**What is a cross-functional team?**

A cross-functional team is a workgroup made up of employees from different functional areas within an organization who collaborate to reach a stated objective.

A software company, for example, could create a cross-functional team with workers from engineering, sales, marketing and customer service, all working as equal [stakeholders](https://www.techtarget.com/searchcio/definition/stakeholder), to produce a new application. In some cases, a cross-functional team will also include customers or other outside stakeholders in the project.

Organizations often create cross-functional teams on a temporary basis to function as a unit for the duration of a specific project, existing from the start of that project until, ideally, the project's successful completion. However, some enterprises organize their workforce in permanent cross-functional teams instead of a more traditional hierarchical structure that includes clear divisions of professional disciplines.

Cross-functional teams can be used in organizations of all sizes.

A cross-functional team places less emphasis on the members' specific roles within the organization and more emphasis on communication and working together to accomplish [organizational goals](https://www.techtarget.com/searchcio/definition/organizational-goals). For example, a [data science team](https://www.techtarget.com/searchbusinessanalytics/feature/How-to-structure-and-manage-a-data-science-team) might include a business analyst, a quality engineer and product managers from different divisions within the organization who will be using the data. Or, a [software development team](https://www.techtarget.com/searchapparchitecture/tip/A-primer-on-core-development-team-structure-concepts) for a new vendor offering may include the executive sponsor and marketing manager, as well as the [product owner](https://www.techtarget.com/searchsoftwarequality/definition/product-owner), a technical writer, a database manager and the software development team.

**The purpose of cross-functional teams**

Companies use cross-functional teams to help them produce better results more quickly. As such, companies expect these work teams to be high-performance teams.

The philosophy behind that is by bringing together workers from the different business divisions with a stake in a project, the team can more effectively and efficiently address what needs to get done. And by collaborating in a single unit with a common objective, the workers don't waste time passing a project from one department to the next, as they would in more traditional team arrangements.

Thus, cross-functional teams reduce the repetition and need for revisions that arise in more traditional team or [project management](https://www.techtarget.com/searchcio/definition/project-management) arrangements, where a project moves through the various departments for input and review in a linear fashion.

In software development, teams following the Agile and [DevOps methodologies](https://www.techtarget.com/searchitoperations/definition/DevOps) have characteristics of cross-functional teams, as these methodologies pull together various professionals to form multifunctional units.

**How cross-functional teams work**

Individual members, as well as the cross-functional team itself, generally have a high level of decision-making capabilities, a characteristic that helps them move faster through projects than other types of teams could.

The cross-functional team needs to understand the problem to be solved or the objective to be met, as well as clear, defined goals.

**Necessary components of cross-functional teams**

In addition to appropriate levels of high-level management and governance, management experts list several other key components needed to ensure cross-functional teams succeed.

These teams need to understand not just the project's goals and objectives, but have clearly delineated [project scope](https://www.techtarget.com/searchcio/definition/project-scope) -- again, a requirement that mirrors what all projects need to succeed.

They also need to have strong communication skills among team members so they can break down functional silos, yet still effectively convey the perspectives and requirements of their respective professional areas of expertise and functional areas.

These teams also need to have adequate autonomy and an independent decision-making process to move the project forward. They also need to have adequate authority over required resources so they can access those resources when and how they're needed to reach the team's stated objectives.

**Pros and cons of cross-functional teams**

Proponents of using cross-functional teams list multiple benefits for organizations that use them. Those include the following:

* Improved problem-solving and faster decision-making, both of which lead to the development of a better product more quickly;
* Increased innovation;
* Higher capacity to respond to changing market conditions and requirements, due to the team's decision-making capabilities; and
* Better alignment to overall organizational goals, as cross-functional teams break down departmental self-interests to focus on a common objective.

On the other hand, cross-functional teams can be prone to failure when they're not appropriately staffed and managed. Like all projects without the right staffing and oversight, failed cross-functional team projects waste time and resources. As a result, they can create division within an organization, as well as put the organization at a competitive disadvantage by failing to deliver on its objectives.

 Effective communication in cross-functional teams can help improve problem solving and decision making, and can help organizations achieve their goals.

Here are some tips for effective communication in cross-functional teams:

* Seek and share feedback: Regularly and constructively share and seek feedback to improve performance, identify issues, and learn from each other.
* Be open to feedback: Actively listen to your team members' opinions, suggestions, and concerns.
* Acknowledge and act on feedback: Acknowledge and act on the feedback you receive, and follow up on the outcomes.

**Some other benefits of cross-functional collaboration include:**

* Insight and innovation
* Collaborative culture
* Colleague appreciation
* Opportunity to develop leadership skills
* More engaged employees
* Conflict resolution
* Team performance