

Developing and Sustaining High-Performance Work Teams

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Scope—This article explores the factors required for a high-performance work team, the common stages of team development, causes of team dysfunction and the primary types of teams organizations establish to achieve specific work goals. In addition, the article offers suggestions for ways HR can help teams achieve high performance. It does not include matters such as employee engagement and employee involvement.

Overview

A "high-performance work team" refers to a group of goal-focused individuals with specialized expertise and complementary skills who collaborate, innovate and produce consistently superior results. The group relentlessly pursues performance excellence through shared goals, shared leadership, collaboration, open communication, clear role expectations and group operating rules, early conflict resolution, and a strong sense of accountability and trust among its members.

This article explores:

- Factors required for a high-performance work team.
- Common stages of team development.
- Causes of team dysfunction.
- Primary types of teams organizations establish to achieve specific work goals.

In addition, the article offers suggestions for ways HR can help teams achieve high performance. These include recruiting the right team members, training, conflict resolution, and assessments and facilitation of results, pay and incentives. The article does not cover matters such as employee engagement and employee involvement, which are encompassed in the Employee Relations Discipline, nor issues related to employee staffing or employee retention, which are covered in the Staffing Management Discipline.

Background

Work teams are the backbone of contemporary work life. Executive teams run corporations. Project teams create new products and services; matrix teams help develop everything from pharmaceuticals to the delivery of services in consulting firms and charitable agencies. Marketing and sales teams deliver products and services to customers. High-performance work teams are essential to the way most organizations

organize and carry out their work, resulting in superior performance, which translates into a significant competitive advantage.

A team is a group of people who work together to accomplish something beyond their individual self-interests; however, not all groups are teams. A simple but effective description of what is meant by a team comes from Jon R. Katzenbach and Douglas K. Smith's book, *The Wisdom of Teams: Creating the High-Performance Organization*: "A team is a small number of people with complementary skills who are committed in a common purpose, performance goals, and approach for which they hold themselves mutually accountable."¹

What distinguishes high-performance teams from other groups is that a team is more than a collection of people simply following orders. To function effectively, a high-performance team also needs:

- A deep sense of purpose and commitment to the team's members and to the mission.
- Relatively more ambitious performance goals than average teams.
- Mutual accountability and a clear understanding of members' responsibilities to the team and individual obligations.
- A diverse range of expertise that complements other team members.
- Interdependence and trust between members.

The use of work teams is widespread in all types of organizations throughout the world—with good reason. High-performance work teams have an advantage over the work of individuals because each member can offer new ideas, talent and viewpoints. In addition, high-performance work teams predictably execute strategy, meet goals and need little management oversight because they are empowered and responsible for their functional activity and accountable for performance. Compensation and incentives are usually tied to the achievement of team and individual goals, respectively, with a heavier emphasis on collective team performance. Because superior team performance is so highly valued, these teams do not tolerate marginal and underperforming individual contributors.

See, [Introduction to the Human Resources Discipline of Organizational and Employee Development](#).

Business Case

The use of teams has expanded dramatically in response to competitive challenges and technological changes. Team structures allow for the application of multiple skills, judgments and experiences that are most appropriate for projects requiring diverse expertise and problem-solving skills. Teams can execute more quickly, make better

decisions, solve more complex problems, and do more to enhance creativity and build skills than an individual. Their use also increases productivity and morale; well-functioning teams can outperform individuals and even other types of working groups.

There are four key reasons why teams work:

- A group of individuals bring complementary skills and experience that exceed the abilities of any single individual.
- Teams support real-time problem-solving and are more flexible and responsive to changing demands.
- Teams provide a unique social dimension that enhances the economic and administrative aspects of work.
- High-performance teams generally have more fun at work than other low-achieving teams or individuals.

Characteristics of High-Performance Work Teams

Although there is no simple measure of performance effectiveness for groups, and no team is identical, there seems to be a shared understanding of what makes an effective group work. High-performance work teams are generally composed of a combination of purpose and goals, talent, skills, performance ethics, incentives and motivation, efficacy, leadership, conflict, communication, power and empowerment, and norms and standards.

Team purpose, goals and roles

High-performing teams are synergistic social entities that work toward the achievement of a common goal or goals—short term and long term. They often exemplify a total commitment to the work and to each other. Team members do better work when their roles are clear: They know how to do their jobs and why they are doing them. Each member must understand and support the meaning and value of the team's mission and vision. Clarifying the purpose and tying it to each person's role and responsibilities enhances team potential, as does the inclusion of "stretch" goals that increase the challenge necessary to motivate team members.

Talent, skills and work ethic

High-performance teams begin by recruiting and retaining their best talent, while quickly helping low-performing members find other places to work. Morale typically increases as performance increases. After selecting for talent, it is critical to ensure that the team members possess complementary skills (e.g., technical, problem-solving, decision-making and interpersonal skills). Team members must exhibit a sustained commitment to performance excellence, exercise candor and mutual respect, and hold themselves and their organizations accountable at both the individual and team levels.

Incentives, motivation and efficacy

Both monetary and nonmonetary systems that encourage high performance have a positive impact on tactical implementation of the team's goals. Over the long term, intrinsic motivators such as personal satisfaction at work and working on interesting projects provide the greatest impact on performance. In addition, a belief in one's self and abilities encourages people to take more strategic risks to achieve team goals.

Leadership

High-performing leaders generally accompany high-performance work teams. Essential leadership qualities include the ability to a) keep the purpose, goals and approach relevant and meaningful; b) build commitment and confidence; c) ensure that team members constantly enhance their skills; d) manage relationships from the outside with a focus on the removal of obstacles that might hinder group performance; e) provide opportunities for others without seeking credit; and f) get in the trenches and do the real work required. There is widespread agreement that effective team leaders focus on purpose, goals, relationships and an unwavering commitment to results that benefit the organization and each individual. See [Collective Leadership](#).

Conflict and communication

Conflict management is an essential part of becoming a high-performance team. Open communication in such teams means a focus on coaching instead of on directing and a focus on the ability to immediately address issues openly and candidly. The key to team performance is open lines of communication at all times to provide motivation, maintain interest and promote cooperation.

Power and empowerment

Empowered work teams increase ownership, provide an opportunity to develop new skills, boost interest in the project and facilitate decision-making. Researchers refer to the ideal situation as being "loose-tight" such that specific decision-making boundaries are constructed with enough room for individuals to make empowered choices.

Norms and standards

Like rules that govern group behavior, norms can be helpful in improving team development and performance. Norms for high-performance teams include open lines of communication, early resolution of conflict, regular evaluation of both individual and team performance, high levels of respect among members, a cohesive and supportive team environment, a strong work ethic that focuses on results, and shared recognition of team successes. The key is that high-performing teams actually discuss and agree to

their operating rules—standards that each team member agrees to uphold and for which they hold each other accountable.

Stages of Team Development

Dr. Bruce Tuckman, an early psychology researcher focused on group dynamics, developed a four-phase model of team development that included forming, storming, norming and performing. Refinement by other researchers has resulted in a well-known team development process that provides a useful framework for leaders and team members seeking to understand the nature of group dynamics and its evolution.

The four typically recognized stages of the process include:

1. **Forming.** Individuals are trying to get to know each other and the organization and have not formed a commitment to the team. In consult with HR, project leaders provide direction and outline expectations. In addition, HR might use DISC or Myers-Briggs assessments and then facilitate a discussion about the results to help the group understand each other's differences and operating styles.
2. **Storming.** In this typically rocky stage, team members may challenge the leader and each other. The leader coaches members on how to manage conflict and to focus on goals and may ask the HR team to help facilitate related training.
3. **Norming.** After individuals have worked through conflicts, the team begins to develop. People begin to appreciate their differences and start to work together. The leader begins to serve as a facilitator, offering encouragement and guidance. HR serves as a continuing support and can facilitate discussions or offer training as needed.
4. **Performing.** At this stage, the team is fully functional, and members are able to manage their relationships and work toward shared goals. Team members feel accepted and communicate openly with the leader. The leader focuses on delegating responsibilities and must identify when the team is moving into a different stage.

Other researchers have described a similar process yet attributed different names to the phases (e.g., working group, pseudo team, potential team, real team and ending with a high-performance team). Regardless of the identifiers used, high-performance work teams develop over time in roughly similar ways. As a result, this four-phase model serves general organizational purposes well, although some researchers have suggested that a fifth stage occurs when the group is disbanding—adjourning or mourning—the feeling of sadness and loss as a successful team separates.

Common Types of High-Performance Work Teams

Though they vary in duration, purpose and ultimate goals, organizations commonly establish five types of teams to achieve work goals.

Work teams

Work teams are continuing units responsible for producing goods or providing services. Their membership is typically stable, usually full time and well defined. Work teams are found in both manufacturing and service settings and are traditionally directed by supervisors who make most of the decisions about what is done, how it is done and who does it. Self-managing teams involving employees making decisions that were formerly made by supervisors are gaining favor.

Parallel teams

Parallel teams pull together people from different work units or jobs to perform functions the organization is not equipped to perform well. They exist in parallel with the formal organizational structure, have limited authority and can only make recommendations. Parallel teams are used for problem-solving and improvement-oriented activities (e.g., quality improvement teams, employee involvement groups, quality circles or task forces).

Project teams

Project teams are typically time-limited and produce one-time outputs (e.g., a new product or service, information system or plant). Project team tasks are not repetitive and involve considerable application of knowledge, judgment and expertise. As a result, membership is usually diverse, drawing from different disciplines and functional units, so specialized expertise can be applied to the project.

Management teams

Management teams coordinate and provide direction to their subunits and are responsible for the overall performance of a business unit. The management team's authority stems from the hierarchical rank of its members. At the top of the organization, the executive management team establishes strategic direction and manages the company's performance by applying its collective expertise and sharing responsibility for the overall success.

Virtual teams

A virtual team is a group of individuals who work together in pursuit of common goals across time, space and organizational boundaries. They are linked electronically by webs of [communication technology](#) (e.g., the Internet, Skype, WebEx, internal networks). Members of a virtual team coordinate their work predominantly with electronic information and communication technologies to accomplish specific organizational tasks and may never meet [face-to-face](#). Virtual teams allow companies to obtain the best talent possible for a specific project without geographical restrictions.

They are also generally viewed as more efficient in expenditures of time and related travel costs.

See:

[Managing Employees from a Distance Becoming Business Reality](#)

[When HR Teams Work Virtually](#)

[Virtual Teams Used Most by Global Organizations, Survey Says](#)

[Managing Multi-Cultural Teams](#)

Common Barriers Faced by High-Performance Work Teams

Given the importance of team-based work in today's economy, experts have focused on using evidence-based organizational research to pinpoint more accurately the defining attributes of high-performance teams. See [On the Brink of Failure](#)

Despite varying approaches to describing high-performance teams, some common characteristics seem to be strong indicators of a team that is not functioning at its peak or that needs intervention:

- **Nonparticipating leadership.** Team members fail to use a democratic leadership style that involves and engages team members. See [More than One Way to Approach Leadership Development](#)
- **Poor decision-making.** Team members make decisions too quickly without a blend of rational and intuitive decision-making methods.
- **Infrequent communication.** Lines of communication are closed and infrequent.
- **Diversity not valued.** Team members do not value the diversity of experience and backgrounds of their fellow team members, resulting in a lack of diverse viewpoints and less successful decision-making and solutions.

See:

[Awareness of Biases Helps Leaders Adapt to Diversity](#)

[Understand Personality Diversity to Maximize Productivity](#)

[Creating Synergy in a Four-Generation Workplace](#)

- **Lack of mutual trust.** Team members do not fully trust each other or the team as an entity. See [How the Best Leaders Build Trust.](#)
- **Inability to manage conflict.** Not dealing with conflict openly and transparently and allowing grudges to build up can destroy team morale. See [Helping Employees Cool It.](#)
- **Lack of goal clarity.** Team members are unsure about their roles and the ultimate team goals, resulting in a lack of commitment and engagement.

- **Poorly defined roles and responsibilities.** Team members are not clear about what they must do (and what they must not do) to demonstrate their commitment to the team and to support team success.
- **Relationship issues.** The bonds between the team members are weak, which affects their efficiency and effectiveness. See [Can Group Dynamics Curse Efforts to Cultivate Innovation?](#) and [Exposing Vulnerabilities Key to Cultivating Relationships.](#)
- **Negative atmosphere.** An overall team culture that is not open, transparent, positive and future-focused results in a failure to perform at high levels.

See:

[Organizational Culture: Does a company's culture affect organizational performance and effectiveness?](#)

[Understanding and Developing Organizational Culture](#)

[Wanted: A Positive Attitude](#)

HR's Role

As a chief resource to any organizational team effort, HR can support managers most effectively through a focus on several critical elements.

Selection of team members and support of team cohesiveness

Organizations can be strengthened by leveraging differences that mirror the diversity of their employees. Surveys have demonstrated a positive impact on high performance by teams with a diversity of ages, ethnicity and gender. A diverse workforce can also improve organizational productivity and creativity. Managing a diverse workforce can be a challenge, though. When people from different backgrounds come together, there is potential for both great accomplishment and great conflict. Managing diversity requires creating an environment in which differences in perspective can be valued and allowed to positively influence and contribute to the organization's work.

The HR team can support new team development by helping to select the right mix of individuals with the requisite skills and expertise to complement the knowledge, skills and abilities of other team members.

Communication

Communication within high-performing teams requires the free flow of information, a shared agreement that no topic is off-limits, and frequent, respectful interactions among team members and other individuals in the organization. The HR team can work with team members to provide communication skills training to help members stay in close contact with each other through transparent transactions.

Conflict resolution

One of the central differences between an average team and a high-performance work team is the capability to handle conflict in a constructive way. Any conflicts that surface must be depersonalized and dealt with early, either between individuals or among the collective team. Instead of viewing conflict as a negative, a high-performance team views it as a strength of the collective group. Diverse views help improve thinking, learning and overall performance. See [Can't We All Just Get Along?](#)

Task conflicts can actually improve team performance if managed collaboratively. Such conflict fosters a deeper understanding of task issues and an exchange of information that facilitates problem-solving, decision-making and generating ideas.

Conflict arises from differences, and when individuals come together in teams, their differences in power, values and attitudes contribute to the creation of conflict. To avoid the negative consequences that can result from frequent disagreements, most methods of resolving conflict stress the importance of dealing with disputes quickly and openly. Conflict is not necessarily destructive; when managed properly, conflict can result in significant benefits for a team. See [Coaching Can Help Counter Personality Clashes.](#)

To support effectiveness within high-performance teams, an understanding of individual working styles is important. HR can assist with this by using the DISC assessment, the Myers-Briggs Type Indicator and the Herrmann Brain Dominance Instrument (or similar assessments for which they are qualified), so each individual better understands the behavior, personalities and thinking styles of his or her fellow team members.

Collaboration

Collaboration is the basis for bringing together the knowledge, experience and skills of multiple team members to contribute to the development of a new service or product more effectively than individual team members could. It involves a commitment to a shared goal and an interdependence that comes from understanding that what is accomplished together is greater than what can be accomplished individually. See [Build Social Capital with Relationships.](#)

Collaboration is a discipline that requires an understanding of the practices that make it successful. HR can help facilitate discussions about positive ways to collaborate in a group setting to achieve maximum effectiveness.

Team member training

To maximize the individual contributions of employees to a team, HR must provide advance training on effective teams, the typical stages of team dynamics, role expectations, conflict resolution, communication and similar issues. This training can

help team members better understand issues that may occur and how they can best respond to those inevitable problems.

See:

[Theater-Based Training Can Improve Performance of Managers, Teams](#)

[SHRM Organizational Onsite Training and Development Resources](#)

Assisting new and departing team members

HR can help integrate new team members as they are selected. This process is especially valuable if someone joins the team late, which can disrupt the group dynamics. Helping new members understand the group norms and expectations will help them acclimate more quickly. See [Hiring to Fit the Culture and Integrating New Execs Takes More than Name-Plate Changes in the C-Suite](#).

HR can also help manage the departure of high-performing team members and the disbanding of a team. Sensitively managing departures is vital. Recognition of members' contributions and achievements is a fitting end to their team service.

See also:

[HR Key to High Commitment, Performance](#)

[Human Resources: Part of the Team](#)

[SHRM Foundation Research: HR Professionals as Team Leaders](#)

Creation of Appropriate Compensation and Rewards

A significant role for HR is to design both individual and team rewards to support performance excellence based on a solid performance management system.

HR Business Planning

As business leaders, HR professionals can also add value by understanding, communicating and influencing the manner in which teams are deployed in the organization.

Advising management when to use teams

HR can help the organization determine when the use of teams would be advantageous. Examples of situations in which teams can be beneficial include building a product or service, organizing rituals or ceremonies, increasing sales and marketing performance, enhancing profitability, and improving a product or service.

Advising management at team start-up

HR can help management structure and source the right personnel for membership in a team based on personality profiles and expertise (knowledge, skills and experience) when the team is first organized, as well as after the team's objectives have been established.

Development of a team project plan

Business planning builds from an organizational or departmental strategic planning process. It provides clarification of shorter-term actions necessary to achieve goals. With the assistance of HR, a newly formed team can develop a clear business or work plan to help it focus on the appropriate goals and objectives and think about how to best achieve those goals.

Team building and motivation

Team building is an ongoing process that helps a workgroup become a cohesive unit. The team members not only share expectations for accomplishing group tasks, but they also trust and support each other and respect individual differences. HR's role as a team builder is to help the team become more cohesive and productive. Teams often lose their motivation or focus midway through a project, so HR must nurture and support members along the way. HR can assist in planning a team-building event to help members clarify their focus and renew their energies to complete the project successfully. See [Make the Most of Teambuilding](#).

Technology

Virtual teams coordinate their work predominantly with electronic information and communication technologies and may never meet face-to-face, so having the right technological resources and support is essential. Other teams also rely on technology, but none as much as those working in a virtual team environment.

Metrics

Teams need a clear understanding of where they want to end up and how to find the most efficient way to reach their goals. Most teams will require a measurement system that enables every member to understand what is expected of him or her and that also provides a way for members to assess their progress. See [Supporting Team Leaders](#) and [Getting SMART About Performance Management Measures](#).

As a result, the measurement system used to determine relative team success will need to include:

- A statement of the results the team wants to achieve with measures and performance standards for each result.

- Statements of each individual's results, with measures and performance standards for each result.
- A clear picture of the priorities and relative importance of team and individual results.
- A plan for collecting and summarizing performance data so the team and individuals will know how they are performing.

Legal Issues

As with most projects, potential legal issues are bound to arise. As a result, a high-performance work team needs to have access to internal or external legal counsel that can advise the team early about potential legal concerns.

Global Issues

Increasingly, organizations operate in a global competitive environment, and members of high-performance work teams live and work in numerous countries. Employers must take this into account and determine appropriate strategies (e.g., communication, technology, pay, recruiting) based on the culture, laws and customs of each region. See, [6 Characteristics of High-Performing Global HR Teams](#).

Templates and Tools

Samples

[Committee and Task Formation](#)

[Goal-Setting Worksheet](#)

[Skills Analysis Form](#)

Useful books

[The Five Dysfunctions of a Team](#)

[A Manager's Guide to Virtual Teams](#)

Endnotes

¹Katzenbach, J. R., & Smith, D. K. (2006). *The wisdom of teams: Creating the high-performance organization* (Collins Business Essentials). New York: HarperCollins.