A Team is a mean

For Katzenbach and Smith a strong performance ethic leads to the pursuit of common performance results that benefit customers, shareholders, and employees. An overemphasis on any one area creates distortions that lead to turf battles and politics.

When a team achieves his goals, people are usually proud to be part of the company and thrive upon earning the loyalty and respect of their customer. Delivering superior customer value brings attractive return for the company's owners and employees.

Companies have developed their own approach to identify business opportunity and performance challenges. Teams at Motorola have the following approach:

- Performance comes first, the team instinctively set clear goals at the beginning and never lose sight of them
- Cooperation and involvement are a must from the outset; the leader involves all members in establishing the team's purpose, performance goals and approach
- The team has to take risks in order to make successful changes; teams create their own challenges and policies to achieve performance by questioning existing practices.

Successful teams can have a disproportionate positive influence on the performance ethic and the environment of the teams that follow them. They are the brightest hope for organization to pull itself out of stagnation.

Teams and major changes

No one disputes that in order to sustain profitability; a company must today have the ability to adapt rapidly to changes. Major change is a relative notion and whether a company faces major change depends on how much people have to change their behavior and how they resist doing so. Answering the following questions usually helps determine if a company faces a major change or not.

1. Does the organization has to get very good at one or more things it is not very good at now?
2. Do large amount of people throughout the entire organization have to change specific behavior
3. Does the company have a track record of success changes of this type?
4. Do people throughout the organization understand the implications of the change for their own behavior and urgently believe that the time to act is now?

A yes to questions 1 and 2 and a no to question 3 and 4 might indicate a major change situation. Major change effort attack change along three critical dimensions: 1) A top-down culture shaping initiative; 2) a bottom-up goal achievement; 3) cross-functional redesign and integration initiative.

Teams are best suited to lead major changes because for a change to be effective, it has to be driven by performance results and it involves behavioral changes. Table 2 below shows a common pattern of behavioral changes often predicted as necessary to meet the performance challenges of the future for
many companies – As we have seen earlier the path that leads from "From" to "To" is something that teams master.

<table>
<thead>
<tr>
<th>From</th>
<th>To</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual accountability</td>
<td>Mutual support, joint accountability, and trust-based relationship in addition to individual accountability</td>
</tr>
<tr>
<td>Dividing those who think and decide from those who work and do</td>
<td>Expecting everyone to think, work and do</td>
</tr>
<tr>
<td>Building functional excellence through each person executing a narrow set of tasks ever more efficiently</td>
<td>Encouraging people to play multiple roles and work together interchangeably on continuous improvement</td>
</tr>
<tr>
<td>Relying on managerial control</td>
<td>Getting people to buy into meaningful purpose, to help shape direction and to learn</td>
</tr>
<tr>
<td>A fair day’s pay for a fair day’s work</td>
<td>Aspiring to personal growth that expands as well as exploits each person’s capabilities</td>
</tr>
</tbody>
</table>

Table 2 – Behavioral changes demanded to achieve performance

Are teams possible at the top of companies?

It seems to be much tougher to build up team at the top. Strong believes about how executives should behave that can jeopardize a team approach: 1) the purpose of the top team is identical to the purpose of the company, 2) Membership in the team is automatic, 3) The role and contribution of team members, including the leader, are defined by their hierarchical and functional position, 4) Spending extra time is inefficient, 5) Team effectiveness depends only on communications and openness. These attitudes will generate a work group attitude rather than a team.

The most practical path to building teams at the top is in finding ways for executives to do real work together, this is how it is characterized by 1) Carving out team assignment that tackle specific issues; 2) Assigning work to subsets of the team; 3) Determining team membership based on skill, not position; 3) Requiring all members to do equivalent amount of real work; 4) Breaking down the hierarchical pattern of interaction; 5) Setting and following rules of behavior similar to those used by other teams.

To check if the group can establish a practical team purpose and goal, pull together the needed skills and shape a realistic work approach, the questionnaire in appendix 4 might help.

What is the role of the top management?

Since teams are today probably the best way to achieve performance, management should focus on getting a strong performance ethics nurturing teams. There are numerous examples where teams at the top create powerful visions and make then happen, truly empowered work forces include teams, successful business reengineering efforts are team-based. Top Management will have to give more attention on the teams that matter most to performance in term of company policies and resources. They will promote teams because the dynamic of team mirrors the behaviors and values necessary to the high performance organization through characteristics such as
Teams are more powerful than individuals, more flexible than larger organizational units. They support the risk taking and experimentation (so important to learning, change and skill development) and provide source of motivation, reward and personal development that cannot be duplicated by companywide compensation and career planning schemes.

3. What did I learn and what will I keep and apply?

General comment

The Wisdom of Teams is a simple book that provides good advice. The authors outline the basic elements of team and offer simple techniques for building a team and exploiting its potential. Katzenbach and Smith provide useful questionnaires to analyze organizational readiness, and alternatives that will get an organization closer to a real team environment. The specific jargon is kept to a minimum.

The book could be much more concise and easier to read. Some points are redundant. One case study could have been sufficient to illustrate the concepts and strategies; the additional cases didn't add much depth or insight.

This book allowed me to organize my thoughts on how a team works and understands the issues linked with team dynamics. It will be a good reference guide whenever any question about team arises.

The subject of the book connects quite well with the HR Management class; the following subjects are addressed throughout the cases the authors studied:

- Remuneration policy showing how in one case discrepancies in salary between team members jeopardized the team's existence.
- The selection process of the team members and the leader's attitude.
- The importance of having common values and objectives which is seen as the foundation for the teamwork.

What will I keep in mind?

When facing a real team opportunity I suggest taking the following path:

- Identify specific work "Products" that requires several members to work together, the value for these products must be significant relative to the group's overall performance.
- How each team member can hold themselves mutually accountable for achieving their goals.
- Design a disciplined working approach that enforces team basics – make sure that members do as much real work in team settings as they do separately in preparing for the team session.
To check if the team is functional I will ask the following questions:

- Does the product of the team meet the standard of its client?
- Is the team becoming more capable as a performing unit over time?
- Does membership on the team contribute positively to each person's learning and well being?

I would lead or encourage the team by pursuing the principles below:

1. Put power in the hands of the people doing the work
2. Encourage individual responsibility for product and quality
3. In order to foster horizontal teamwork, the purpose and the mission for the team must be clear and understood by each team member. The role of the members are stated, agreed upon, and understood. All members work an equal amount doing real work in the team. Members pay attention to how they work together. Outcomes drive the purpose of the team. Deadlines are defined and respected. Teams receive demonstrable support. Teams are accountable to the organization and its leaders; and each team knows its interdependence with other teams and does everything to support those other teams.
4. The leader is selected based on the basis of what skills and knowledge he brings to the subject.
5. Learn to listen and talk
6. Seek consensus
7. Dedicate passionately to your mission, passion is the spark that can make an ordinary organization great.

4. Bibliography

Reference

Additional readings on the subject
[B] The Discipline of Virtual Teams, J.Katzenbach & D.Smith, Leader to Leader, Fall 2001
[C] Built to Last, J.Porras and J.Collins
[D] The Search for Meaning, A conversation with Charles Handy, Leader to Leader, Summer 1997
[G] The conductor-less orchestra, H.Seiffee, Leader to leader, Summer 2001
Appendix 1 – Checklist to assess your team's current situation.

1. Small enough in number:
   a. Can you convene easily and frequently?
   b. Can you communicate with all members easily and frequently?
   c. Are your discussions open and interactive for all members?
   d. Does each member understand the others' roles and skills?
   e. Do you need more people to achieve your ends?
   f. Are sub-teams possible or necessary?

2. Adequate levels of complementary skills:
   a. Are all three categories of skills either actually or potentially represented across the membership (functional/technical, problem-solving/decision-making, and interpersonal)?
   b. Does each member have the potential in all three categories to advance his or her skills to the level required by the team's purpose and goals?
   c. Is any skill area critical to team performance missing or underrepresented?
   d. Are the members, individually and collectively, willing to spend the time to help themselves and others learn and develop skills?
   e. Can you introduce new or supplemental skills as needed?

3. Truly meaningful purpose:
   a. Does it constitute a broader, deeper aspiration than just near-term goals?
   b. Is it a team purpose as opposed to a broader organizational purpose or just one individual's purpose (e.g., the leaders)?
   c. Do all members understand and articulate it the same way? And do they do so without relying on ambiguous abstractions?
   d. Do members define it vigorously in discussions with outsiders?
   e. Do members frequently refer to it and explore its implications?
   f. Does it contain themes that are particularly meaningful and memorable?
   g. Do members feel it is important, if not exciting?

4. Specific goal or goals:
   a. Are they team goals versus broader organizational goals or just one individual's goals (e.g., the leaders)?
   b. Are they clear, simple, and measurable? If not measurable, can their achievement be determined?
   c. Are they realistic as well as ambitious? Do they allow small wins along the way?
   d. Do they call for a concrete set of team work-products?
   e. Is their relative importance and priority clear to all members?
   f. Do all members agree with the goals, their relative importance, and the way in which their achievement will be measured?
   g. Do all members articulate the goals in the same way?
5. Clear working approach:
   a. Is the approach concrete, clear, and really understood and agreed to by everybody? Will it result in achievement of the objectives?
   b. Will it capitalize on and enhance the skills of all members? Is it consistent with other demands on the members?
   c. Does it require all members to contribute equivalent amounts of real work?
   d. Does it provide for open interaction, fact-based problem solving, and results-based evaluation?
   e. Do all members articulate the approach in the same way?
   f. Does it provide for modification and improvement over time?
   g. Are fresh input and perspectives systematically sought and added, for example, through information and analysis, new members, and senior sponsors?

6. Sense of mutual accountability:
   a. Are you individually and jointly accountable for the team's purpose, goals, approach, and work-products?
   b. Can you and do you measure progress against specific goals?
   c. Do all members feel responsible for all measures?
   d. Are the members clear on what they are individually responsible for and what they are jointly responsible for?
   e. Is there a sense that "only the team can fail"?
Appendix 2 – Rules of behavior during team meetings.

1. No interruptions
2. Confidentiality - we agree on the thing that leaves this room
3. No sacred cows
4. Facts are welcome
5. Everyone gets assignment and does them
6. No finger pointing
7. Everyone does real work
Appendix 3 – What is the team leader's attitude.

1. Has the leader adopted a team or a working group approach? Does the leader:
   a. Make all-important decisions?
   b. Make all work assignments?
   c. Make all evaluations of individuals?
   d. Ensure work is conducted primarily on the basis of individual accountability?
   e. Do any "real work" beyond decision making, delegating, and agenda setting?

2. Is the leader striving for the right balance between action and patience within the team? Does the leader:
   a. Promote constructive conflict and resolution?
   b. Use distance and perspective to keep the teams actions and directions relevant? Intimidate anyone on the team?
   c. Constantly challenge the team to sharpen its common purpose, goals, and approach?
   d. Inspire trust in people by acting in concert with the teams purpose and the team?
   e. Create opportunities for others, sometimes at his or her own expense?

3. Does the leader articulate a team purpose and act to promote and share responsibility for it? Does the leader:
   a. Think about and describe his or her assignment in individual or hierarchical versus team terms?
   b. Identify and act to remove barriers to team performance?
   c. Blame individuals for failure to perform either within or beyond the team?
   d. Excuse away performance shortfalls by pointing to "uncontrollable" outside forces?
Appendix 4 – Can we build a Real Team at the top?

1. **Complementary Skills:**
   a. Do we have important skills that are not best captured by our formal roles and responsibilities?
   b. Can we better utilize the basic skills and experience of our group by working together beyond as well as within our formal, functional responsibilities?
   c. Could some of us build skills in other areas, and thereby help strengthen the overall capabilities of the group?
   d. Can we modify our membership to include others down the line to enhance our collective ability to achieve particular goals?

2. **Working Approach**
   a. Can we break up hierarchical patterns by assigning work tasks based on skills rather than position?
   b. Can we assign leadership roles to someone other than the CEO?

3. **Team purpose and goals**
   a. Can we convert the company mission into a more team specific performance purpose for our group, including incremental performance goals that we can achieve together working as a team? If so, what are they?
   b. What specific issues, opportunities, or problems would lend themselves to a team effort and a set of collective work-products? Can we test the water by trying a team effort on one or two of them?
   c. How can we ensure that we each subordinate our individual priorities to the group's purpose and goals?
   d. How can we measure our mutual progress toward our goals as well as monitor our effectiveness in becoming a team?
   e. What specific rules would help us work better together, and "equalize" our individual, real work contributions to group goals?
   f. Can we reconfigure our group into subteams more appropriate to the specific issues, opportunities, or problems identified?
   g. How can we most effectively foster teams down the line?