

# GROUPS AND TEAMS

## CHAPTER 16

### GROUPS VERSUS TEAMS

Often the terms “group” and “team” are used interchangeably which, in many cases, may be appropriate. Both terms can refer to collectives of three or more members within an organization. However, there are significant differences between the two.

**Table 16.1: Typical characteristics of groups and teams**

Group	Team
Typically informal	Typically part of formal hierarchy
Share common interests	Work interdependently to achieve shared task-oriented goals
Small or large in size	Generally small in size

Unless otherwise noted, we will focus primarily on teams in the rest of this chapter, in part due to the relative ease of defining membership and, in part, because managers of organizations are more likely to be interested in work teams due to their task and goal orientation.

### TYPES OF TEAMS

#### Permanent vs. project teams

Teams can be relatively stable and ongoing (*permanent*), or their existence may be relatively fleeting to meet short-term needs (*project*). An example of a project team is a task force that has been set up to accomplish specific goals or to solve a particular problem and disbands once it completes its task. Such task forces are becoming more important as organizations need to deal with increasingly volatile, uncertain, complex, and ambiguous information.

#### Hierarchically- vs. self-managed teams

In traditional *hierarchically managed* teams, a leader is given the responsibility and legitimate authority to manage the team. In such teams the formal leader sets the agendas, assigns the tasks, and ensures that each member is performing their job. In recent years there has been a steady increase in the use of self-managed work teams. A *self-managed* work team typically consists of members who are given primary responsibility to manage themselves on a daily basis. Members of self-managed teams tend to get satisfaction from their increased discretion in decision-making, though being part of a self-managed team can also be experienced as tyrannical when it is based on an instrumental ideology that subverts

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alternative views. Self-managed teams tend to be very cost effective and reduce the need for many levels of management.

### **Functional vs. cross-functional teams**

A *functional* team has members who work in the same functional department or area, such as marketing or finance. Because members do not come from a variety of areas, there is greater homogeneity among members and a greater likelihood of getting along socially as a group. Functional teams are formed to achieve functional-level goals. *Cross-functional* teams bring together people who have a variety of expertise and knowledge from different organizational functions and possibly levels (akin to divisional departmentalization). They are assembled to achieve organizational-level goals or goals that require cooperation across functions. Overall, research suggests that diversity among team members helps to enhance creativity and satisfaction, but it also increases task conflict and reduces social integration (see also Chapter 10 on functional versus divisional departmentalization).

### **Co-located vs. virtual teams**

*Co-located* team members see each other regularly, often many times a day. They share the same office space, or work on the same assembly line, and have plenty of opportunity to develop relationships with one another. A *virtual* team is composed of members who live in geographically diverse settings. Virtual teams have grown in popularity because a) organizations have become increasingly global, b) recent technological advances have made virtual teams feasible, and c) there is increasing need for highly specialized workers who can work in innovative and flexible situations.

## **FBL, TBL, AND SET APPROACHES TO TEAMS**

All three management approaches encourage the use of teams, but for different reasons. Even though teams seem to go against the idea of individualism, the FBL approach recognizes that teams can help to improve productivity and profits. In contrast, while a SET approach welcomes such improved financial outcomes, it values teams because they also enhance community and overall well-being (e.g., recall that, from a virtue ethics perspective, human flourishing is optimized when the virtues are practiced in community, rather than individually). More generally, many of the other differences among the three management approaches that have been discussed throughout the text are also relevant for the management of teams.

## **STAGES OF TEAM DEVELOPMENT**

While no two teams are the same, and there is always variation in how teams develop over time, research suggests that it is helpful to think about teams going through a series of four developmental stages. The four stages are called forming, storming, norming, and performing.

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Table 16.2 provides more detail about what happens at each stage of team development, showing how each stage requires team members to address relationship-oriented issues (both at a personal and a group level), and task-oriented issues (in terms of both aims and means). By understanding these relationship- and task-oriented issues, and responding appropriately, team leaders can help to facilitate team development and improve team performance. We will discuss each stage in turn.

**Table 16.2: Overview of the stages of team development**

Realm	Forming	Storming	Norming	Performing
<b>Relational</b>				
Personal	Will I be accepted by the others?	Can I accept and trust others?	Am I and are my skills valued?	Do I find meaning/belongingness?
Group	What will the group norms be?	Can I shape team norms to suit my values/interests?	Are all members and their skills valued?	Is the team a cooperative community?
<b>Task</b>				
Aims	What is the team purpose?	Can I commit to our goal?	Do we embrace a <i>shared</i> vision?	Is there agreement and commitment?
Means	What will I/we do to achieve it?	How does my role fit with others'?	Do the tasks and roles align?	Is there excellent teamwork?
<b>Key behaviors for team leaders</b>	Welcome and help members get to know each other  Describe work of team and different roles on it	Model tolerance for conflict but not for bullying  Model listening and learning	Reinforce positive norms; facilitate self-management  Ensure information and workload are shared properly	Nurture a supporting community  Provide positive reinforcement for team performance

## STAGE 1: FORMING

While there are many similarities among the three management approaches when forming a team, there are also noteworthy differences, many of which extend into subsequent stages of team development.

1. Each management approach describes how the team goals fit with the overall organization, but in addition a SET approach will also describe how the team goals fit with the larger socio-ecological realm. In this way the scope of task cohesion in SET management is broader than TBL

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management, which is in turn broader than FBL management. Each management approach seeks to develop task cohesion, but the SET approach adds an emphasis on the socio-ecological aspects of the task.

2. Each management approach seeks to develop both task cohesion as well as social cohesion but, consistent with its consequential utilitarian instrumental focus, an FBL approach is likely to place greater emphasis on task cohesion than on social cohesion. In contrast, given its virtue ethics focus, a SET approach is likely to place greater emphasis on social cohesion than an FBL approach would. For example, the teams of women manufacturing jewelry for *31 bits* want to optimize the manufacturing process, but they are also interested in forming friendships, providing care, and supporting one another.
3. Each management approach draws attention to team boundaries, but for slightly different reasons. The FBL approach will point to boundaries in order to understand who its *competitors* are, whereas the SET approach focuses on identifying boundaries to understand who its *neighbors* are. Sometimes the FBL approach even advocates friendly competition within a firm, such as when the sales team in one geographic region competes against the sales team in another region. This competition is meant to motivate each team to sell more, and thus increase overall company sales. The underlying logic here is that each team will be more cohesive if its members feel that they must unite in order to do well compared to a different team. In contrast, SET managers are likely to increase social cohesion by showing how a team, through cooperation with others, can make a significant difference for the organization and its stakeholders. A firm may set up a team that includes members from various departments and external stakeholders. This can also be evident when working with TBL organizations. For example, when McDonald's and an NGO called the Environmental Defense Fund set up a joint task force to help McDonald's reduce its negative ecological externalities, it had experts from both organizations and a variety of functional backgrounds.

All three approaches affirm having a diversity of members on teams, but a SET approach is most likely to also invite input, and sometimes participation, from suppliers, customers, and possibly even community members.

4. Finally, a SET approach may deliberately design team membership to be more transient in this stage than an FBL approach, as members move in and out to explore the team's purpose and to provide input. Recall that at Semco (see Chapter 10) new hires had a "Lost in Space" program where they could participate in several teams before choosing one as their home. The emphasis for team members during this stage is *exploring* potential roles instead of having managers *defining* member's specific roles. Eventually, through discussion a core of committed team members emerges and the forming stage draws to a close.

## STAGE 2: STORMING

The second stage of team development is storming. While conflict and disagreement are the hallmarks of this stage, it is important to note that disagreement and conflict are also evident in the other stages (though not as intensely) and, indeed, that their ongoing management can be seen as a central aspect of the leading function.

Managing conflict is necessary in all three management perspectives, but they will have different orientations and approaches in how they do so.

1. A SET approach will place greater emphasis on diversity regarding the social and ecological externalities associated with a team's activities than a TBL approach does, which will be greater than an FBL approach does. As a result, SET teams are more likely to be more innovative and creative in addressing social and ecological issues.
2. While all three approaches promote moderate amounts of task conflict, they have differing approaches to relationship conflict. FBL management is the most likely to ignore relationship conflict, which allows it to fester and undermine social well-being in the workplace. In contrast, SET managers value healthy interpersonal workplace relationships because they are intrinsically valuable—not only because they can increase financial well-being.
3. These different attitudes to conflict are also reflected in, and multiplied by, differences in the diversity of external stakeholders who team members deal with. Recall that a SET perspective is more likely to encourage input and participation from a diverse set of stakeholders. Whereas a traditional FBL approach views multiple opinions as a source of conflict that must be resolved, a SET perspective welcomes multiple views as an opportunity for members to broaden their own understanding and build relationships. It is this ability to hold multiple views simultaneously that helps to transform these differing views from a potential source of dysfunctional conflict into a source of deeper understanding.

## STAGE 3: NORMING

As teams emerge from the storming stage and enter into the norming stage, the group identity and norms that they have been developing (and disputing) start to become established and accepted as guides for subsequent behavior. In the norming stage, members agree on norms or shared mental models of the best ways to complete tasks and the appropriate ways to interact with one another. These shared norms can in turn promote group performance (stage 4) because they provide regularity, help the group avoid interpersonal problems, and signify the group's identity.

We can identify two differences among the approaches to norming.

1. A SET approach tends to have a larger understanding of a team's purpose because it includes an emphasis on enhancing social and ecological well-being. Compared to the FBL/TBL approaches, a SET approach to information-sharing is therefore more likely to include a broader set of external stakeholders and include more information about ecological performance.

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2. A SET approach to workload-sharing is more likely than the FBL/TBL approaches to seek to *encourage* consistent contributing rather than *minimize* free-riding. The SET approach involves explicitly recognizing, rewarding, and supporting positive behavior rather than establishing systems which are designed to identify and minimize negative behavior. For example, when managers at Semco realized that team members were stealing equipment from the firm, it was suggested that they set up monitoring systems to catch the individuals to discourage future bad behavior. Instead of doing this, they trusted that it would be overcome by positive norms amongst team members. Their trust was rewarded, and as a result costly monitoring was avoided (the managers never did find out why the stealing stopped).

## **STAGE 4: PERFORMING**

If they are fortunate enough to enter the fourth stage, team members have developed social and task cohesion, have an understanding of, and appreciation for, the team's purpose, and have developed practices that enable them to perform their interdependent tasks at a high level.

The differences between the three approaches in this stage are consistent with many of the differences in the three approaches in the ongoing performance of organizational work as described in other chapters (e.g., decision-making, goal-setting, organizational design, motivating, leading, and so on). Some differences related to our discussion of key leadership behaviors include the observation that an FBL perspective would place a greater emphasis on the leader's direct role in managing the team and in providing extrinsic reinforcement, whereas a SET manager would be more likely to offer ideas and feedback informally and emphasize learning and shared power as sources of intrinsic motivation. Furthermore, whereas an FBL approach might be inclined to offer individual rewards, a SET approach is expected to be more open to team-based rewards. If individual recognition or rewards are deemed necessary, a SET manager would be inclined to have teams decide these rewards.

## **STAGE 5: ADJOURNING**

The fifth stage—adjourning—is evident when a team disbands. This fifth stage is not always discussed in the research, but it is worthy of brief consideration here. This stage and the forming stage can be seen as opposite sides of the same coin. Just as in the forming stage, in the adjourning stage members are likely to experience anxiety due to the uncertainty ahead of them, but they can also be excited for the transition to something new. And just as members in the forming stage are cautious about showing their true selves, some members in adjourning may be reluctant to show their true feelings of emotional attachment, while other members may be very expressive about their fondness for their team members.

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