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Study Note

TEAM MANAGEMENT AND GROUP DYNAMICS

MGT213: Management Practices and Organizational Behavior

Team Management and Group Dynamics
Topic 11 | Week 11

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DEFINITIONS OF GROUPS AND TEAMS

Groups and teams are not the same thing.

A **group** can be defined as two or more individuals, interacting and interdependent, who work together and have individual goals that they work toward collectively. While groups work toward separate goals, they have a related interest or identity that brings them together. A **work group** is a group that interacts primarily to share information and make decisions to help each member perform within his or her area of responsibility.

Examples
Study Group: A group of students who come together to study for exams or work on projects. Each student may have their own individual goals (e.g., getting good grades), but they work together to achieve collective academic success.

Support Group: A gathering of individuals facing similar challenges or experiences, such as a support group for people dealing with grief, addiction recovery, or a specific health condition. Although each person has their own journey, they come together to share experiences, provide support, and work towards healing collectively.

Professional Association: Members of a professional association, such as the American Medical Association or the National Association of Realtors, form a group based on their shared interest or identity in a particular field. While each member may have their own career goals, they collaborate on initiatives, share knowledge, and advocate for common interests within their profession.

A **team** or **work team** is a number of people who work together to accomplish a shared purpose or goal. Each team is the sum of its parts, which means members of the team rely on one another to accomplish the outcome.

Examples
Sports Team: A cricket team, for example, is composed of players who work together to win matches and tournaments. Each player has a specific role within the team (e.g., batsman, bowler, wicketkeeper), and their collective effort is essential for achieving the team's goal of winning games.

Project Team: In a workplace setting, a project team is formed to accomplish a specific task or project, such as developing a new product or implementing a marketing campaign. Team members contribute their unique skills and expertise towards achieving the project's objectives within a defined timeline and budget.

Emergency Response Team: This could be a team of firefighters, paramedics, and police officers who collaborate during emergencies like natural disasters or accidents. Each member has a critical role to play in ensuring public safety and responding effectively to crises, requiring seamless coordination and mutual reliance on each other's expertise.

DIFFERENCES BETWEEN GROUPS AND TEAMS

Work groups have no need or opportunity to engage in collective work that requires joint effort. So their performance is merely the summation of each group member's individual contribution. There is no positive synergy that would create an overall level of performance greater than the sum of the inputs. A **work team**, on the other hand, generates positive

synergy through coordinated effort. The individual efforts result in a level of performance greater than the sum of those individual inputs.

In both work groups and work teams, there are often behavioral expectations of members, collective normalization efforts, active group dynamics, and some level of decision making (even if just informally about the scope of membership). Both work groups and work teams may be called upon to generate ideas, pool resources, or coordinate logistics such as work schedules; for the work group, however, this effort will be limited to information gathering for decision makers outside the group (not team actionable).

Following are some of the major differences between work groups and work teams.

Particulars	Work Groups	Work Teams
Purpose and Goals	Members of work groups may have individual goals that are loosely aligned or unrelated to each other.	Members of work teams have a shared purpose or common goal that all members work towards collectively.
Interdependence	Members of work groups may work independently, with minimal interaction or reliance on each other.	Work teams are highly interdependent, with members relying on each other's contributions to accomplish tasks and achieve goals.
Structure	Work groups often have a less formal structure.	Work teams have a more structured setup.
Roles	Work groups may not have clearly defined roles or responsibilities for each member.	Work teams have clearly defined roles and responsibilities for each member.
Communication	Communication within work groups may be less frequent or formal.	Communication within work teams is typically more frequent, open, and collaborative.
Decision Making	In work groups, decision-making processes may be more individualized or hierarchical.	In work teams, decision-making processes are often participatory, involving input from multiple team members.
Accountability	Accountability in work groups may be primarily individual-focused, with each member responsible for their own tasks or outcomes.	Accountability in work teams is collective, with members holding each other accountable for the team's overall performance and outcomes.
Performance Measurement	Performance in work groups may be evaluated based on individual achievements or outputs.	Performance in work teams is evaluated based on collective outcomes and the team's ability to achieve its shared goals.

TYPES OF TEAMS

Problem-Solving Teams

In the past, teams were typically composed of 5 to 12 hourly employees from the same department who met for a few hours each week to discuss ways of improving quality, efficiency, and the work environment. These **problem-solving teams** rarely have the authority to unilaterally implement any of their suggestions.

Merrill Lynch created a problem-solving team to figure out ways to reduce the number of days it took to open a new cash management account. By suggesting cutting the number of steps from 46 to 36, the team reduced the average number of days from 15 to 8.

Informal Teams

Informal teams are operational teams that staff members form of their own accord. These are unofficial teams that work independently from managers or supervisors. An informal team could be a group of employees who all do the same task and independently come together to improve the workflow of the task. How well informal teams come together might reflect how strong their communication channels are. Because the individuals within an informal team choose to work together, they might even be better connected than other teams that have more structure.

Cross-Functional Teams

Starbucks created a team of individuals from production, global PR, global communications, and U.S. marketing to develop its Via brand of instant coffee. The team's suggestions resulted in a product that would be cost-effective to produce and distribute and that was marketed with a tightly integrated, multifaceted strategy. This example illustrates the use of **cross-functional teams**, made up of employees from about the same hierarchical level but different work areas, who come together to accomplish a task.

Many organizations have used horizontal, boundary-spanning teams for decades. In the 1960s, IBM created a large task force of employees from across departments to develop its highly successful System 360. **Today, cross-functional teams are so widely used it is hard to imagine a major organizational undertaking without one.** All the major automobile manufacturers — Toyota, Honda, Nissan, BMW, GM, Ford, and Chrysler — currently use this form of team to coordinate complex projects.

Cross-functional teams are an effective means of allowing people from diverse areas within or even between organizations to exchange information, develop new ideas, solve problems, and coordinate complex projects. Of course, cross-functional teams are no picnic to manage. Their early stages of development are often long, as members learn to work with diversity and complexity. It takes time to build trust and teamwork, especially among people from varying backgrounds with different experiences and perspectives.

Virtual Teams

The teams described in the preceding section do their work face-to-face. **Virtual teams** use computer technology to unite physically dispersed members and achieve a common goal. They collaborate online — using communication links such as wide-area networks, videoconferencing, or e-mail — whether they're a room away or continents apart. Virtual teams are so pervasive, and technology has advanced so far, that it's probably a bit of a misnomer to call them "virtual." **Nearly all teams today do at least some of their work remotely.**

Despite becoming more widespread, virtual teams face special challenges. They may suffer because there is less social rapport and direct interaction among members, leaving some
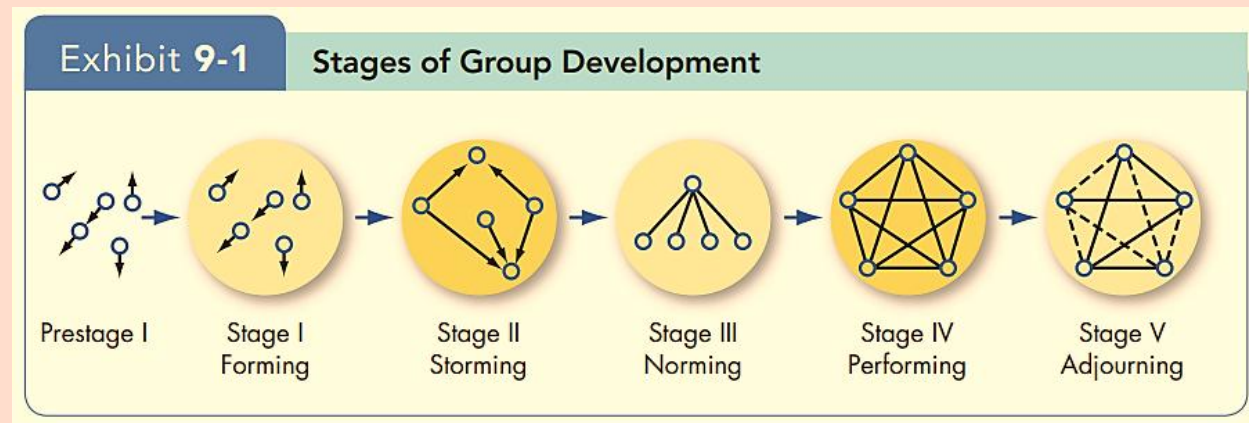
feeling isolated. One study showed that team leaders can reduce feelings of isolation, however, by communicating frequently and consistently with team members so none feel unfairly disfavored. In addition, evidence from 94 studies entailing more than 5,000 groups found that virtual teams are better at sharing unique information (information held by individual members but not the entire group), but they tend to share less information overall. As a result, low levels of virtuality in teams results in higher levels of information sharing, but high levels of virtuality hinder it.

For virtual teams to be effective, management should ensure that –
>   (1) trust is established among members (one inflammatory remark in an e-mail can severely undermine team trust),
>   (2) team progress is monitored closely (so the team doesn't lose sight of its goals and no team member "disappears"), and
>   (3) the efforts and products of the team are publicized throughout the organization (so the team does not become invisible).

GROUP/TEAM DEVELOPMENT: THE FIVE-STAGE MODEL

Groups generally pass through a predictable sequence in their evolution. Although **not all groups follow this five-stage model**, it is a useful framework for understanding group development. As shown in Exhibit 9-1, the **five-stage group-development model** characterizes groups as proceeding through the distinct stages of **forming**, **storming**, **norming**, **performing**, and **adjourning**.

Exhibit 9-1 — Stages of Group Development. Prestage I; Stage I Forming; Stage II Storming; Stage III Norming; Stage IV Performing; Stage V Adjourning

⊕ **STAGE 1: FORMING**
The first stage, **forming** stage, is characterized by a great deal of uncertainty about the group's purpose, structure, and leadership. Members "test the waters" to determine what types of behaviors are acceptable. This stage is complete when members have begun to think of themselves as part of a group.
Example: At the beginning of the class project, team members gather for their first meeting. There's uncertainty about the project's scope, how the group will operate, and who will take on leadership roles. Members are polite and cautious as they introduce themselves and express their initial ideas about the project. They're testing the waters to understand the group dynamics and establish a sense of belonging.

⊕ **STAGE 2: STORMING**
The **storming** stage is one of intragroup conflict. Members accept the existence of the group but resist the constraints it imposes on individuality. There is conflict over who will control the group. When this stage is complete, there will be a relatively clear hierarchy of leadership within the group.

Example: As the project progresses, disagreements arise among team members about the direction of the project and how tasks should be delegated. Some members may resist suggestions from others, leading to conflicts over decision-making and control. There's a struggle to establish a clear hierarchy of leadership within the group, with tensions running high as individuals assert their opinions and preferences.

⊕ **STAGE 3: NORMING**
In the third stage, close relationships develop and the group demonstrates cohesiveness. There is now a strong sense of group identity and camaraderie. This **norming** stage is complete when the group structure solidifies and the group has assimilated a common set of expectations of what defines correct member behavior.
Example: After engaging in discussions and resolving conflicts, the team starts to develop closer relationships and a sense of camaraderie. They begin to understand each other's strengths and weaknesses, leading to a more cohesive group dynamic. As norms and expectations for member behavior become clearer, the team collaborates more effectively, and there's a shared commitment to achieving the project's goals.

⊕ **STAGE 4: PERFORMING**
The fourth stage is **performing**. The structure at this point is fully functional and accepted. Group energy has moved from getting to know and understand each other to performing the task at hand.
Example: With roles and responsibilities clarified, the group shifts its focus to executing the project tasks efficiently. Team members work together seamlessly, leveraging their individual strengths to contribute to the project's success. There's a sense of synergy as the group channels its energy into achieving high-quality results within the given timeframe

⊕ **STAGE 5: ADJOURNING**
For permanent work groups, performing is the last stage in development. However, for temporary committees, teams, task forces, and similar groups that have a limited task to perform, the **adjourning** stage is for wrapping up activities and preparing to disband. Some group members are upbeat, basking in the group's accomplishments. Others may be depressed over the loss of camaraderie and friendships gained during the work group's life.
Example: As the class project comes to an end, the team gathers for their final meeting to wrap up activities and reflect on their accomplishments. Some members express satisfaction and pride in the group's achievements, while others feel a sense of sadness over the impending disbandment of the team. They share memories of their collaboration and exchange contact information to stay in touch, recognizing the bonds they've formed during their time working together.

Many interpreters of the five-stage model have assumed **a group becomes more effective as it progresses through the first four stages**. Although this may be generally true, what makes a group effective is actually more complex. First, groups proceed through the stages of group development at different rates.
⊕ **Those with a strong sense of purpose and strategy rapidly achieve high performance and improve over time, whereas those with less sense of purpose actually see their performance worsen over time.**
⊕ Similarly, groups that begin with a positive social focus appear to achieve the "performing" stage more rapidly.
⊕ Nor do groups always proceed clearly from one stage to the next.
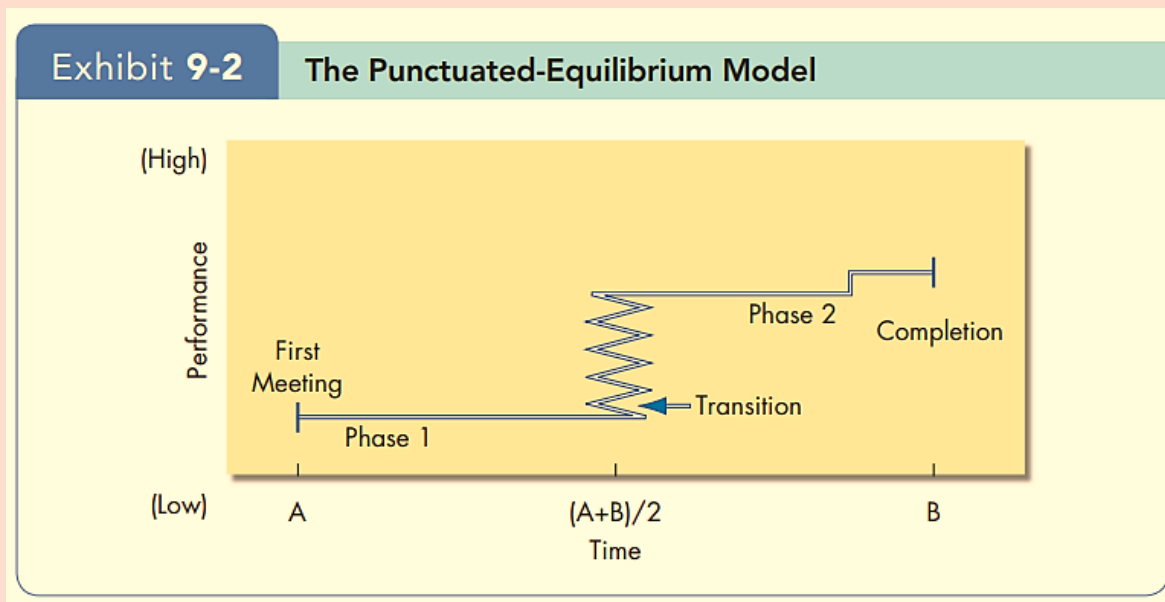⊕ Storming and performing can occur simultaneously, and groups can even regress to previous stages.

GROUP/TEAM DEVELOPMENT: THE PUNCTUATED-EQUILIBRIUM MODEL

Temporary groups with deadlines don't seem to follow the usual five-stage model. Studies indicate they have their own unique sequencing of actions (or inaction):

  (1) Their first meeting sets the group's direction,
  (2) the first phase of group activity is one of inertia,
  (3) a transition takes place exactly when the group has used up half its allotted time,
  (4) this transition initiates major changes,
  (5) a second phase of inertia follows the transition, and
  (6) the group's last meeting is characterized by markedly accelerated activity.

This pattern, called **the punctuated-equilibrium model**, is shown in Exhibit 9-2.

Exhibit **9-2**   The Punctuated-Equilibrium Model

The **first meeting** sets the group's direction, and then a framework of behavioral patterns and assumptions through which the group will approach its project emerges, sometimes in the first few seconds of the group's existence. Once set, the group's direction is solidified and is unlikely to be reexamined throughout the first half of its life. This is a period of *inertia* — the group tends to stand still or become locked into a fixed course of action even if it gains new insights that challenge initial patterns and assumptions.

One of the most interesting discoveries in work team studies was that groups experienced their transition precisely halfway between the first meeting and the official deadline — whether members spent an hour on their project or 6 months. The midpoint appears to work like an alarm clock, heightening members' awareness that their time is limited and they need to get moving. This transition ends **phase 1** and is characterized by a concentrated burst of changes, dropping of old patterns, and adoption of new perspectives. The transition sets a revised direction for **phase 2**, a new equilibrium or period of inertia in which the group executes plans created during the transition period.

The group's **last meeting** is characterized by a final burst of activity to finish its work. In summary, the punctuated-equilibrium model characterizes groups as exhibiting long periods of inertia interspersed with brief revolutionary changes triggered primarily by members' awareness of time and deadlines. Keep in mind, however, that this model doesn't apply to all

groups but is suited to the finite quality of temporary task groups working under a time deadline.

> **Example:** In the punctuated-equilibrium model, a group for a course project experiences a swift establishment of its direction and behavioral patterns during its first meeting. These patterns persist without much reconsideration for the first half of the project duration, representing a period of inertia.
>
> Remarkably, the group undergoes a significant transition precisely midway between the first meeting and the project deadline. This transition acts as a wake-up call for members, signaling the need to accelerate their progress. During this phase, there's a flurry of changes as old patterns are discarded, and new perspectives are embraced, setting a revised direction for the remainder of the project.
>
> As the project deadline approaches, the group experiences a final burst of activity during its last meeting to wrap up its work. In summary, the punctuated-equilibrium model portrays groups as alternating between long periods of inertia and brief, revolutionary changes, primarily triggered by members' awareness of time constraints and deadlines. However, it's important to note that this model is best suited for temporary task groups operating under time constraints.

GROUP/TEAM NORMS

Did you ever notice that golfers don't speak while their partners are putting on the green or that employees don't criticize their bosses in public? Why not? The answer is norms.

All groups have established **norms** — acceptable standards of behavior shared by their members that express what they ought and ought not to do under certain circumstances. When agreed to and accepted by the group, norms influence members' behavior with a minimum of external controls. Different groups, communities, and societies have different norms, but they all have them.

Norms can cover virtually any aspect of group behavior.

Performance Norms	Probably the most common is a ***performance norm***, providing explicit cues about how hard members should work, what the level of output should be, how to get the job done, what level of tardiness is appropriate, and the like. These norms are extremely powerful and are capable of significantly modifying a performance prediction based solely on ability and level of personal motivation.
Appearance Norms	Dress codes, unspoken rules about when to look busy
Social Arrangement Norms	With whom to eat lunch, whether to form friendships on and off the job
Resource Allocation Norms	Assignment of difficult jobs, distribution of resources like pay or equipment

GROUP/TEAM COHESIVENESS

Groups differ in their **cohesiveness** — the degree to which members are attracted to each other and motivated to stay in the group.
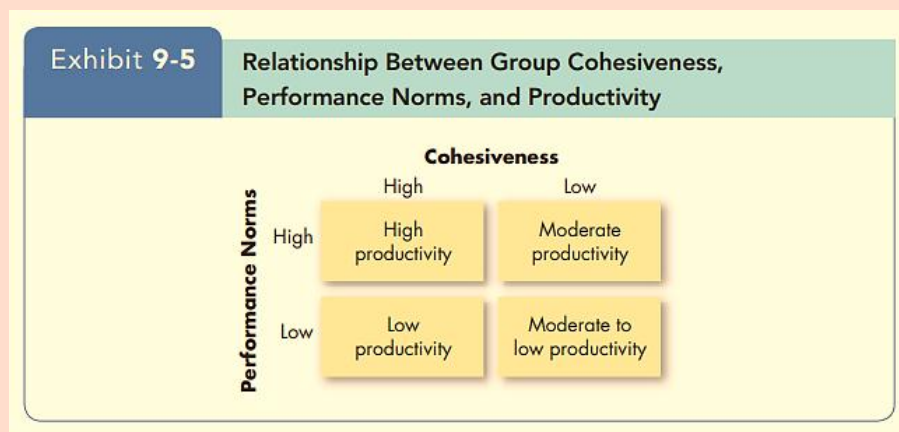
Some work groups are cohesive because –
 ⊕ the members have spent a great deal of time together,
 ⊕ the group's small size facilitates high interaction, or
 ⊕ external threats have brought members close together.

Cohesiveness affects group productivity. Studies consistently show that the relationship between cohesiveness and productivity depends on the group's performance-related norms.

 ⊕ If norms for quality, output, and cooperation with outsiders are high, for instance, a cohesive group will be more productive than will a less cohesive group.
 ⊕ But if cohesiveness is high and performance norms are low, productivity will be low.
 ⊕ If cohesiveness is low and performance norms are high, productivity increases, but less than in the high-cohesiveness/high-norms situation.
 ⊕ When cohesiveness and performance-related norms are both low, productivity tends to fall into the low-to-moderate range.
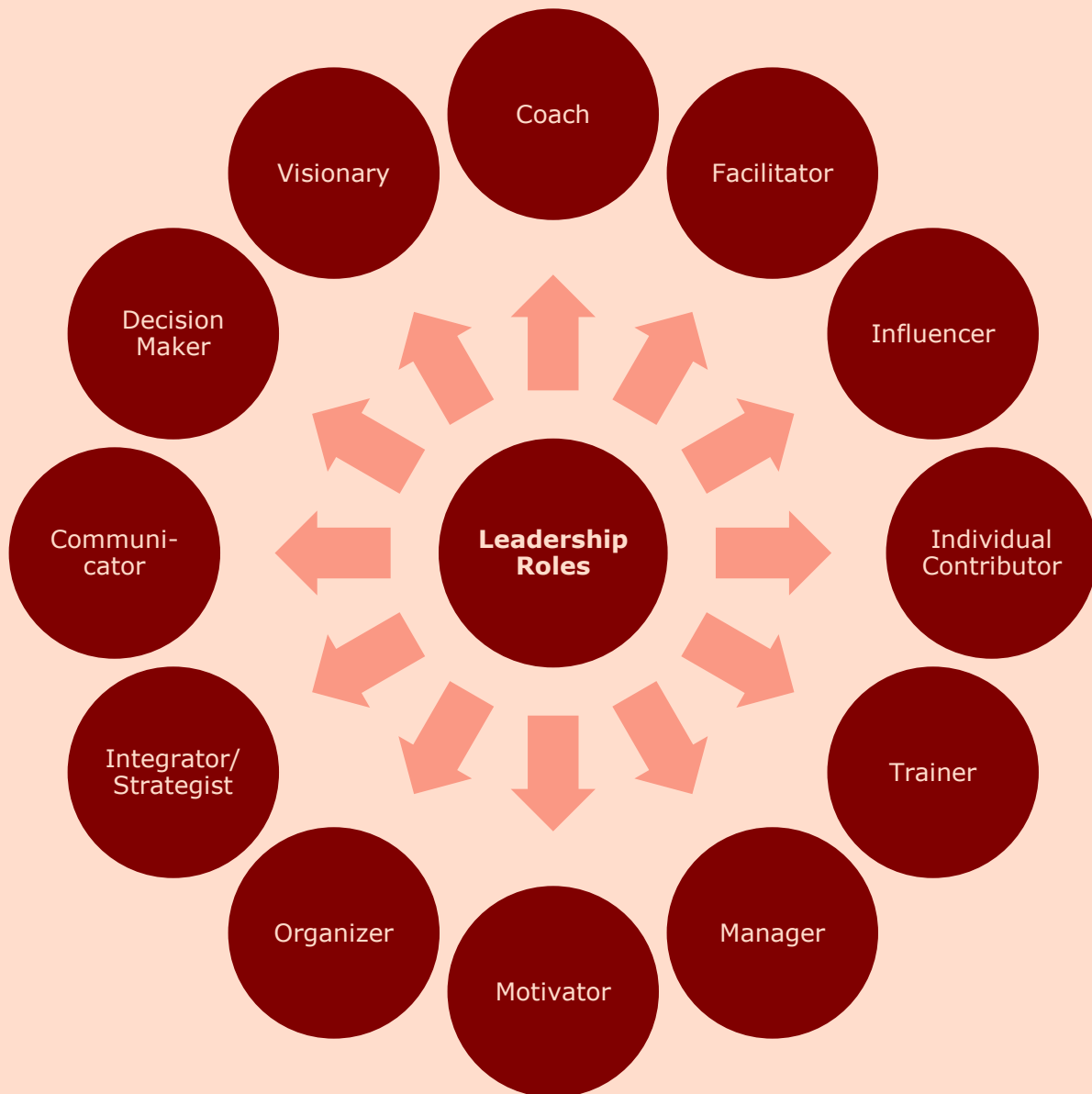
These conclusions are summarized in Exhibit 9-5.

Exhibit 9-5	Relationship Between Group Cohesiveness, Performance Norms, and Productivity	

Cohesiveness

Performance Norms		High	Low
	High	High productivity	Moderate productivity
	Low	Low productivity	Moderate to low productivity

What can you do to encourage group cohesiveness?
 (1) Make the group smaller,
 (2) encourage agreement with group goals,
 (3) increase the time members spend together,
 (4) increase the group's status and the perceived difficulty of attaining membership,
 (5) stimulate competition with other groups,
 (6) give rewards to the group rather than to individual members, and
 (7) physically isolate the group.

LEADERSHIP ROLES FOR A GROUP/TEAM LEADER

There are different leadership roles that a leader can use to best support their team and achieve their goals. Great leaders are flexible, knowing that different situations and challenges require different approaches.

Figure. Different Leadership Roles for a Leader in a Group/Team

1. Coach
Being a great leader means **coaching** team members to grow and develop by asking the right questions, arranging learning opportunities, and recognizing their strengths and weaknesses. Effective coaches motivate with emotional support and professional expertise, fostering trust and autonomy while encouraging active participation in development.

2. Facilitator
Leaders **facilitate** group dynamics, enabling teams to find solutions and solve problems themselves. They manage conflicts, ensure everyone contributes, and empower the group to take ownership of challenges. Facilitators design processes, plan workshops, and bring people together to improve team performance.

3. Influencer
Leaders **influence** their teams by leading by example, inspiring action, and championing their work. They use their knowledge and reputation to inspire change, seek input from experts, and make decisions that benefit the group. Effective influencers practice what they preach and model desired behaviors.

4. Individual Contributor
Leaders **contribute** directly to the work when needed, meeting deadlines, problem-solving, and leveraging their skills to support the team's goals. They know when to step in and when to step back, balancing involvement to achieve extraordinary results and build relationships with colleagues.

5. Trainer
Leaders facilitate the professional growth of their employees by organizing **training** and learning opportunities and enhancing their skills. They lead seminars, source training, and identify knowledge gaps to improve capabilities. Trainers focus on teaching specific skills and helping employees learn and develop.

6. Manager
Leaders **manage** teams to achieve goals, overseeing work, delegating tasks, and ensuring progress. They organize efforts, address challenges, and represent team interests within the organization. Managers provide feedback, manage group dynamics, and improve team processes and cohesion.

7. Motivator
Leaders **motivate** their teams by cheering them on, celebrating their successes, and mobilizing them for action. They inspire engagement, provide positive feedback, and remind the team of their purpose. Motivators lead by example and create a supportive environment for growth and achievement.

8. Organizer
Effective leaders **organize** tasks, strategies, and processes to ensure efficient operations and achieve goals. They prioritize responsibilities, manage logistics, and stay on top of tasks. Organizers balance strategic thinking with practical execution to support team success.

9. Integrator/Strategist
Leaders **integrate** different perspectives and make strategic decisions to drive organizational growth and change. They design solutions, develop strategies, and facilitate collaboration across departments. Integrators focus on solving problems and guiding the team toward long-term success.

10. Communicator
Leaders **communicate** effectively, expressing ideas, listening actively, and facilitating dialogue. They keep team members informed, loop in relevant stakeholders, and resolve conflicts through clear communication. Communicators build trust and ensure everyone is heard and understood.

11. Decision Maker
Leaders **make critical decisions** that affect the team or organization, balancing input from stakeholders and considering potential impacts. They employ critical thinking, involve team members in decision-making, and break ties when needed. Decision makers ensure decisions are well-informed and benefit the group.

12.Visionary

Leaders **envision** the future and champion ideas to drive innovation and progress. They spot potential, inspire action, and persistently pursue the team's mission. Visionaries mobilize others, cultivate creativity, and lead with passion and purpose

REVIEW AND DISCUSSION QUESTIONS

A. Theoretical/Conceptual Questions

1. What is a group?
2. Describe the several different types of groups and indicate the similarities and differences among them.
3. What is the difference between a group and a team?
4. What are the stages of group development?
5. Do all teams develop through all the stages discussed in this chapter? Why or why not?
6. How does knowing the five stages of group development help you as the manager?
7. What are the key components of the punctuated-equilibrium model?
8. What are "group norms"?
9. How do group norms influence an individual's behavior?
10. How can cohesiveness support group effectiveness?
11. Why are virtual teams not suitable for all situations?
12. Discuss how having clear goals can make a team more effective.

B. Situational/Contextual Questions

13. A newly formed project team is struggling to define its goals and objectives. What challenges might the team face at this early stage?
14. How can a team leader facilitate trust-building and relationship development among team members during the forming stage?
15. A project team is experiencing conflict over roles and responsibilities. What strategies can be used to address these conflicts and move the team to the next stage?
16. How can a team leader manage power struggles and competition among team members during the storming stage?
17. A team has successfully resolved its initial conflicts and is starting to cooperate. What activities can be implemented to strengthen team cohesion and establish group norms?
18. How can a team leader prevent the team from becoming complacent during the norming stage?
19. A high-performing team is facing a significant challenge. How can the team leverage its strengths and cohesion to overcome obstacles?
20. How can a team leader maintain team motivation and engagement during the performing stage, especially in the face of long-term projects?
21. A project team has successfully completed its task and is preparing to disband. What strategies can be used to facilitate a positive team dissolution?
22. How can a team leader help team members transition to new projects or roles after the adjourning stage?