

Being popular in groups and “clicking” with others seems to be as important at work as in school. The more things change, the more they stay the same.

Sources: O. Brafman and R. Brafman, “To the Vulnerable Go the Spoils,” *Bloomberg Businessweek* (June 20, 2010), pp. 71–73; and B. A. Scott and T. A. Judge, “The Popularity Contest at Work: Who Wins, Why, and What Do They Receive?” *Journal of Applied Psychology* 94, no. 1 (2009), pp. 20–33.

**G**roups have their place—and their pitfalls. Before we discuss them, examine your own attitude toward working in groups. Take the following self-assessment and answer the accompanying questions.

The objectives of this chapter and Chapter 10 are to introduce you to basic group concepts, provide you with a foundation for understanding how groups work, and show you how to create effective teams. Let’s begin by defining *group* and explaining why people join groups.



### Do I Have a Negative Attitude Toward Working in Groups?

In the Self-Assessment Library (available on CD or online), take assessment IV.E.1 (Do I Have a Negative Attitude Toward Working in Groups?) and answer the following questions.

1. Are you surprised by your results? If yes, why? If not, why not?
2. Do you think it is important to always have a positive attitude toward working in groups? Why or why not?

## Defining and Classifying Groups

### 1 Define *group* and distinguish the different types of groups.

We define a **group** as two or more individuals, interacting and interdependent, who have come together to achieve particular objectives. Groups can be either formal or informal. By a **formal group**, we mean one defined by the organization’s structure, with designated work assignments establishing tasks. In formal groups, the behaviors team members should engage in are stipulated by and directed toward organizational goals. The six members of an airline flight crew are a formal group. In contrast, an **informal group** is neither formally structured nor organizationally determined. Informal groups are natural formations in the work environment that appear in response to the need for social contact. Three employees from different departments who regularly have lunch or coffee together are an informal group. These types of interactions among individuals, though informal, deeply affect their behavior and performance.

### Why Do People Form Groups?

Why do people form groups, and why do they feel so strongly about them? Consider the celebrations that follow a sports team’s winning a national championship. Fans have staked their own self-image on the performance of someone else. The winner’s supporters are elated, and sales of team-related shirts, jackets, and hats declaring support for the team skyrocket. Fans of the losing team feel dejected, even embarrassed. Our tendency to take personal pride or offense for the accomplishments of a group is the territory of **social identity theory**.

The employees of the Swedish transportation company Scania shown here exercising at a sports complex comprise an informal group. At different company locations, Scania offers employees free access to sports facilities during working hours. The company puts a high priority on employee health and offers employees many opportunities to reinforce an active lifestyle. The informal groups that participate in sports and exercise activities are neither formally structured nor organizationally determined. However, informal groups like these can fulfill employee desires for social interaction at work.



Source: Svenn Lindström/AP/Getty Images.

Social identity theory proposes that people have emotional reactions to the failure or success of their group because their self-esteem gets tied into the group's performance.<sup>1</sup> When your group does well, you bask in reflected glory, and your own self-esteem rises. When your group does poorly, you might feel bad about yourself, or you might even reject that part of your identity, like "fair weather fans." Social identities also help people reduce uncertainty about who they are and what they should do.<sup>2</sup>

People develop a lot of identities through the course of their lives. You might define yourself in terms of the organization you work for, the city you live in, your profession, your religious background, your ethnicity, or your gender. A U.S. expatriate working in Rome might be very aware of being from the United States but won't give this national identity a second thought when transferring from Tulsa to Tucson.<sup>3</sup>

Social identities help us understand who we are and where we fit in with other people, but they can have a negative side as well. **Ingroup favoritism** means we see members of our ingroup as better than other people, and people not in our group as all the same. This obviously paves the way for stereotyping.

When do people develop a social identity? Several characteristics make a social identity important to a person:

- **Similarity.** Not surprisingly, people who have the same values or characteristics as other members of their organization have higher levels of group identification.<sup>4</sup> Demographic similarity can also lead to stronger

**group** Two or more individuals, interacting and interdependent, who have come together to achieve particular objectives.

**formal group** A designated work group defined by an organization's structure.

**informal group** A group that is neither formally structured nor organizationally determined; such a group appears in response to the need for social contact.

**social identity theory** Perspective that considers when and why individuals consider themselves members of groups.

**ingroup favoritism** Perspective in which we see members of our ingroup as better than other people, and people not in our group as all the same.

Social identities help Bal Seal Engineering employees interact with co-workers. The company's Spanish-speaking employees gather at the home of a co-worker to participate in an English-as-a-second-language program. Bal Seal, which buys the training materials for the program, reports that it has improved the company's communications, cooperation among fellow workers, and customer service. As social identity theory proposes, program graduates identify with the high performance of a winning team. As a result, graduates who ruled out the option of going back to school are motivated to continue their education by enrolling in GED, community college, and citizenship classes.



Source: Odell/Zuma Press/Newscom.

identification for new hires, while those who are demographically different may have a hard time identifying with the group as a whole.<sup>5</sup>

- **Distinctiveness.** People are more likely to notice identities that show how they are different from other groups. Respondents in one study identified more strongly with those in their work group with whom they shared uncommon or rare demographic characteristics.<sup>6</sup> For example, veterinarians who work in veterinary medicine (where everyone is a veterinarian) identify with their organization, and veterinarians in nonveterinary medicine fields such as animal research or food inspection (where being a veterinarian is a more distinctive characteristic) identify with their profession.<sup>7</sup>
- **Status.** Because people use identities to define themselves and increase self-esteem, it makes sense that they are most interested in linking themselves to high-status groups. Graduates of prestigious universities will go out of their way to emphasize their links to their alma maters and are also more likely to make donations.<sup>8</sup> People are likely to not identify with a low-status organization and will be more likely to quit in order to leave that identity behind.<sup>9</sup>
- **Uncertainty reduction.** Membership in a group also helps some people understand who they are and how they fit into the world.<sup>10</sup> One study showed how the creation of a spin-off company created questions about how employees should develop a unique identity that corresponded more closely to what the division was becoming.<sup>11</sup> Managers worked to define and communicate an idealized identity for the new organization when it became clear employees were confused.

## Stages of Group Development

### 2 Identify the five stages of group development.

Groups generally pass through a predictable sequence in their evolution. Although not all groups follow this five-stage model,<sup>12</sup> it is a useful framework for understanding group development. In this section, we describe the five-stage model and an alternative for temporary groups with deadlines.

## The Five-Stage Model

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.<sup>13</sup>

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.

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.

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.

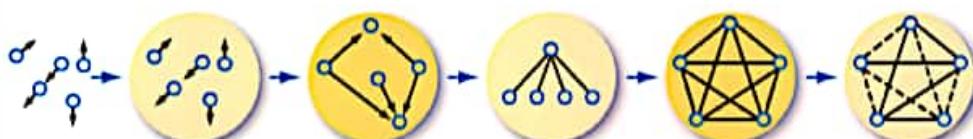
The fourth stage is **performing**. The structure at this point is fully functional and accepted. Group energy has moved from getting to know and understand each other to performing the task at hand.

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.

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.<sup>14</sup> 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

**Exhibit 9-1**

**Stages of Group Development**



**five-stage group-development model** *The five distinct stages groups go through: forming, storming, norming, performing, and adjourning.*

**forming stage** *The first stage in group development, characterized by much uncertainty.*

**storming stage** *The second stage in group development, characterized by intragroup conflict.*

**norming stage** *The third stage in group development, characterized by close relationships and cohesiveness.*

**performing stage** *The fourth stage in group development, during which the group is fully functional.*

**adjourning stage** *The final stage in group development for temporary groups, characterized by concern with wrapping up activities rather than task performance.*

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.

### An Alternative Model for Temporary Groups with Deadlines

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) this 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.<sup>15</sup> This pattern, called the **punctuated-equilibrium model**, is shown in Exhibit 9-2.

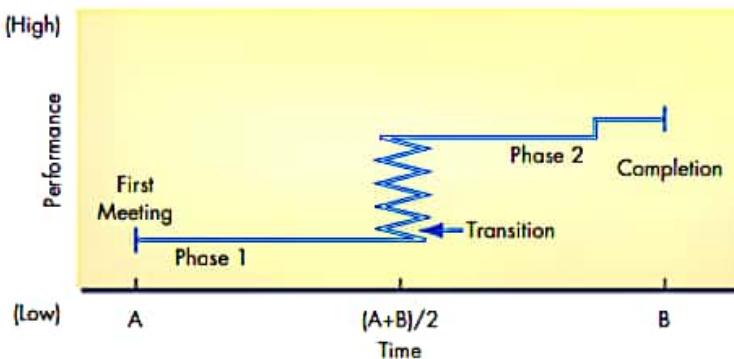
The first meeting sets the group's direction, and then a framework of behavioral patterns and assumptions through which the group will approach its project emerges, sometimes in the first few seconds of the group's existence. Once set, the group's direction is solidified and is unlikely to be reexamined 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<sup>16</sup> was that each group experienced its transition precisely halfway between its first meeting and its 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. It's essentially limited to temporary task groups working under a time-constrained completion deadline.<sup>17</sup>

**Exhibit 9-2**

**The Punctuated-Equilibrium Model**



## Group Properties: Roles, Norms, Status, Size, Cohesiveness, and Diversity

- 3 Show how role requirements change in different situations.

Work groups are not unorganized mobs; they have properties that shape members' behavior and help explain and predict individual behavior within the group as well as the performance of the group itself. Some of these properties are roles, norms, status, size, cohesiveness, and diversity.

### Group Property 1: Roles

Shakespeare said, "All the world's a stage, and all the men and women merely players." Using the same metaphor, all group members are actors, each playing a **role**. By this term, we mean a set of expected behavior patterns attributed to someone occupying a given position in a social unit. Our understanding of role behavior would be dramatically simplified if each of us could choose one role and play it regularly and consistently. Instead, we are required to play a number of diverse roles, both on and off our jobs. As we'll see, one of the tasks in understanding behavior is grasping the role a person is currently playing.

Bill Patterson is a plant manager with EMM Industries, a large electrical equipment manufacturer in Phoenix. He fulfills a number of roles—EMM employee, member of middle management, electrical engineer, and primary company spokesperson in the community. Off the job, Bill Patterson finds himself in still more roles: husband, father, Catholic, tennis player, member of the Thunderbird Country Club, and president of his homeowners' association. Many of these roles are compatible; some create conflicts. How does Bill's religious commitment influence his managerial decisions regarding layoffs, expense account padding, and provision of accurate information to government agencies? A recent offer of promotion requires Bill to relocate, yet his family wants to stay in Phoenix. Can the role demands of his job be reconciled with the demands of his husband and father roles?

Like Bill Patterson, we are all required to play a number of roles, and our behavior varies with each. So different groups impose different role requirements on individuals.

**Role Perception** Our view of how we're supposed to act in a given situation is a **role perception**. We get role perceptions from stimuli all around us—for example, friends, books, films, television, as when we form an impression of the work of doctors from watching *Grey's Anatomy*. Of course, the primary reason apprenticeship programs exist in many trades and professions is to allow beginners to watch an expert so they can learn to act as they should.

**punctuated-equilibrium model** A set of phases that temporary groups go through that involves transitions between inertia and activity.

**role** A set of expected behavior patterns attributed to someone occupying a given position in a social unit.

**role perception** An individual's view of how he or she is supposed to act in a given situation.

**Green Bay Packers football player**

Donald Driver plays a variety of roles. As a wide receiver for the Packers, his principal role is to catch passes from the quarterback and then run the ball downfield. Driver is also a husband, father, author of a children's books series, the host of a statewide TV show in Wisconsin called Inside the Huddle, and a volunteer for Children's Hospital of Wisconsin and Goodwill Industries.

Along with his wife, he created the Donald Driver Foundation that offers assistance to ill children with unmanageable hospital bills and provides housing for the homeless.

Each of these positions imposes different role requirements on Driver. This photo shows him diving for a first down in his role as a wide receiver.



Source: David Niedels/NFL/NFL.com.

**Role Expectations** Role expectations are the way others believe you should act in a given context. The role of a U.S. federal judge is viewed as having propriety and dignity, while a football coach is seen as aggressive, dynamic, and inspiring to his players.

In the workplace, we look at role expectations through the perspective of the **psychological contract**: an unwritten agreement that exists between employees and employer. This agreement sets out mutual expectations: what management expects from workers and vice versa.<sup>18</sup> Management is expected to treat employees justly, provide acceptable working conditions, clearly communicate what is a fair day's work, and give feedback on how well an employee is doing. Employees are expected to respond by demonstrating a good attitude, following directions, and showing loyalty to the organization.

What happens if management is derelict in keeping its part of the bargain? We can expect negative effects on employee performance and satisfaction. One study among restaurant managers found that psychological contact violations were related to greater intentions to quit the job, while another study of a variety of different industries found they were associated with lower levels of productivity, higher levels of theft, and greater work withdrawal.<sup>19</sup>

**Role Conflict** When compliance with one role requirement may make it difficult to comply with another, the result is **role conflict**.<sup>20</sup> At the extreme, two or more role expectations are mutually contradictory.

Bill Patterson had to deal with role conflicts, such as his attempt to reconcile the expectations placed on him as a husband and father with those placed on him as an executive with EMM Industries. Bill's wife and children want to remain in Phoenix, while EMM expects its employees to be responsive to the company's needs and requirements. Although it might be in Bill's financial and career interests to accept a relocation, the conflict comes down to choosing

between family and career role expectations. Indeed, a great deal of research demonstrates that conflict between the work and family roles is one of the most significant sources of stress for most employees.<sup>21</sup>

Most employees are simultaneously in occupations, work groups, divisions, and demographic groups, and these different identities can come into conflict when the expectations of one clash with the expectations of another.<sup>22</sup> During mergers and acquisitions, employees can be torn between their identities as members of their original organization and of the new parent company.<sup>23</sup> Organizations structured around multinational operations also have been shown to lead to dual identification, with employees distinguishing between the local division and the international organization.<sup>24</sup>

**Zimbardo's Prison Experiment** One of the most illuminating role and identity experiments was done a number of years ago by Stanford University psychologist Philip Zimbardo and his associates.<sup>25</sup> They created a "prison" in the basement of the Stanford psychology building; hired at \$15 a day two dozen emotionally stable, physically healthy, law-abiding students who scored "normal average" on extensive personality tests; randomly assigned them the role of either "guard" or "prisoner"; and established some basic rules.

It took the "prisoners" little time to accept the authority positions of the "guards" or for the mock guards to adjust to their new authority roles. Consistent with social identity theory, the guards came to see the prisoners as a negative outgroup, and their comments to researchers showed they had developed stereotypes about the "typical" prisoner personality type. After the guards crushed a rebellion attempt on the second day, the prisoners became increasingly passive. Whatever the guards "dished out," the prisoners took. The prisoners actually began to believe and act as if they were inferior and powerless, as the guards constantly reminded them. And every guard, at some time during the simulation, engaged in abusive, authoritative behavior. One said, "I was surprised at myself. . . . I made them call each other names and clean the toilets out with their bare hands. I practically considered the prisoners cattle, and I kept thinking: 'I have to watch out for them in case they try something!'" Surprisingly, during the entire experiment—even after days of abuse—not one prisoner said, "Stop this. I'm a student like you. This is just an experiment!"

The simulation actually proved *too successful* in demonstrating how quickly individuals learn new roles. The researchers had to stop it after only 6 days because of the participants' pathological reactions. And remember, these were individuals chosen precisely for their normalcy and emotional stability.

What can we conclude from this prison simulation? Like the rest of us, the participants had learned stereotyped conceptions of guard and prisoner roles from the mass media and their own personal experiences in power and powerlessness relationships gained at home (parent-child), in school (teacher-student), and in other situations. This background allowed them easily and rapidly to assume roles very different from their inherent personalities and, with no prior personality pathology or training in the parts they were playing, execute extreme forms of behavior consistent with those roles.

A follow-up reality television show conducted by the BBC that used a lower-fidelity simulated prison setting provides some insights into these results.<sup>26</sup> The

**role expectations** *How others believe a person should act in a given situation.*

**psychological contract** *An unwritten agreement that sets out what management expects from an employee and vice versa.*

**role conflict** *A situation in which an individual is confronted by divergent role expectations.*

results were dramatically different from those of the Stanford experiment. The "guards" were far more careful in their behavior and limited the aggressive treatment of "prisoners." They often described their concerns about how their actions might be perceived. In short, they did not fully take on their roles, possibly because they knew their behavior was being observed by millions of viewers. As shared identity increased among "prisoners," they provided higher levels of social support to one another, and an egalitarian system developed between them and the guards. Philip Zimbardo has contended that the BBC study is not a replication of his study for several reasons, but he acknowledges the results demonstrate how both guards and prisoners act differently when closely monitored. These results suggest abuse of roles can be limited when people are made conscious of their behavior.



### Do I Trust Others?

In the Self-Assessment Library (available on CD or online), take assessment II.B.3 (Do I Trust Others?). You can also check out assessment II.B.4 (Do Others See Me as Trusting?).

- 4** Demonstrate how norms and status exert influence on an individual's behavior.

### Group Property 2: 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.<sup>27</sup>

Norms can cover virtually any aspect of group behavior.<sup>28</sup> 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. Other norms include *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), and *resource allocation norms* (assignment of difficult jobs, distribution of resources like pay or equipment).

**The Hawthorne Studies** Full-scale appreciation of the influence of norms on worker behavior did not occur until the early 1930s, following studies undertaken between 1924 and 1932 at the Western Electric Company's Hawthorne Works in Chicago.<sup>29</sup>

The Hawthorne researchers began by examining the relationship between the physical environment and productivity. As they increased the light level for the experimental group of workers, output rose for that unit and the control group. But to their surprise, as they dropped the light level in the experimental group, productivity continued to increase in both groups. In fact, productivity in the experimental group decreased only when the light intensity had been reduced to that of moonlight.

As a follow-up, the researchers began a second set of experiments at Western Electric. A small group of women assembling telephone relays was isolated from the main work group so their behavior could be more carefully observed. Observations covering a multiyear period found this small group's

**Conformity** As a member of a group, you desire acceptance by the group. Thus you are susceptible to conforming to the group's norms. Considerable evidence suggests that groups can place strong pressures on individual members to change their attitudes and behaviors to conform to the group's standard.<sup>30</sup> There are numerous reasons for conformity, with recent research highlighting the importance of a desire to form accurate perceptions of reality based on group consensus, to develop meaningful social relationships with others, and to maintain a favorable self-concept.

The impact that group pressures for **conformity** can have on an individual member's judgment was demonstrated in now-classic studies by Solomon Asch.<sup>31</sup> Asch made up groups of seven or eight people who were asked to compare two cards held by the experimenter. One card had one line, and the other had three lines of varying length, one of which was identical to the line on the one-line card, as Exhibit 9-3 shows. The difference in line length was quite obvious; in fact, under ordinary conditions, subjects made fewer than 1 percent errors in announcing aloud which of the three lines matched the single line. But what happens if members of the group begin giving incorrect answers? Will pressure to conform cause an unsuspecting subject (USS) to alter an answer? Asch arranged the group so only the USS was unaware the experiment was rigged. The seating was prearranged so the USS was one of the last to announce a decision.

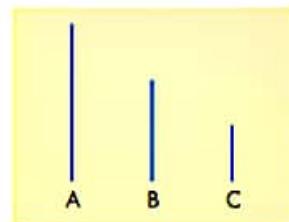
The experiment began with several sets of matching exercises. All the subjects gave the right answers. On the third set, however, the first subject gave an obviously wrong answer—for example, saying "C" in Exhibit 9-3. The next subject gave the same wrong answer, and so did the others. Now the dilemma confronting the USS was this: publicly state a perception that differs from the announced position of the others in the group, or give an incorrect answer in order to agree with the others.

The results over many experiments and trials showed 75 percent of subjects gave at least one answer that conformed—that they knew was wrong but was consistent with the replies of other group members—and the average conformer gave wrong answers 37 percent of the time. What meaning can we draw from these results? They suggest group norms press us toward conformity. We desire to be one of the group and therefore avoid being visibly different.

This research was conducted more than 50 years ago. Has time altered the conclusions' validity? And should we consider them generalizable across cultures? Evidence indicates levels of conformity have steadily declined since Asch's studies in the early 1950s, and his findings *are culture-bound*.<sup>32</sup> Conformity to social norms is higher in collectivist cultures, but it is still a powerful force in groups in individualistic countries.

Exhibit 9-3

Examples of Cards Used in Asch's Study



Do individuals conform to the pressures of all the groups to which they belong? Obviously not, because people belong to many groups, and their norms vary and sometimes are contradictory. So what do people do? They conform to the important groups to which they belong or hope to belong. These important groups are **reference groups**, in which a person is aware of other members, defines himself or herself as a member or would like to be a member, and feels group members are significant to him or her. The implication, then, is that all groups do not impose equal conformity pressures on their members.

**Deviant Workplace Behavior** LeBron Hunt is frustrated by a co-worker who constantly spreads malicious and unsubstantiated rumors about him. Debra Hundley is tired of a member of her work team who, when confronted with a problem, takes out his frustration by yelling and screaming at her and other members. And Mi-Cha Kim recently quit her job as a dental hygienist after being constantly sexually harassed by her employer.

What do these three episodes have in common? They represent employees exposed to acts of deviant workplace behavior.<sup>33</sup> **Deviant workplace behavior** (also called *antisocial behavior* or *workplace incivility*) is voluntary behavior that violates significant organizational norms and, in doing so, threatens the well-being of the organization or its members. Exhibit 9-4 provides a typology of deviant workplace behaviors, with examples of each.

Few organizations will admit to creating or condoning conditions that encourage and maintain deviant norms. Yet they exist. Employees report an increase in rudeness and disregard toward others by bosses and co-workers in recent years. And nearly half of employees who have suffered this incivility say

**Exhibit 9-4 Typology of Deviant Workplace Behavior**

Category	Examples
Production	Leaving early Intentionally working slowly Wasting resources
Property	Sabotage Lying about hours worked Stealing from the organization
Political	Showing favoritism Gossiping and spreading rumors Blaming co-workers
Personal aggression	Sexual harassment Verbal abuse Stealing from co-workers

Source: Based on S. L. Robinson and R. J. Bennett, "A Typology of Deviant Workplace Behaviors: A Multidimensional Scaling Study," *Academy of Management Journal*, April 1995, p. 565. Copyright 1995 by Academy of Management (NY). S. H. Appelbaum, G. D. Iaconi and A. Matousek, "Positive and Negative Deviant Workplace Behaviors: Causes, Impacts, and Solutions," *Corporate Governance* 7, no. 5 (2007), pp. 586-598; and R. W. Griffin, and A. O'Leary-Kelly, *The Dark Side of Organizational Behavior* (Wiley, New York, 2004).

**conformity** *The adjustment of one's behavior to align with the norms of the group.*

**reference groups** *Important groups to which individuals belong or hope to belong and with whose norms individuals are likely to conform.*

**deviant workplace behavior** *Voluntary behavior that violates significant organizational norms and, in so doing, threatens the well-being of the organization or its members. Also called antisocial behavior or workplace incivility.*

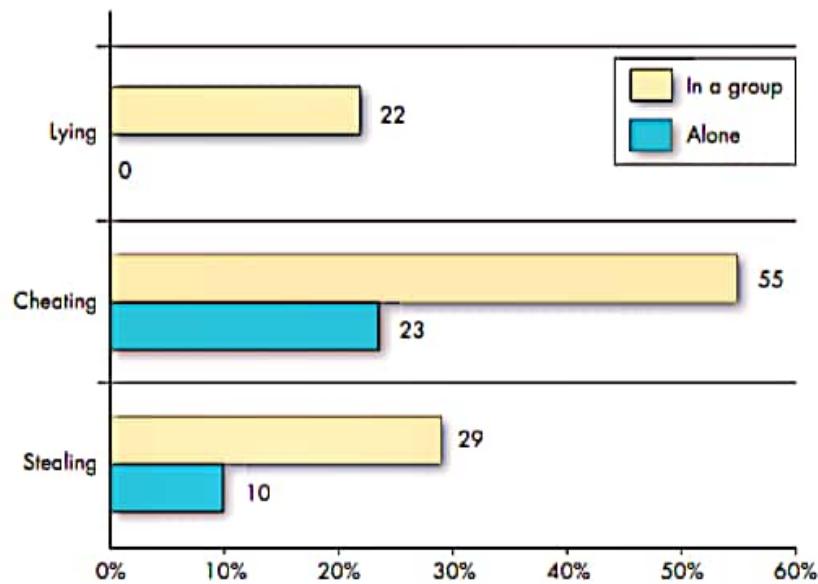
it has led them to think about changing jobs; 12 percent actually quit because of it.<sup>34</sup> A study of nearly 1,500 respondents found that in addition to increasing turnover intentions, incivility at work increased reports of psychological stress and physical illness.<sup>35</sup>

Like norms in general, individual employees' antisocial actions are shaped by the group context within which they work. Evidence demonstrates deviant workplace behavior is likely to flourish where it's supported by group norms.<sup>36</sup> Workers who socialize either at or outside work with people who are frequently absent from work are more likely to be absent themselves.<sup>37</sup> What this means for managers is that when deviant workplace norms surface, employee cooperation, commitment, and motivation are likely to suffer.

What are the consequences of workplace deviance for teams? Some research suggests a chain reaction occurs in a group with high levels of dysfunctional behavior.<sup>38</sup> The process begins with negative behaviors like shirking, undermining co-workers, or being generally uncooperative. As a result of these behaviors, the team collectively starts to have negative moods. These negative moods then result in poor coordination of effort and lower levels of group performance, especially when there is a lot of nonverbal negative communication between members.

One study suggests those working in a group are more likely to lie, cheat, and steal than individuals working alone. As shown in Exhibit 9-5, in this study, no individual working alone lied, but 22 percent of those working in groups did. They also were more likely to cheat on a task (55 percent versus 23 percent of individuals working alone) and steal (29 percent compared to 10 percent working alone).<sup>39</sup> Groups provide a shield of anonymity, so someone who might ordinarily be afraid of getting caught can rely on the fact that other group members had the same opportunity, creating a false sense of confidence that may result in more aggressive behavior. Thus, deviant behavior depends on the accepted norms of the group—or even whether an individual is part of a group.<sup>40</sup>

**Exhibit 9-5 Groups and Deviant Behavior**



Source: From "Lying, Cheating, Stealing: It Happens More in Groups" by A. Erez, H. Elms and E. Fong, paper presented at the European Business Ethics Network Annual Conference, Budapest, August 30, 2003. Reprinted by permission of the author.

## Group Property 3: Status

**Status** Status—a socially defined position or rank given to groups or group members by others—permeates every society. Even the smallest group will develop roles, rights, and rituals to differentiate its members. Status is a significant motivator and has major behavioral consequences when individuals perceive a disparity between what they believe their status is and what others perceive it to be.

**What Determines Status?** According to **status characteristics theory**, status tends to derive from one of three sources:<sup>41</sup>

1. **The power a person wields over others.** Because they likely control the group's resources, people who control the outcomes tend to be perceived as high status.
2. **A person's ability to contribute to a group's goals.** People whose contributions are critical to the group's success tend to have high status. Some thought NBA star Kobe Bryant had more say over player decisions than his coaches (though not as much as Bryant wanted!).
3. **An individual's personal characteristics.** Someone whose personal characteristics are positively valued by the group (good looks, intelligence, money, or a friendly personality) typically has higher status than someone with fewer valued attributes.

**Status and Norms** Status has some interesting effects on the power of norms and pressures to conform. High-status individuals are often given more freedom to deviate from norms than are other group members.<sup>42</sup> Physicians actively resist administrative decisions made by lower-ranking insurance company

Earning a brown apron as a winner in Starbucks' Ambassador Cup competitions is a symbol of high status.

The company holds Ambassador Cup contests throughout the world, with some contests regional and others countrywide, to determine which employees are the best coffee experts, or "ambassadors."

The competitions involve making coffee drinks, identifying coffees in blind taste tests, and testing contestants' knowledge about Starbucks and different aspects of the coffee industry such as growing regions, roasting, purchasing, and fair trade practices. Winning a brown apron signifies achieving the highest level of coffee knowledge. This photo shows coffee ambassadors who won brown aprons during a competition at Starbucks' headquarters.



Source: Enka Schulz/MCT/Newscom

**status** A socially defined position or rank given to groups or group members by others.

**status characteristics theory** A theory that states that differences in status characteristics create status hierarchies within groups.

employees.<sup>43</sup> High-status people are also better able to resist conformity pressures than their lower-status peers. An individual who is highly valued by a group but doesn't need or care about the group's social rewards is particularly able to disregard conformity norms.<sup>44</sup>

These findings explain why many star athletes, celebrities, top-performing salespeople, and outstanding academics seem oblivious to appearance and social norms that constrain their peers. As high-status individuals, they're given a wider range of discretion as long as their activities aren't severely detrimental to group goal achievement.<sup>45</sup>

**Status and Group Interaction** High-status people tend to be more assertive group members.<sup>46</sup> They speak out more often, criticize more, state more commands, and interrupt others more often. But status differences actually inhibit diversity of ideas and creativity in groups, because lower-status members tend to participate less actively in group discussions. When they possess expertise and insights that could aid the group, failure to fully utilize them reduces the group's overall performance.

**Status Inequity** It is important for group members to believe the status hierarchy is equitable. Perceived inequity creates disequilibrium, which inspires various types of corrective behavior. Hierarchical groups can lead to resentment among those at the lower end of the status continuum. Large differences in status within groups are also associated with poorer individual performance, lower health, and higher intentions to leave the group.<sup>47</sup>

The concept of equity we presented in Chapter 6 applies to status. People expect rewards to be proportionate to costs incurred. If Dana and Anne are the two finalists for the head nurse position in a hospital, and Dana clearly has more seniority and better preparation, Anne will view the selection of Dana as equitable. However, if Anne is chosen because she is the daughter-in-law of the hospital director, Dana will believe an injustice has been committed.

Groups generally agree within themselves on status criteria; hence, there is usually high concurrence in group rankings of individuals. Managers who occupy central positions in their social networks are typically seen as higher in status by their subordinates, and this position translates into greater influence over the group's functioning.<sup>48</sup> However, individuals can find themselves in conflicts when they move between groups whose status criteria are different, or when they join groups whose members have heterogeneous backgrounds. Business executives may use personal income or the growth rate of their companies as determinants of status. Government bureaucrats may use the size of their budgets, and blue-collar workers years of seniority. When groups are heterogeneous or when heterogeneous groups must be interdependent, status differences may initiate conflict as the group attempts to reconcile the differing hierarchies. As we'll see in Chapter 10, this can be a problem when management creates teams of employees from varied functions.

Do cultural differences affect status and the criteria that create it? The answer is a resounding "yes."<sup>49</sup> The French are highly status conscious. Latin Americans and Asians derive status from family position and formal roles in organizations. In the United States and Australia, status is more often conferred for accomplishments.<sup>50</sup>

### Group Property 4: Size

- 5 Show how group size affects group performance.

Does the size of a group affect the group's overall behavior? Yes, but the effect depends on what dependent variables we look at. Smaller groups are faster at completing tasks than larger ones, and individuals perform better in smaller

groups.<sup>51</sup> However, in problem solving, large groups consistently get better marks than their smaller counterparts.<sup>52</sup> Translating these results into specific numbers is a bit more hazardous, but groups with a dozen or more members are good for gaining diverse input. So if the goal is fact-finding, larger groups should be more effective. Smaller groups of about seven members are better at doing something productive with that input.

One of the most important findings about the size of a group concerns **social loafing**, the tendency for individuals to expend less effort when working collectively than alone.<sup>53</sup> It directly challenges the assumption that the productivity of the group as a whole should at least equal the sum of the productivity of the individuals in it.

Does team spirit spur individual effort and enhance the group's overall productivity? In the late 1920s, German psychologist Max Ringelmann compared the results of individual and group performance on a rope-pulling task.<sup>54</sup> He expected that three people pulling together should exert three times as much pull on the rope as one person, and eight people eight times as much. But one person pulling on a rope alone exerted an average of 63 kilograms of force. In groups of three, the per-person force dropped to 53 kilograms. And in groups of eight, it fell to only 31 kilograms per person.

Replications of Ringelmann's research with similar tasks have generally supported his findings.<sup>55</sup> Group performance increases with group size, but the addition of new members has diminishing returns on productivity. So more may be better in that total productivity of a group of four is greater than that of three, but the individual productivity of each member declines.

What causes social loafing? It may be a belief that others in the group are not carrying their fair share. If you see others as lazy or inept, you can reestablish equity by reducing your effort. Another explanation is the dispersion of responsibility. Because group results cannot be attributed to any single person, the relationship between an individual's input and the group's output is clouded. Individuals may then be tempted to become free riders and coast on the group's efforts. The implications for OB are significant. When managers use collective work situations to enhance morale and teamwork, they must also be able to identify individual efforts. Otherwise, they must weigh the potential losses in productivity from using groups against the possible gains in worker satisfaction.<sup>56</sup>

Social loafing appears to have a Western bias. It's consistent with individualistic cultures, such as the United States and Canada, that are dominated by self-interest. It is *not* consistent with collective societies, in which individuals are motivated by in-group goals. In studies comparing U.S. employees with employees from the People's Republic of China and Israel (both collectivist societies), the Chinese and Israelis showed no propensity to engage in social loafing and actually performed better in a group than alone.

There are several ways to prevent social loafing: (1) Set group goals, so the group has a common purpose to strive toward; (2) increase intergroup competition, which again focuses on the shared outcome; (3) engage in peer evaluation so each person evaluates each other person's contribution; (4) select members who have high motivation and prefer to work in groups, and (5) if possible, base group rewards in part on each member's unique contributions.<sup>57</sup> Although no magic bullet will prevent social loafing in all cases, these steps should help minimize its effect.

**social loafing** *The tendency for individuals to expend less effort when working collectively than when working individually.*

Social loafing is the tendency for individuals to put forth less of an effort when working in a group than when working alone. Studies indicate that the employees shown here producing Spice handsets at a factory in China do not show any propensity to engage in social loafing. In collectivist societies such as China and Israel, employees actually prefer working in a group and are motivated by in-group goals. But in individualistic societies such as the United States and Canada that are dominated by self-interest, social loafing is more likely.



Source: Sie/Springer/Getty Images.

## 6 Contrast the benefits and disadvantages of cohesive groups.

### Group Property 5: 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, or the group's small size facilitates high interaction, or external threats have brought members close together.

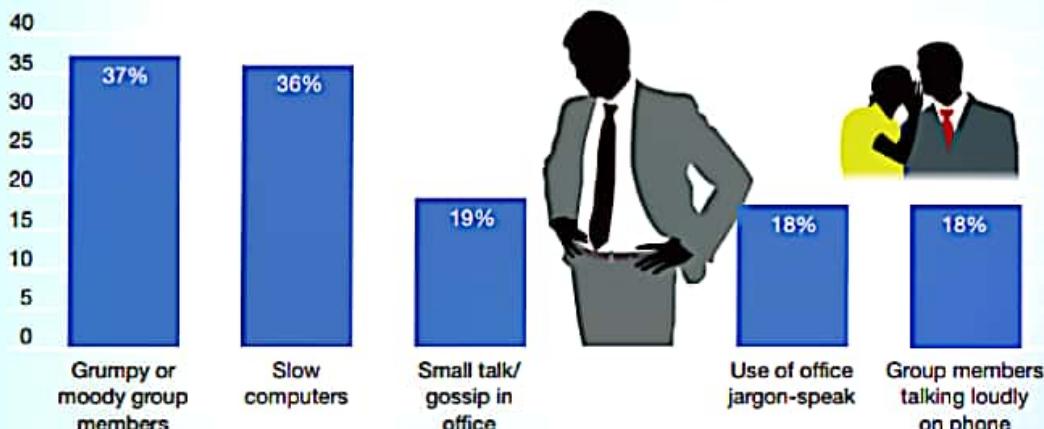
Cohesiveness affects group productivity.<sup>58</sup> Studies consistently show that the relationship between cohesiveness and productivity depends on the group's performance-related norms.<sup>59</sup> If norms for quality, output, and cooperation with outsiders, for instance, are high, a cohesive group 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 9-6.

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.<sup>60</sup>

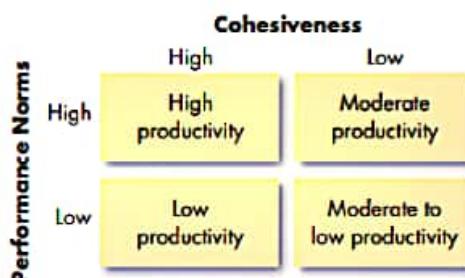
### Group Property 6: Diversity

The final property of groups we consider is **diversity** in the group's membership, the degree to which members of the group are similar to, or different from, one another. A great deal of research is being done on how diversity influences group performance. Some looks at cultural diversity and some at racial, gender, and other differences. Overall, studies identify both benefits and costs from group diversity.

Diversity appears to increase group conflict, especially in the early stages of a group's tenure, which often lowers group morale and raises dropout rates. One study compared groups that were culturally diverse (composed of people from different countries) and homogeneous (composed of people from the

**OB Poll****Working with Others Is Often Irritating****What causes annoyance and stress when working in groups?**

National sample of 1,836 adults working in an office in the United Kingdom.

Source: "The Office--An Annoying Workplace," Opinium Research LLP (February 24, 2010), downloaded May 26, 2011 from <http://news.opinium.co.uk>. Reprinted with permission from The Gallup Organization.**Exhibit 9-6****Relationship Between Group Cohesiveness, Performance Norms, and Productivity**

same country). On a wilderness survival exercise (not unlike the Experiential Exercise at the end of this chapter), the groups performed equally well, but the diverse groups were less satisfied with their groups, were less cohesive, and had more conflict.<sup>61</sup> Another study examined the effect of differences in tenure on the performance of 67 engineering research and development groups.<sup>62</sup> When most people had roughly the same level of tenure, performance was high, but as tenure diversity increased, performance dropped off. There was an important qualifier: higher levels of tenure diversity were not related to lower performance for groups when there were effective team-oriented human resources practices. Teams in which members' values or opinions differ tend

**cohesiveness** *The degree to which group members are attracted to each other and are motivated to stay in the group.*

**diversity** *The extent to which members of a group are similar to, or different from, one another.*

to experience more conflict, but leaders who can get the group to focus on the task at hand and encourage group learning are able to reduce these conflicts and enhance discussion of group issues.<sup>63</sup> It seems diversity can be bad for performance even in creative teams, but appropriate organizational support and leadership might offset these problems.

However, culturally and demographically diverse groups may perform better over time—if they can get over their initial conflicts. Why might this be so?

Surface-level diversity—in observable characteristics such as national origin, race, and gender—alerts people to possible deep-level diversity—in underlying attitudes, values, and opinions. One researcher argues, “The mere presence of diversity you can see, such as a person’s race or gender, actually cues a team that there’s likely to be differences of opinion.”<sup>64</sup> Although those differences can lead to conflict, they also provide an opportunity to solve problems in unique ways.

One study of jury behavior found diverse juries more likely to deliberate longer, share more information, and make fewer factual errors when discussing evidence. Two studies of MBA student groups found surface-level diversity led to greater openness even without deep-level diversity. Here, surface-level diversity may subconsciously cue team members to be more open-minded in their views.<sup>65</sup>

The impact of diversity on groups is mixed. It is difficult to be in a diverse group in the short term. However, if members can weather their differences, over time diversity may help them be more open-minded and creative and to do better. But even positive effects are unlikely to be especially strong. As one review stated, “The business case (in terms of demonstrable financial results) for diversity remains hard to support based on the extant research.”<sup>66</sup>

## Group Decision Making

### 7 Understand the implications of diversity for group effectiveness.

The belief—that two heads are better than one has long been accepted as a basic component of the U.S. legal system and those of many other countries. Today, many decisions in organizations are made by groups, teams, or committees.<sup>67</sup>

### Groups versus the Individual

Decision-making groups may be widely used in organizations, but are group decisions preferable to those made by an individual alone? The answer depends on a number of factors. Let’s begin by looking at the strengths and weaknesses of group decision making.<sup>68</sup>

**Strengths of Group Decision Making** Groups generate *more complete information and knowledge*. By aggregating the resources of several individuals, groups bring more input as well as heterogeneity into the decision process. They offer *increased diversity of views*. This opens up the opportunity to consider more approaches and alternatives. Finally, groups lead to increased *acceptance of a solution*. Group members who participated in making a decision are more likely to enthusiastically support and encourage others to accept it.

**Weaknesses of Group Decision Making** Group decisions are time consuming because groups typically take more time to reach a solution. There are *conformity pressures*. The desire by group members to be accepted and considered an asset to the group can squash any overt disagreement. Group discussion can be *dominated*

## gloBalization!

## Forming International Teams in a Virtual World

**A**s more organizations become global entities, the need for work groups that can collaborate across national boundaries grows. Advances in technology that have accompanied globalization lead us to a new type of working relationship: *global virtual teams*. These are groups of individuals working together across national boundaries through electronic communication media. Engineers in Germany might communicate with production teams in China to produce components for assembly and marketing by team members in Canada. Although some global teams occasionally meet in person, geographically dispersed managers often must collaborate virtually.

Virtual global teams have certain liabilities. Traditional teams offer multiple opportunities to work closely with

colleagues and develop close personal relationships that can facilitate performance. To be effective, virtual teams need to facilitate these relationships despite numerous barriers. It's easy to misinterpret messages without cues like facial expression and tone of voice. These problems can be even more pronounced among individuals with different cultural backgrounds.

So how can virtual global teams be more effective? Alcoa found it was important to develop regular meeting routines to facilitate collaboration. Groups were also encouraged to review the progress of their own and other teams to identify "best practices" that worked in a variety of situations. Not surprisingly, higher levels of communication and cohesion among members of global virtual teams are associated with shared performance goals, which

in turn lead to higher performance. More surprisingly, leaders' efforts to build personal, inspirational relationships can help even teams that don't meet face to face.

Although global virtual teams face many challenges, companies that implement them effectively can realize tremendous rewards through the diverse knowledge they gain.

**Sources:** Based on A. Joshi, M. B. Lazarova, and H. Liao, "Getting Everyone on Board: The Role of Inspirational Leadership in Geographically Dispersed Teams," *Organization Science* 20, no. 1 (2009), pp. 240–252; J. Cordery, C. Soo, B. Kirkman, B. Rosen, and J. Mathieu, "Leading Parallel Global Virtual Teams: Lessons from Alcoa," *Organizational Dynamics* 38, no. 3 (2009), pp. 204–216; and R. L. Algesheimer, U. M. Dholakia, and C. Gurau, "Virtual Team Performance in a Highly Competitive Environment," *Group and Organization Management* 36, no. 2 (2011), pp. 161–190.

*by one or a few members.* If they're low- and medium-ability members, the group's overall effectiveness will suffer. Finally, group decisions suffer from *ambiguous responsibility*. In an individual decision, it's clear who is accountable for the final outcome. In a group decision, the responsibility of any single member is diluted.

**Effectiveness and Efficiency** Whether groups are more effective than individuals depends on how you define effectiveness. Group decisions are generally more *accurate* than the decisions of the average individual in a group, but less accurate than the judgments of the most accurate.<sup>69</sup> In terms of *speed*, individuals are superior. If *creativity* is important, groups tend to be more effective. And if effectiveness means the degree of *acceptance* the final solution achieves, the nod again goes to the group.<sup>70</sup>

But we cannot consider effectiveness without also assessing efficiency. With few exceptions, group decision making consumes more work hours than an individual tackling the same problem alone. The exceptions tend to be the instances in which, to achieve comparable quantities of diverse input, the single decision maker must spend a great deal of time reviewing files and talking to other people. In deciding whether to use groups, then, managers must assess whether increases in effectiveness are more than enough to offset the reductions in efficiency.

**Summary** In summary, groups are an excellent vehicle for performing many steps in the decision-making process and offer both breadth and depth of input for information gathering. If group members have diverse backgrounds, the alternatives generated should be more extensive and the analysis more critical.

We now turn to the techniques by which groups make decisions. These reduce some of the dysfunctional aspects of group decision making.

## Group Decision-Making Techniques

### 8 Contrast the strengths and weaknesses of group decision making.

The most common form of group decision making takes place in **interacting groups**. Members meet face to face and rely on both verbal and nonverbal interaction to communicate. But as our discussion of groupthink demonstrated, interacting groups often censor themselves and pressure individual members toward conformity of opinion. Brainstorming, the nominal group technique, and electronic meetings can reduce problems inherent in the traditional interacting group.

**Brainstorming** can overcome the pressures for conformity that dampen creativity<sup>80</sup> by encouraging any and all alternatives while withholding criticism. In a typical brainstorming session, a half-dozen to a dozen people sit around a table. The group leader states the problem in a clear manner so all participants understand. Members then freewheel as many alternatives as they can in a given length of time. To encourage members to "think the unusual," no criticism is allowed, even of the most bizarre suggestions, and all ideas are recorded for later discussion and analysis.

Brainstorming may indeed generate ideas—but not in a very efficient manner. Research consistently shows individuals working alone generate more ideas than a group in a brainstorming session. One reason for this is "production blocking." When people are generating ideas in a group, many are talking at once, which blocks the thought process and eventually impedes the sharing of ideas.<sup>81</sup> The following two techniques go further than brainstorming by helping groups arrive at a preferred solution.<sup>82</sup>

The **nominal group technique** restricts discussion or interpersonal communication during the decision-making process, hence the term *nominal*. Group members are all physically present, as in a traditional committee meeting, but they operate independently. Specifically, a problem is presented and then the group takes the following steps:

1. Before any discussion takes place, each member independently writes down ideas on the problem.
2. After this silent period, each member presents one idea to the group. No discussion takes place until all ideas have been presented and recorded.
3. The group discusses the ideas for clarity and evaluates them.
4. Each group member silently and independently rank-orders the ideas. The idea with the highest aggregate ranking determines the final decision.

The chief advantage of the nominal group technique is that it permits a group to meet formally but does not restrict independent thinking, as does an interacting group. Research generally shows nominal groups outperform brainstorming groups.<sup>83</sup>

The most recent approach to group decision making blends the nominal group technique with sophisticated computer technology.<sup>84</sup> It's called a computer-assisted group, or an **electronic meeting**. Once the required technology is in

**interacting groups** *Typical groups in which members interact with each other face to face.*

**brainstorming** *An idea-generation process that specifically encourages any and all alternatives while withholding any criticism of those alternatives.*

**nominal group technique** *A group decision-making method in which individual members meet face to face to pool their judgments in a systematic but independent fashion.*

**electronic meeting** *A meeting in which members interact on computers, allowing for anonymity of comments and aggregation of votes.*

**Exhibit 9-7 Evaluating Group Effectiveness**

Effectiveness Criteria	Interacting	Brainstorming	Nominal	Electronic
Number and quality of ideas	Low	Moderate	High	High
Social pressure	High	Low	Moderate	Low
Money costs	Low	Low	Low	High
Speed	Moderate	Moderate	Moderate	Moderate
Task orientation	Low	High	High	High
Potential for interpersonal conflict	High	Low	Moderate	Low
Commitment to solution	High	Not applicable	Moderate	Moderate
Development of group cohesiveness	High	High	Moderate	Low

place, the concept is simple. Up to 50 people sit around a horseshoe-shaped table, empty except for a series of networked laptops. Issues are presented to them, and they type their responses into their computers. These individual but anonymous comments, as well as aggregate votes, are displayed on a projection screen. This technique also allows people to be brutally honest without penalty. And it's fast because chitchat is eliminated, discussions don't digress, and many participants can "talk" at once without stepping on one another's toes. Early evidence, however, suggests electronic meetings don't achieve most of their proposed benefits. They actually lead to *decreased* group effectiveness, require *more* time to complete tasks, and result in *reduced* member satisfaction compared with face-to-face groups.<sup>85</sup> Nevertheless, current enthusiasm for computer-mediated communications suggests this technology is here to stay and is likely to increase in popularity in the future.

- 9** Compare the effectiveness of interacting, brainstorming, nominal, and electronic meeting groups.

Each of the four group-decision techniques has its own set of strengths and weaknesses. The choice depends on what criteria you want to emphasize and the cost-benefit trade-off. As Exhibit 9-7 indicates, an interacting group is good for achieving commitment to a solution, brainstorming develops group cohesiveness, the nominal group technique is an inexpensive means for generating a large number of ideas, and electronic meetings minimize social pressures and conflicts.

**MyManagementLab**

Now that you have finished this chapter, go back to [www.mymanagementlab.com](http://www.mymanagementlab.com) to continue practicing and applying the concepts you've learned.

**Summary and Implications for Managers**

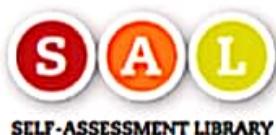
Several implications can be drawn from our discussion of groups. The next chapter will explore several of these in greater depth.

- Role perception and an employee's performance evaluation are positively related.<sup>86</sup> The degree of congruence between the employee's and the boss's perception of the employee's job influences the degree to which the boss will judge that employee effective. An employee whose role perception fulfills the boss's role expectations will receive a higher performance evaluation.

sharper, it meant that we had thought through all of our options, it meant that when I finally did make the decision, I was making it based on the very best information."

Sources: A. Kruglanski, "Obama's Choice and the Social Psychology of Group Decision Making," *Huffington Post* (May 12, 2011), downloaded June 1, 2011, from [www.huffingtonpost.com/](http://www.huffingtonpost.com/); B. Steiden, "Bin Laden Dead," *The Atlanta Journal-Constitution* (May 3, 2011), downloaded June 2, 2011, from [www.ajc.com/](http://www.ajc.com/); and M. Mazzetti, H. Cooper, and P. Baker, "Behind the Hunt for Bin Laden," *The New York Times* (May 2, 2011), downloaded June 2, 2011, from [www.nytimes.com/](http://www.nytimes.com/).

**T**eams are increasingly the primary means for organizing work in contemporary business firms. In fact, there are few more damaging insults than "not a team player." Do you think you're a team player? Take the following self-assessment to find out.



### How Good Am I at Building and Leading a Team?

In the Self-Assessment Library (available on CD or online), take assessment II.B.6 (How Good Am I at Building and Leading a Team?) and answer the following questions.

1. Did you score as high as you thought you would? Why or why not?
2. Do you think you can improve your score? If so, how? If not, why not?
3. Do you think there is such a thing as team players? If yes, what are their behaviors?

## Why Have Teams Become So Popular?

### 1 Analyze the growing popularity of teams in organizations.

Decades ago, when companies such as W. L. Gore, Volvo, and General Foods introduced teams into their production processes, it made news because no one else was doing it. Today, it's just the opposite. The organization that *doesn't* use teams has become newsworthy. Teams are everywhere.

How do we explain the current popularity of teams? As organizations have restructured themselves to compete more effectively and efficiently, they have turned to teams as a better way to use employee talents. Teams are more flexible and responsive to changing events than traditional departments or other forms of permanent groupings. They can quickly assemble, deploy, refocus, and disband. But don't overlook the motivational properties of teams. Consistent with our discussion in Chapter 7 of employee involvement as a motivator, teams facilitate employee participation in operating decisions. So another explanation for their popularity is that they are an effective means for management to democratize organizations and increase employee motivation.

The fact that organizations have turned to teams doesn't necessarily mean they're always effective. Decision makers, as humans, can be swayed by fads and herd mentality. Are teams truly effective? What conditions affect their potential? How do members work together? These are some of the questions we'll answer in this chapter.

## Differences Between Groups and Teams

### 2 Contrast groups and teams.

Groups and teams are not the same thing. In this section, we define and clarify the difference between work groups and work teams.<sup>1</sup>

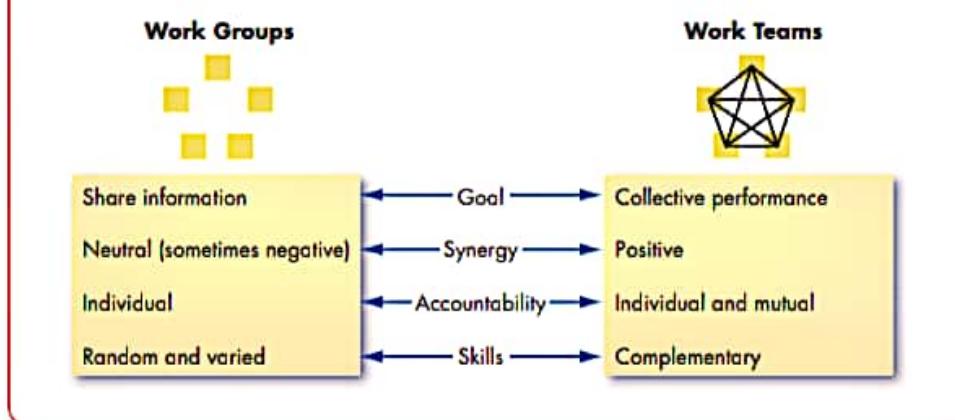
In Chapter 9, we defined a *group* as two or more individuals, interacting and interdependent, who have come together to achieve particular objectives. A **work group** is a group that interacts primarily to share information and make decisions to help each member perform within his or her area of responsibility.

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. Exhibit 10-1 highlights the differences between work groups and work teams.

These definitions help clarify why so many organizations have recently restructured work processes around teams. Management is looking for positive synergy that will allow the organizations to increase performance. The extensive use of teams creates the *potential* for an organization to generate greater outputs with no increase in inputs. Notice, however, that we said *potential*. There is nothing inherently magical that ensures the achievement of positive synergy in the creation of teams. Merely calling a *group* a *team* doesn't automatically improve its performance. As we show later in this chapter, effective teams have certain common characteristics. If management hopes to gain increases in organizational performance through the use of teams, its teams must possess these.

**Exhibit 10-1 Comparing Work Groups and Work Teams**



**work group** A group that interacts primarily to share information and to make decisions to help each group member perform within his or her area of responsibility.

**work team** A group whose individual efforts result in performance that is greater than the sum of the individual inputs.

## Types of Teams

### 3 Compare and contrast four types of teams.

Teams can make products, provide services, negotiate deals, coordinate projects, offer advice, and make decisions.<sup>2</sup> In this section, we describe the four most common types of teams in an organization: *problem-solving teams*, *self-managed work teams*, *cross-functional teams*, and *virtual teams* (see Exhibit 10-2).

### 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.<sup>3</sup> 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.<sup>4</sup> By suggesting cutting the number of steps from 46 to 36, the team reduced the average number of days from 15 to 8.

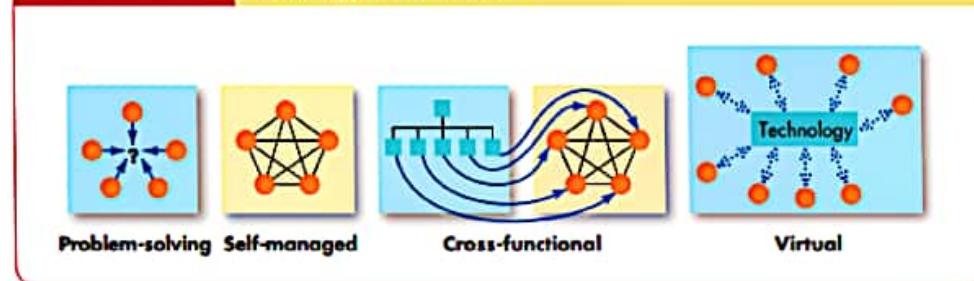
### Self-Managed Work Teams

Problem-solving teams only make recommendations. Some organizations have gone further and created teams that not only solve problems but implement solutions and take responsibility for outcomes.

**Self-managed work teams** are groups of employees (typically 10 to 15 in number) who perform highly related or interdependent jobs and take on many of the responsibilities of their former supervisors.<sup>5</sup> Typically, these tasks are planning and scheduling work, assigning tasks to members, making operating decisions, taking action on problems, and working with suppliers and customers. Fully self-managed work teams even select their own members and evaluate each other's performance. Supervisory positions take on decreased importance and are sometimes even eliminated.

But research on the effectiveness of self-managed work teams has not been uniformly positive.<sup>6</sup> Self-managed teams do not typically manage conflicts well. When disputes arise, members stop cooperating and power struggles ensue, which leads to lower group performance.<sup>7</sup> Moreover, although individuals on these teams report higher levels of job satisfaction than other individuals, they also sometimes have higher absenteeism and turnover rates. One large-scale study of labor productivity in British establishments found that although using teams in general does improve labor productivity, no evidence supported the

Exhibit 10-2 Four Types of Teams



**Sprig Toys, Inc.** uses cross-functional teamwork in creating toys that are made of recycled products to keep the planet healthy and kids off the couch. The Sprig Dream Team includes toy designers and toy industry-specific expertise in the areas of product design, patent development, supply chain strategy, market research, vendor sourcing, merchandising, branding, packaging, and marketing. Team members are dedicated to Sprig's mission of creating fun toys that encourage active play for kids and are battery-free, eco-friendly, and paint-free. Shown here with some Sprig toys are chief executive Craig Storey (standing, left) and the firm's co-founders.



Source: AP Photo/The Coloradoan, V. Richard Hand.

claim that self-managed teams performed better than traditional teams with less decision-making authority.<sup>8</sup>

### 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 through a tightly integrated, multifaceted strategy.<sup>9</sup> 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 groups 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. Cisco relies on specific cross-functional teams to identify and capitalize on new trends in several areas of the software market. The teams are the equivalent of social-networking groups that collaborate in real time to identify new business opportunities in the field and then implement them from the bottom up.<sup>10</sup>

**problem-solving teams** Groups of 5 to 12 employees from the same department who meet for a few hours each week to discuss ways of improving quality, efficiency, and the work environment.

**self-managed work teams** Groups of 10 to 15 people who take on responsibilities of their former supervisors.

**cross-functional teams** Employees from about the same hierarchical level, but from different work areas, who come together to accomplish a task.

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 different 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.<sup>11</sup> 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 their ubiquity, virtual teams face special challenges. They may suffer because there is less social rapport and direct interaction among members. 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.<sup>12</sup> 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).<sup>13</sup>

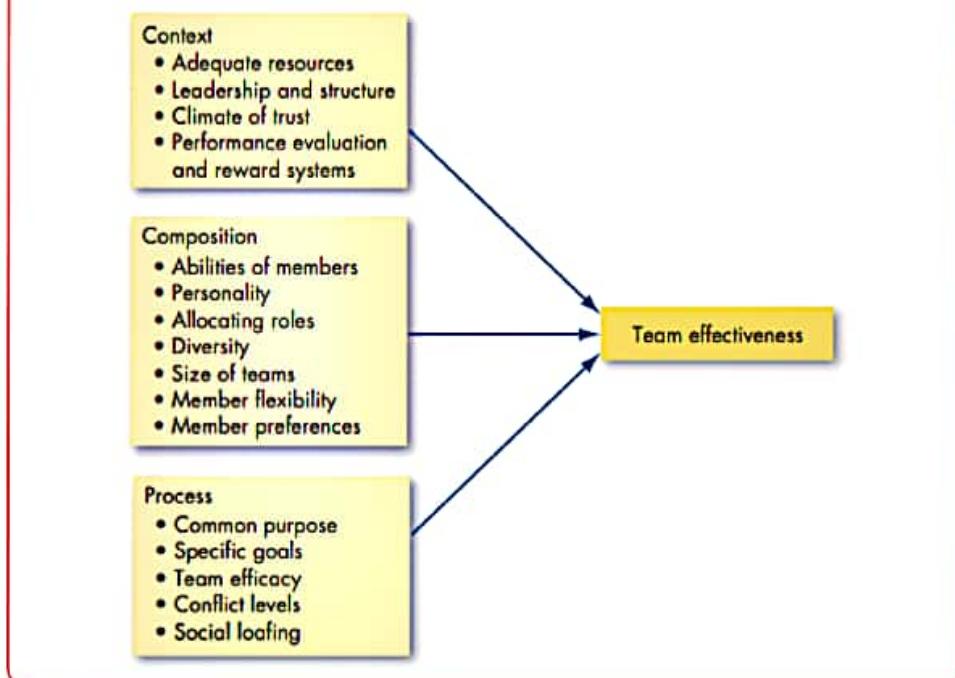
## Creating Effective Teams

### 4 Identify the characteristics of effective teams.

Many have tried to identify factors related to team effectiveness.<sup>14</sup> However, some studies have organized what was once a “veritable laundry list of characteristics”<sup>15</sup> into a relatively focused model.<sup>16</sup> Exhibit 10-3 summarizes what we currently know about what makes teams effective. As you’ll see, it builds on many of the group concepts introduced in Chapter 9.

The following discussion is based on the model in Exhibit 10-3. Keep in mind two points. First, teams differ in form and structure. The model attempts to generalize across all varieties of teams, but avoid rigidly applying its predictions to all teams.<sup>17</sup> Use it as a guide. Second, the model assumes teamwork is preferable to individual work. Creating “effective” teams when individuals can do the job better is like perfectly solving the wrong problem.

We can organize the key components of effective teams into three general categories. First are the resources and other *contextual* influences that make teams effective. The second relates to the team’s *composition*. Finally, *process* variables are events within the team that influence effectiveness. What does *team effectiveness* mean in this model? Typically, it has included objective measures of the team’s productivity, managers’ ratings of the team’s performance, and aggregate measures of member satisfaction.

**Exhibit 10-3 Team Effectiveness Model**

### Context: What Factors Determine Whether Teams Are Successful

The four contextual factors most significantly related to team performance are adequate resources, effective leadership, a climate of trust, and a performance evaluation and reward system that reflects team contributions.

**Adequate Resources** Teams are part of a larger organization system; every work team relies on resources outside the group to sustain it. A scarcity of resources directly reduces the ability of a team to perform its job effectively and achieve its goals. As one study concluded, after looking at 13 factors related to group performance, “perhaps one of the most important characteristics of an effective work group is the support the group receives from the organization.”<sup>18</sup> This support includes timely information, proper equipment, adequate staffing, encouragement, and administrative assistance.

**Leadership and Structure** Teams can't function if they can't agree on who is to do what and ensure all members share the workload. Agreeing on the specifics of work and how they fit together to integrate individual skills requires leadership and structure, either from management or from the team members themselves. It's true in self-managed teams that team members absorb many of the

**virtual teams** *Teams that use computer technology to tie together physically dispersed members in order to achieve a common goal.*

## g!OBalization!

## Group Cohesiveness across Cultures

**A**s you might suspect, researchers have paid a great deal of attention to the differences between individualists and collectivists in terms of team orientation. As we learned from Chapter 5 on personality and values, people from collectivist societies—like those found in much of East Asia, Latin America, and Africa—are generally more prone to look toward group goals as important and to emphasize collaborative processes. Individualist cultures like the United States, Canada, and the UK, on the other hand, emphasize individual achievement and performance.

Individualist cultures may have greater difficulty implementing team-based work processes for a variety of reasons. Collectivists appear more

sensitive to the moods of their coworkers, so the motivation and positive mood of one group member is likely to spill over to increase motivation and positive moods in others. Collectivist teams also already have a strong predisposition to work together as a group, so there's less need for increased teamwork. Other research suggests that collectively oriented teams are better able to pool resources and correct one another's errors than are individually oriented teams.

What's the lesson for managers? Managers in individualist cultures may need to work harder to increase team cohesiveness. One way to do this is to give teams more challenging assignments and provide them with more

independence. Alternatively, managers may find it useful to promote a collectivist orientation for team processes even when working with groups of individualists.

**Sources:** Based on R. Ilies, D. T. Wagner, and F. P. Morgeson, "Explaining Affective Linkages in Teams: Individual Differences in Susceptibility to Contagion and Individualism-Collectivism," *Journal of Applied Psychology* 92, no. 4 (2007), pp. 1140–1148; E. C. Dierdorff, S. T. Bell, and J. A. Belohlav, "The Power of 'We': Effects of Psychological Collectivism on Team Performance Over Time," *Journal of Applied Psychology* 96, no. 2 (2011), pp. 247–262; and J. E. Driskell, E. Salas, and S. Hughes, "Collective Orientation and Team Performance: Development of an Individual Differences Measure," *Human Factors* 52, no. 2 (2010), pp. 316–328.

duties typically assumed by managers. However, a manager's job then becomes managing *outside* (rather than *inside*) the team.

Leadership is especially important in **multiteam systems**, in which different teams coordinate their efforts to produce a desired outcome. Here, leaders need to empower teams by delegating responsibility to them, and they play the role of facilitator, making sure the teams work together rather than against one another.<sup>19</sup> Teams that establish shared leadership by effectively delegating it are more effective than teams with a traditional single-leader structure.<sup>20</sup>

**Climate of Trust** Members of effective teams trust each other. They also exhibit trust in their leaders.<sup>21</sup> Interpersonal trust among team members facilitates cooperation, reduces the need to monitor each others' behavior, and bonds members around the belief that others on the team won't take advantage of them. Team members are more likely to take risks and expose vulnerabilities when they believe they can trust others on their team. And, as we will discuss in Chapter 12, trust is the foundation of leadership. It allows a team to accept and commit to its leader's goals and decisions.

**Performance Evaluation and Reward Systems** How do you get team members to be both individually and jointly accountable? Individual performance evaluations and incentives may interfere with the development of high-performance teams. So, in addition to evaluating and rewarding employees for their individual contributions, management should modify the traditional, individually oriented evaluation and reward system to reflect team performance and focus on hybrid systems that recognize individual members for their exceptional

## An Ethical Choice

## Using Global Virtual Teams as an Environmental Choice

**M**any teams in geographically dispersed organizations have turned to electronic media to improve communication across locations. However, there may be an equally strong *ethical* argument for using global virtual teams: it may be a more environmentally responsible choice than having team members travel internationally when they need to communicate. A very large proportion of airline, rail, and car transport is for business purposes and contributes greatly to global carbon dioxide emissions. When teams are able to meet virtually rather than face-to-face, they dramatically reduce the amount of energy consumed.

In a globally connected world, what sorts of actions might you take to

minimize your organization's environmental impact from business travel? Several tips might help to get you started thinking about ways that global virtual teams can be harnessed for greater sustainability:

1. Encourage all team members to think about whether a face-to-face meeting is really necessary, and to try to utilize alternative communication methods whenever possible.
2. Communicate as much information as possible through virtual means, including e-mail, telephone calls, and teleconferencing.
3. When traveling to team meetings, choose the most environmentally

responsible methods possible, such as flying in coach rather than business class. Also, check the environmental profile of hotels prior to booking rooms.

4. Make the business case for sustainable business travel alternatives. Most experts agree that teleconferencing and environmentally responsible travel arrangements not only help the environment but are more cost-effective as well.

Sources: P. Tilstone, "Cut Carbon... and Bills," *Director* (May 2009), p. 54; and L. C. Latimer, "6 Strategies for Sustainable Business Travel," *Greenbiz* (February 11, 2011), [www.greenbiz.com](http://www.greenbiz.com).

contributions and reward the entire group for positive outcomes.<sup>22</sup> Group-based appraisals, profit sharing, gainsharing, small-group incentives, and other system modifications can reinforce team effort and commitment.

## Team Composition

The team composition category includes variables that relate to how teams should be staffed—the ability and personality of team members, allocation of roles and diversity, size of the team, and members' preference for teamwork.

**Abilities of Members** Part of a team's performance depends on the knowledge, skills, and abilities of its individual members.<sup>23</sup> It's true we occasionally read about an athletic team of mediocre players who, because of excellent coaching, determination, and precision teamwork, beat a far more talented group. But such cases make the news precisely because they are unusual. A team's performance is not merely the summation of its individual members' abilities. However, these abilities set limits on what members can do and how effectively they will perform on a team.

Research reveals some insights into team composition and performance. First, when the task entails considerable thought (solving a complex problem

**multiteam systems** *Systems in which different teams need to coordinate their efforts to produce a desired outcome.*

such as reengineering an assembly line), high-ability teams—composed of mostly intelligent members—do better than lower-ability teams, especially when the workload is distributed evenly. That way, team performance does not depend on the weakest link. High-ability teams are also more adaptable to changing situations; they can more effectively apply existing knowledge to new problems.

Finally, the ability of the team's leader also matters. Smart team leaders help less-intelligent team members when they struggle with a task. But a less intelligent leader can neutralize the effect of a high-ability team.<sup>24</sup>

**Personality of Members** We demonstrated in Chapter 5 that personality significantly influences individual employee behavior. Many of the dimensions identified in the Big Five personality model are also relevant to team effectiveness; a review of the literature identified three.<sup>25</sup> Specifically, teams that rate higher on mean levels of conscientiousness and openness to experience tend to perform better, and the minimum level of team member agreeableness also matters: teams did worse when they had one or more highly disagreeable members. Perhaps one bad apple *can* spoil the whole bunch!

Research has also provided us with a good idea about why these personality traits are important to teams. Conscientious people are good at backing up other team members, and they're also good at sensing when their support is truly needed. One study found that specific behavioral tendencies such as personal organization, cognitive structuring, achievement orientation, and endurance were all related to higher levels of team performance.<sup>26</sup> Open team members communicate better with one another and throw out more ideas, which makes teams composed of open people more creative and innovative.<sup>27</sup>

Suppose an organization needs to create 20 teams of 4 people each and has 40 highly conscientious people and 40 who score low on conscientiousness. Would the organization be better off (1) forming 10 teams of highly conscientious people and 10 teams of members low on conscientiousness, or

**British Chief Inspector of Nuclear Installations Mike Weightman** is the leader of an 18-member global team created by the International Atomic Energy Commission to study the Fukushima nuclear power station accident triggered by the 2011 earthquake in Japan. This high-ability team with members from 12 countries includes experts with experience across a wide range of nuclear specialties. Team members apply their technical expertise, problem-solving and decision-making skills, and interpersonal skills to their mission of identifying lessons learned from the accident that can help improve nuclear safety around the world. In this photo, Weightman (left) shakes hands with the Fukushima plant chief after the team inspected the crippled nuclear power plant.



Source: HO/AFP/Getty Images/Newscom.

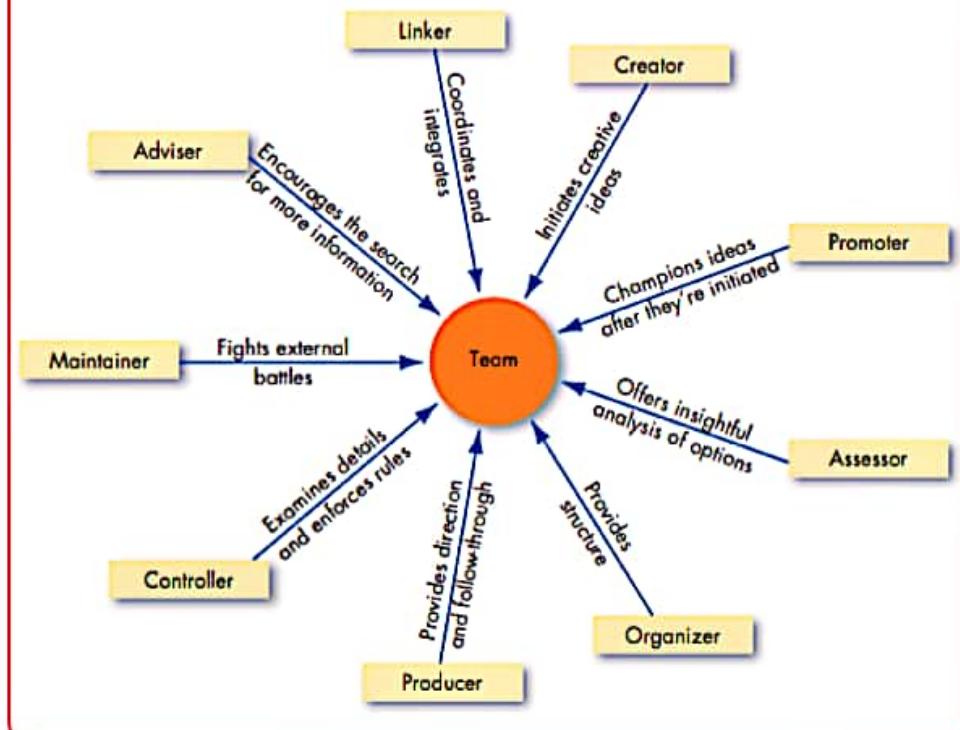
(2) "seeding" each team with 2 people who scored high and 2 who scored low on conscientiousness? Perhaps surprisingly, evidence suggests option 1 is the best choice; performance across the teams will be higher if the organization forms 10 highly conscientious teams and 10 teams low in conscientiousness.<sup>28</sup>

**Allocation of Roles** Teams have different needs, and members should be selected to ensure all the various roles are filled. A study of 778 major league baseball teams over a 21-year period highlights the importance of assigning roles appropriately.<sup>29</sup> As you might expect, teams with more experienced and skilled members performed better. However, the experience and skill of those in core roles who handle more of the workflow of the team, and who are central to all work processes (in this case, pitchers and catchers), were especially vital. In other words, put your most able, experienced, and conscientious workers in the most central roles in a team.

We can identify nine potential team roles (see Exhibit 10-4). Successful work teams have selected people to play all these roles based on their skills and preferences.<sup>30</sup> (On many teams, individuals will play multiple roles.) To increase the likelihood the team members will work well together, managers need to understand the individual strengths each person can bring to a team, select members with their strengths in mind, and allocate work assignments that fit with members' preferred styles.

**Diversity of Members** In Chapter 9, we discussed research on the effect of diversity on groups. How does *team* diversity affect *team* performance? The degree to which members of a work unit (group, team, or department) share a common demographic attribute, such as age, sex, race, educational level, or

**Exhibit 10-4 Key Roles of Teams**



length of service in the organization, is the subject of **organizational demography**. Organizational demography suggests that attributes such as age or the date of joining should help us predict turnover. The logic goes like this: turnover will be greater among those with dissimilar experiences because communication is more difficult and conflict is more likely. Increased conflict makes membership less attractive, so employees are more likely to quit. Similarly, the losers in a power struggle are more apt to leave voluntarily or be forced out.<sup>31</sup>

Many of us hold the optimistic view that diversity should be a good thing—diverse teams should benefit from differing perspectives. Two meta-analytic reviews of the research literature show, however, that demographic diversity is essentially unrelated to team performance overall, while a third actually suggests that race and gender diversity are negatively related to team performance.<sup>32</sup> One qualifier is that gender and ethnic diversity have more negative effects in occupations dominated by white or male employees, but in more demographically balanced occupations, diversity is less of a problem. Diversity in function, education, and expertise are positively related to group performance, but these effects are quite small and depend on the situation.

Proper leadership can also improve the performance of diverse teams.<sup>33</sup> When leaders provide an inspirational common goal for members with varying types of education and knowledge, teams are very creative. When leaders don't provide such goals, diverse teams fail to take advantage of their unique skills and are actually *less* creative than teams with homogeneous skills. Even teams with diverse values can perform effectively, however, if leaders provide a focus on work tasks rather than leading based on personal relationships.

We have discussed research on team diversity in race or gender. But what about diversity created by national differences? Like the earlier research, evidence here indicates these elements of diversity interfere with team processes, at least in the short term.<sup>34</sup> Cultural diversity does seem to be an asset for tasks that call for a variety of viewpoints. But culturally heterogeneous teams have more difficulty learning to work with each other and solving problems. The good news is that these difficulties seem to dissipate with time. Although newly formed culturally diverse teams underperform newly formed culturally homogeneous teams, the differences disappear after about 3 months.<sup>35</sup> Fortunately, some team performance-enhancing strategies seem to work well in many cultures. One study found that teams in the European Union made up of members from collectivist and individualist countries benefited equally from having group goals.<sup>36</sup>

**Size of Teams** Most experts agree, keeping teams small is a key to improving group effectiveness.<sup>37</sup> Generally speaking, the most effective teams have five to nine members. And experts suggest using the smallest number of people who can do the task. Unfortunately, managers often err by making teams too large. It may require only four or five members to develop diversity of views and skills, while coordination problems can increase exponentially as team members are added. When teams have excess members, cohesiveness and mutual accountability decline, social loafing increases, and more people communicate less. Members of large teams have trouble coordinating with one another, especially under time pressure. If a natural working unit is larger and you want a team effort, consider breaking the group into subteams.<sup>38</sup>

**Member Preferences** Not every employee is a team player. Given the option, many employees will select themselves *out of* team participation. When people who prefer to work alone are required to team up, there is a direct threat to the team's morale and to individual member satisfaction.<sup>39</sup> This result suggests

Members of Wells Fargo's ethnography teams are diversified in function and expertise. Working in the bank's strategic account-management group, team members possess a variety of banking experiences and skills in treasury management, investments, credit cards, and relationship management. The teams visit clients to interview their key managers and observe how employees perform various financial workflows such as payroll and accounts payable. From these studies, the ethnography teams help clients improve their work processes and use of technology. Wells Fargo benefits by gaining a deeper understanding of customer needs and improving customer responsiveness.



Source: Cindy Charles / PhotoEdit

that, when selecting team members, managers should consider individual preferences along with abilities, personalities, and skills. High-performing teams are likely to be composed of people who prefer working as part of a group.

## Team Processes

The final category related to team effectiveness is process variables such as member commitment to a common purpose, establishment of specific team goals, team efficacy, a managed level of conflict, and minimized social loafing. These will be especially important in larger teams and in teams that are highly interdependent.<sup>40</sup>

Why are processes important to team effectiveness? Let's return to the topic of social loafing. We found that  $1 + 1 + 1$  doesn't necessarily add up to 3. When each member's contribution is not clearly visible, individuals tend to decrease their effort. Social loafing, in other words, illustrates a process loss from using teams. But teams should create outputs greater than the sum of their inputs, as when a diverse group develops creative alternatives. Exhibit 10-5 illustrates how group processes can have an impact on a group's actual effectiveness.<sup>41</sup> Teams are often used in research laboratories because they can draw on the diverse skills of various individuals to produce more meaningful research than researchers working independently—that is, they produce positive synergy, and their process gains exceed their process losses.

**Common Plan and Purpose** Effective teams begin by analyzing the team's mission, developing goals to achieve that mission, and creating strategies for

**organizational demography** *The degree to which members of a work unit share a common demographic attribute, such as age, sex, race, educational level, or length of service in an organization, and the impact of this attribute on turnover.*

## Myth or Science?

**"Teams Work Best Under Angry Leaders"**

This statement is false as a general rule. However, there are situations when teams perform their best when their leader is angry.

If you have ever seen an episode of one of celebrity chef Gordon Ramsay's reality television shows (*Hell's Kitchen*, *The F Word*, *Kitchen Nightmares*)—where Ramsay regularly terrorizes culinary teams with outbursts, threats, and intimidation—you have seen how angry leaders motivate. But does this approach really get results? Many of us would be skeptical. A harsh, temperamental approach to leading teams would seem to be reliably counterproductive. Who would want to work for such a leader?

As it turns out, the angry team leader may, in fact, have his or her place. A recent study found that whereas teams filled with relatively agreeable members were the most

motivated and performed the best when their leader showed happiness, teams filled with relatively disagreeable members were the most motivated and did best when their leader expressed anger.

Why do disagreeable teams do their best when their leader is angry? If you recall our discussion of agreeableness in Chapter 5, disagreeable individuals are more direct, more argumentative, and less conflict-averse than their more agreeable counterparts. Disagreeable teams may react better to an angry leader because the leader is speaking a language the team can understand, or the disagreeable team members may be less sensitive to inconsiderate behavior (of which the display of anger is a prime example).

Asked to reflect on his angry approach to leading teams, Ramsay said, "When there's no adrenaline

flying high and there's very little pressure created, you don't get results." For some types of teams (those filled with team members as disagreeable as their leader), it appears he is right. Tough love seems to work best with tough teams.

Sources: G. A. Van Kleef, A. C. Homan, B. Beersma, and D. van Knippenberg, "On Angry Leaders and Agreeable Followers: How Leaders' Emotions and Followers' Personalities Shape Motivation and Team Performance," *Psychological Science* 21, no. 12 (2010), pp. 1827–1834; G. A. Van Kleef, A. C. Homan, B. Beersma, D. van Knippenberg, B. van Knippenberg, and F. Damen, "Searing Sentiment or Cold Calculation? The Effects of Leader Emotional Displays on Team Performance Depend on Follower Epistemic Motivation," *Academy of Management Journal* 52, no. 3 (2009), pp. 562–580; and S. Lyall, "The Terrible-Tempered Star Chef of London," *The New York Times* (February 23, 2005), downloaded June 3, 2011, from <http://select.nytimes.com/>.

achieving the goals. Teams that consistently perform better have established a clear sense of what needs to be done and how.<sup>42</sup>

Members of successful teams put a tremendous amount of time and effort into discussing, shaping, and agreeing on a purpose that belongs to them both collectively and individually. This common purpose, when accepted by the team, becomes what celestial navigation is to a ship captain: it provides direction and guidance under any and all conditions. Like a ship following the wrong course, teams that don't have good planning skills are doomed; perfectly executing the wrong plan is a lost cause.<sup>43</sup> Teams should also agree on whether their goal is to learn about and master a task or simply to perform the task; evidence suggest that different perspectives on learning versus performance goals lead to lower levels of team performance overall.<sup>44</sup> It appears that these differences in goal orientation have their effects by reducing discussion and sharing

**Exhibit 10-5 Effects of Group Processes**

$$\text{Potential group effectiveness} + \text{Process gains} - \text{Process losses} = \text{Actual group effectiveness}$$

Team members of NASCAR race car driver Danica Patrick's pit crew shown here work toward the common goal of winning the race. Providing direction, momentum, and commitment, the pit crew's plan is to function at top speed with no errors in checking the car, fixing parts, changing tires, and pumping gas. Each member of the pit crew has a specific job and a clear sense of what needs to be done. And each member continuously fine-tunes his job to shave time off the pit stops, which are so important because they may win or lose a race.



Source: Brandon Wade/MCT/Newscom

of information. In sum, having all employees on a team strive for the same *type* of goal is important.

Effective teams also show **reflexivity**, meaning they reflect on and adjust their master plan when necessary. A team has to have a good plan, but it also has to be willing and able to adapt when conditions call for it.<sup>15</sup> Interestingly, some evidence does suggest that teams high in reflexivity are better able to adapt to conflicting plans and goals among team members.<sup>16</sup>

**Specific Goals** Successful teams translate their common purpose into specific, measurable, and realistic performance goals. Specific goals facilitate clear communication. They also help teams maintain their focus on getting results.

Consistent with the research on individual goals, team goals should also be challenging. Difficult but achievable goals raise team performance on those criteria for which they're set. So, for instance, goals for quantity tend to raise quantity, goals for accuracy raise accuracy, and so on.<sup>17</sup>

**Team Efficacy** Effective teams have confidence in themselves; they believe they can succeed. We call this *team efficacy*.<sup>18</sup> Teams that have been successful raise their beliefs about future success, which, in turn, motivates them to work harder. What can management do to increase team efficacy? Two options are helping the team achieve small successes that build confidence and providing training to improve members' technical and interpersonal skills. The greater the abilities of team members, the more likely the team will develop confidence and the ability to deliver on that confidence.

**Mental Models** Effective teams share accurate **mental models**—organized mental representations of the key elements within a team's environment that team members share.<sup>19</sup> If team members have the wrong mental models, which is particularly likely with teams under acute stress, their performance suffers.<sup>20</sup>

**reflexivity** A team characteristic of reflecting on and adjusting the master plan when necessary.

**mental models** Team members' knowledge and beliefs about how the work gets done by the team.

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In the Iraq War, for instance, many military leaders said they underestimated the power of the insurgency and the infighting among Iraqi religious sects. The similarity of team members' mental models matters, too. If team members have different ideas about how to do things, the team will fight over methods rather than focus on what needs to be done.<sup>51</sup> One review of 65 independent studies of team cognition found that teams with shared mental models engaged in more frequent interactions with one another, were more motivated, had more positive attitudes toward their work, and had higher levels of objectively rated performance.<sup>52</sup>

**Conflict Levels** Conflict on a team isn't necessarily bad. As we discuss in Chapter 15, conflict has a complex relationship with team performance. Relationship conflicts—those based on interpersonal incompatibilities, tension, and animosity toward others—are almost always dysfunctional. However, when teams are performing nonroutine activities, disagreements about task content (called *task conflicts*) stimulate discussion, promote critical assessment of problems and options, and can lead to better team decisions. A study conducted in China found that moderate levels of task conflict during the initial phases of team performance were positively related to team creativity, but both very low and very high levels of task conflict were negatively related to team performance.<sup>53</sup> In other words, both too much and too little disagreement about how a team should initially perform a creative task can inhibit performance.

The way conflicts are resolved can also make the difference between effective and ineffective teams. A study of ongoing comments made by 37 autonomous work groups showed that effective teams resolved conflicts by explicitly discussing the issues, whereas ineffective teams had conflicts focused more on personalities and the way things were said.<sup>54</sup>

**Social Loafing** As we noted earlier, individuals can engage in social loafing and coast on the group's effort because their particular contributions can't be identified. Effective teams undermine this tendency by making members individually and jointly accountable for the team's purpose, goals, and approach.<sup>55</sup> Therefore, members should be clear on what they are individually responsible for and what they are jointly responsible for on the team.



### What Is My Team Efficacy?

In the Self-Assessment Library (available on CD or online), take assessment IV.E.2 (What Is My Team Efficacy?).

## Turning Individuals into Team Players

- 5** Show how organizations can create team players.

We've made a strong case for the value and growing popularity of teams. But many people are not inherently team players, and many organizations have historically nurtured individual accomplishments. Finally, teams fit well in countries that score high on collectivism. But what if an organization wants

## OB Poll Different Views on the Importance of Teamwork

Percent indicating teamwork as high priority skill in workplace



Source: Based on "New Study Sheds Light on Chicago's Employment Landscape," PR Newswire (May 4, 2011). Reprinted with permission from The Gallup Organization.

to introduce teams into a work population of individuals born and raised in an individualistic society? A veteran employee of a large company, who had done well working in an individualistic company in an individualist country, described the experience of joining a team: "I'm learning my lesson. I just had my first negative performance appraisal in 20 years."<sup>56</sup>

So what can organizations do to enhance team effectiveness—to turn individual contributors into team members? Here are options for managers trying to turn individuals into team players.

### Selecting: Hiring Team Players

Some people already possess the interpersonal skills to be effective team players. When hiring team members, be sure candidates can fulfill their team roles as well as technical requirements.<sup>57</sup>

When faced with job candidates who lack team skills, managers have three options. First, don't hire them. If you have to hire them, assign them to tasks or positions that don't require teamwork. If that is not feasible, the candidates can undergo training to make them into team players. In established organizations that decide to redesign jobs around teams, some employees will resist being team players and may be untrainable. Unfortunately, they typically become casualties of the team approach.

Creating teams often means resisting the urge to hire the best talent no matter what. The Los Angeles Galaxy professional soccer team paid enormously for British star David Beckham's talents, seemingly without considering whether he was a team player.<sup>58</sup> The result was low levels of coordination and cooperation with the team. Personal traits also appear to make some people better candidates for working in diverse teams. Teams made up of members who like to work through difficult mental puzzles also seem more effective and capitalizing on the multiple points of view that arise from diversity in age and education.<sup>59</sup>



Employees of Cigna, a global health services corporation, learn how to become team players by participating in WhirlyBall competitions. Organizations like Cigna use the team sport as a team-building exercise in which two teams maneuver WhirlyBugs on a court while using scoops to toss a ball back and forth among team members in trying to score a goal. WhirlyBall is one of many team-building activities that employees participate in to build their teamwork skills and experience the satisfaction that teamwork can provide.

### MyManagementLab

For an interactive application of this topic, check out this chapter's simulation activity at [www.mymanagementlab.com](http://www.mymanagementlab.com).

## Training: Creating Team Players

Training specialists conduct exercises that allow employees to experience the satisfaction teamwork can provide. Workshops help employees improve their problem-solving, communication, negotiation, conflict-management, and coaching skills. L'Oréal, for example, found that successful sales teams required much more than being staffed with high-ability salespeople: management had to focus much of its efforts on team building. "What we didn't account for was that many members of our top team in sales had been promoted because they had excellent technical and executional skills," said L'Oréal's senior VP of sales, David Waldock. As a result of the focus on team training, Waldock says, "We are no longer a team just on paper, working independently. We have a real group dynamic now, and it's a good one."<sup>60</sup> Employees also learn the five-stage group development model described in Chapter 9. Developing an effective team doesn't happen overnight—it takes time.

## Rewarding: Providing Incentives to Be a Good Team Player

An organization's reward system must be reworked to encourage cooperative efforts rather than competitive ones.<sup>61</sup> Hallmark Cards Inc. added to its basic individual-incentive system an annual bonus based on achievement of team goals. Whole Foods directs most of its performance-based rewards toward team performance. As a result, teams select new members carefully so they will contribute to team effectiveness (and thus team bonuses).<sup>62</sup> It is usually best to set a cooperative tone as soon as possible in the life of a team. As we already noted, teams that switch from a competitive to a cooperative system do not immediately share information, and they still tend to make rushed, poor-quality decisions.<sup>63</sup> Apparently, the low trust typical of the competitive group will not be readily replaced by high trust with a quick change in reward systems. These problems are not seen in teams that have consistently cooperative systems.

Promotions, pay raises, and other forms of recognition should be given to individuals who work effectively as team members by training new colleagues, sharing information, helping resolve team conflicts, and mastering needed new skills. This doesn't mean individual contributions should be ignored; rather, they should be balanced with selfless contributions to the team.

Finally, don't forget the intrinsic rewards, such as camaraderie, that employees can receive from teamwork. It's exciting and satisfying to be part of a successful team. The opportunity for personal development of self and teammates can be a very satisfying and rewarding experience.

## Beware! Teams Aren't Always the Answer

### 6 Decide when to use individuals instead of teams.

Teamwork takes more time and often more resources than individual work. Teams have increased communication demands, conflicts to manage, and meetings to run. So, the benefits of using teams have to exceed the costs, and that's not always the case.<sup>64</sup> Before you rush to implement teams, carefully assess whether the work requires or will benefit from a collective effort.

How do you know whether the work of your group would be better done in teams? You can apply three tests.<sup>65</sup> First, can the work be done better by more than one person? A good indicator is the complexity of the work and the need

for different perspectives. Simple tasks that don't require diverse input are probably better left to individuals. Second, does the work create a common purpose or set of goals for the people in the group that is more than the aggregate of individual goals? Many service departments of new-vehicle dealers have introduced teams that link customer-service people, mechanics, parts specialists, and sales representatives. Such teams can better manage collective responsibility for ensuring customer needs are properly met.

The final test is to determine whether the members of the group are interdependent. Using teams makes sense when there is interdependence among tasks—the success of the whole depends on the success of each one, *and* the success of each one depends on the success of the others. Soccer, for instance, is an obvious *team sport*. Success requires a great deal of coordination between interdependent players. Conversely, except possibly for relays, swim teams are not really teams. They're groups of individuals performing individually, whose total performance is merely the aggregate summation of their individual performances.

### MyManagementLab

Now that you have finished this chapter, go back to [www.mymanagementlab.com](http://www.mymanagementlab.com) to continue practicing and applying the concepts you've learned.

## Summary and Implications for Managers

- 7 Show how our understanding of teams differs in a global context.

Few trends have influenced jobs as much as the massive movement to introduce teams into the workplace. The shift from working alone to working on teams requires employees to cooperate with others, share information, confront differences, and sublimate personal interests for the greater good of the team.

- Effective teams have common characteristics. They have adequate resources, effective leadership, a climate of trust, and a performance evaluation and reward system that reflects team contributions. These teams have individuals with technical expertise as well as problem-solving, decision-making, and interpersonal skills and the right traits, especially conscientiousness and openness.
- Effective teams also tend to be small—with fewer than 10 people, preferably of diverse backgrounds. They have members who fill role demands and who prefer to be part of a group. And the work that members do provides freedom and autonomy, the opportunity to use different skills and talents, the ability to complete a whole and identifiable task or product, and work that has a substantial impact on others.
- Finally, effective teams have members who believe in the team's capabilities and are committed to a common plan and purpose, an accurate shared mental model of what is to be accomplished, specific team goals, a manageable level of conflict, and a minimal degree of social loafing.
- Because individualistic organizations and societies attract and reward individual accomplishments, it can be difficult to create team players in these environments. To make the conversion, management should try to select individuals who have the interpersonal skills to be effective team players, provide training to develop teamwork skills, and reward individuals for cooperative efforts.