

# The power of teamwork

Even in times of economic stress, teams are a highly effective means of achieving organizational excellence and significantly improving the quality of working life, says a new study by Work in America Institute.\*

The report's findings are based on case studies, interviews and focus groups with team members and front-line managers, papers exploring critical themes and emerging issues in high-performance teams, as well as on the Institute's 25 years of experience in the field of teamwork, employee involvement, and labour-management partnership. The study abstracts lessons about the functioning of mature, team-based organizations in unionized and non-unionized settings and in manufacturing and service industries. For example:

*Teams can help an organization become more nimble and responsive and can therefore be an asset in a rapidly changing business environment.* **Ford Motor Company's** Sharonville, Ohio transmission plant was scheduled for closing in the 1980s when employee involvement and teamwork — implemented in the context of a strong labour-management partnership — began to boost productivity, allowing the plant to win new contracts. More than 20 years later, teams have evolved into high performance work systems, and the plant remains a leader in the Ford system, with increasing output and quality levels.

*Well-designed team systems can have a profound effect on employees' growth and development.* Focus groups with team members confirmed the positive impact that teams can have on employee development and quality of working life. "It changes people. When you make your own decisions you come to work in a different type of attitude than when you don't. Nobody likes being told what to do — that's being a kid," said one team member. Others spoke of "ownership" of the work, how training gave them the confidence to talk with managers, and the sense of accomplishment they experienced.

*Effective teamwork, when based upon communications and sharing of critical business information, can be a strong contributing factor in enhancing employment security.* Upfront, honest communications, both within teams and plant-wide, characterizes the culture at **AMETEK's** Binghamton, New York plant, where there has never been a layoff. When such potentially divisive decisions, such as sending work to Mexico, could have caused considerable disruption in traditional environments, at **AMETEK** employees fully understood the business conditions and the necessity to be flexible and lean.

*The tools of "visual management" can help teams sharpen their focus on customers,*

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*the organizational mission, and the best way to carry it out.* At the **U.S. Department of Veterans Affairs' Los Angeles Office**, the workplace was physically transformed so that the total ambience reflects the teams' responsibility to their mission and clients. One area displays photographs of military personnel in action; other displays remind employees and visitors of POWs and honour recent military heroes. Performance metrics are also highly visible on bulletin boards and computer monitors; and team members use "road maps" that explain through pictures the steps in complex work and change processes. Customer satisfaction has increased by an average of about 10 per cent in each of the past few years.

### **Guidelines for success**

While teams have many benefits, they require a significant investment of time and resources. In the words of one plant manager with extensive experience with high-performance teams, "Teams are powerful, yet fragile." Team-based organizations, the authors note, must be ready to deal with a range of challenges, citing such examples as top management's and Wall Street's expectations for quick results, front-line managers who struggle to delegate decision-making authority to teams, inconsistent reward systems, and, in unionized settings, uneven labour relations.

The report extracts important lessons from **Saturn**, once considered a model for the future in terms of labour-management partnership and teamwork. While Saturn has reverted to a more traditional organization in several ways, many of its best practices have been adopted at other plants in diverse industries. The Saturn story offers useful lessons on how teams succeed, as well as factors that can disrupt a team culture.

The report offers guidelines to help organizations build capacity for long-term success and to revitalize teams that have "plateaued." For example:

- Work to maintain top corporate and, where applicable, international union support by demonstrating teams' return on investment in terms of business results, enhanced employment security, and quality of working life.
- Develop an appropriate mix of organization-wide, team, and individual compensation and reward systems (such as gain-sharing, pay-for-skills, and non-wage rewards and recognition) that are well understood, equitable, and work together to foster team performance.
- Include first-line supervisors in the initial planning and implementation of teamwork; or if teams are already underway, include them in the development of team initiatives to gain their buy-in. Select and train supervisors, focusing on the important skills of coaching and "fostering" teams, but also acknowledging supervisors' need to sometimes play a more hands-on or "forcing" role. Hold supervisors accountable for team development through performance evaluations and incentives.
- Invest heavily in training for team members, including both technical, job-related skills and social skills, such as conflict resolution and interpersonal communication. Involve employees to continually improve training.

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\* *Teams Work: Lessons from Successful Organizations*, by Will Friedman and Jill Casner-Lotto. To order, contact Work in America Institute at 1-800-787-0707 or at [info@workinamerica.org](mailto:info@workinamerica.org).