

## Chapter One

**History proves  
far too few people  
consistently unify  
a team's efforts  
effectively.**

# What The One-Team Approach Looks Like

## Big Trouble

Ford seemed doomed. Everyone knew the automobile manufacturer was in trouble.<sup>1</sup> The numbers were staggering and scary: Since 1990, Ford had lost 25 percent of its market share, and in 2006 they were preparing to post the largest annual loss in its 103-year history: \$12.7 billion.<sup>2,3</sup> Bankruptcy was a forgone conclusion by many of the world's financial experts.<sup>4</sup>

“We’ve been going out of business for 40 years,” the new CEO, Alan Mulally, told employees after taking the helm in 2006.

But Alan Mulally wasn’t about to let that happen. He had a different plan. At its heart was uniting and galvanizing a workforce that possessed a deep and passionate pride for their blue oval, the iconic brand on every vehicle that drives out of a Ford assembly plant. What would happen if you could unite 250,000 employees – roughly the size of Ford’s global operation – in a shared focus and effort?

Mulally knew that fundamentally the most important thing for success was to bring people together, to work with one another, to realize the vision and deliver the plan.<sup>5</sup> Mulally would soon prove that no matter how large the team is, inspired teamwork can be activated effectively and efficiently.

## De-Activating Teamwork

History proves far too few people consistently unify a team’s efforts effectively. Those who do win big. Mulally quickly saw the obstacles that

were de-activating employee engagement and teamwork. Some of the more notable issues included:

1. The process for developing and recognizing leaders discouraged collaboration among team members. If anything, it encouraged isolation, positioning, and unhealthy rivalries.<sup>6</sup>
2. A hierarchical culture required employees to attain certain status or grade levels in order to communicate to those above them.<sup>7</sup> This restricted information flow and the relationships necessary for trust.
3. Fiefdoms, and loyalties to people rather than the company, required secrecy between functions and regions in several aspects of the business, including finances and production. Too often, alignment to one's boss took precedence over alignment to the customer and their needs.
4. Size meant complexity in processes and communication channels. Upon assessing the organization, Mulally stated, "There's no global company I know of that can succeed with the level of complexity we have at Ford."<sup>8</sup>
5. Fractured employee groups couldn't leverage Ford's unique automotive knowledge and assets. Not surprisingly, this meant innovation and new product development was flat.<sup>9</sup>

## **It Happens Everywhere**

Intellectually, every person we've ever met understands the value of a team unified in a collaborative approach. Yet, human tendencies, outdated engagement techniques, and the influence of misaligned systems and cultural norms override the well-intentioned managers.

The de-activating circumstances Mulally encountered at Ford in no way are unique to Ford. To varying degrees these issues are present nearly everywhere. Yet everywhere, these conditions can be changed. What's

necessary is the skill to activating inspired teamwork. And everyone can develop this capability.

Alan Mulally didn't change Ford – the employees of Ford changed Ford. Alan Mulally didn't build the cars customers wanted – the employees of Ford built those cars. What Alan Mulally did was rearrange employees' thinking, and this inspired them to act differently.

**The greatness was always  
in the employees, waiting.  
Mulally's leadership was the  
instigator, the impetus that  
activated the greatness and  
generated the change.**

### **It's Not How Smart You Are**

For a moment, imagine you're an investor. You've got big money to put on the table, with the intention of gaining a return that will make you even wealthier. Your decision: You must choose the team that will outperform the competition in a game of various tasks, including decision making and problem solving. (This scenario actually happens every day.)

“Team Red” is composed of individuals whose average IQ is 118, about 18 points above the public average. “Team Blue” is composed of individuals who have ordinary, everyday IQ’s, yet they have one individual on the team who has an IQ of 155. Which team would you bet on to win the competition?

With apologies due, this is a trick question. If Alan Mulally were reading this book with you, he’d likely tell you you’re measuring the wrong success variable. Both teams may do well, because intelligence is a predictor of success. Yet, both teams will lose – and lose big – if they encounter a team in the market that has something else: the ability to work together.

If you bet on Team Red or Team Blue, you shouldn’t be blamed. Countless organizations attempt to win in their market the same way: with a nearly singular focus on intelligence or talent *of the individual*. The thinking goes “the smarter and more capable individuals we have, the better we’ll perform.” So these organizations establish systems for attracting, hiring, training, and retaining *individuals*. Then they assess employee motivation and satisfaction, common measurements thought to be the best predictors of organizational success.

All the while, they miss the greatest predictor of a team’s success. At some point, those smart individuals who are being hired and developed are going to bump into each other . . . and discover they actually have to work together to get something done.

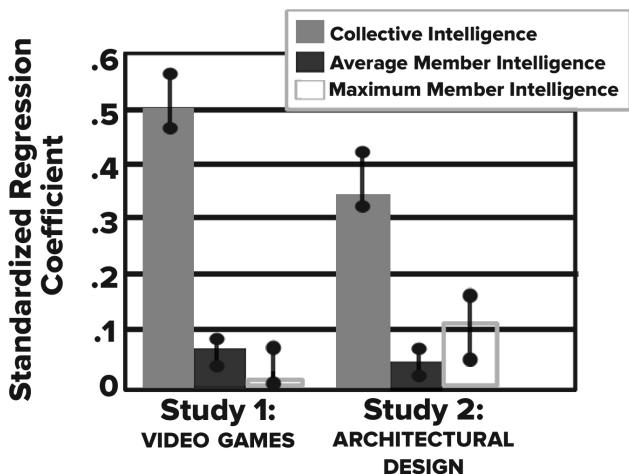
## **What Predicts Your Team’s Success**

A group of people working together effectively is greater than the sum of their IQ’s.<sup>10</sup> Researchers from Carnegie Mellon University, Union College, and MIT studied 699 people, teaming together in groups of two to five people, conducting exercises lasting up to five hours. Their assignment: Solve tasks including puzzles, those that required negotiating and brainstorming, and then expanded those tasks to architectural designs involving complex development problems.<sup>11</sup>

We manufactured the Team Red and Team Blue competition stated previously to represent what the researchers discovered: Average individual IQ and maximum IQ were poor predictors of group performance, while *collective intelligence* – the ability to work together effectively – was significantly stronger in foretelling group success.

The manner in which individuals interact matters. In fact, quality interactions are more important for success than the intelligence of each group member.<sup>7</sup> What determines the collective intelligence of a team? The researchers determined these three factors:

1. There was a significant correlation between collective intelligence and the average social sensitivity of the group members.
2. Groups where a few people dominated the conversation were less collectively intelligent than those with a more equal distribution of conversational turn-taking.
3. Collective intelligence was positively and significantly correlated with the proportion of females in the group.<sup>12</sup>



Regarding this last point: Men, don't lose hope. The experts make it clear that it's not necessarily the presence of women on the team that is the key factor to delivering a team's collective intelligence. It's social sensitivity, which is the predominant leading factor in collective intelligence, which is overly correlated to women. When Malone and the team controlled for the number of women in groups, it revealed that it was the emotional sensitivity effectiveness that won out.<sup>13</sup>

There are men who prove to be socially sensitive. Alan Mulally is the example featured here. And there are women who have proven not to be socially sensitive. We'll refrain from providing examples, though, as the point isn't a focus on gender; it's this: When you develop the capability within team members to be more socially sensitive and enable enhanced distribution of conversational turn-taking, your team will predictably perform stronger than your competition who may employ smarter people than you.

This is precisely what *ONE Team* delivers: a quick and effective method to facilitate these factors needed for greater success.

It's important to be clear: Emphasizing this collective intelligence study is not an argument against the development of the individual. Rather, this is an assertion that an equal focus and investment in how employees work together is woefully overlooked and essential for success.

Our experience informs us that it is the vast majority of organizations that claim "teamwork" as a value, yet undermine team effectiveness by elevating the focus on individuals. This means there is tremendous potential waiting to be activated within businesses.

Bottom line: Individual intelligence and talent counts, but teamwork rules.



## **Does Your Organization Foster A Climate For Inspired, High-Performance Teamwork?**

Consider your organization and answer these true-or-false questions, then discuss your answers with your peers:

1. Our rewards system recognizes the cross-functional teamwork that delivers end-to-end for the customer.
2. The annual employee survey assesses for effective teamwork as thoroughly as it does for employee engagement and satisfaction.
3. We have a daily approach to building our culture (i.e., we leverage our interactions), rather than an “event-based” approach that where we talk about our work culture only during the holidays or when survey scores drop, etc.
4. We are assessed by our ability to effectively lead or contribute to teamwork as heavily as we are for our individual contributions.
5. Annual bonuses for team performance equal or exceed bonuses for individual performance.
6. We have “team performance reviews” as consistently as we have individual performance reviews.
7. There are no systems in place that pit teammates against one another, such as performance assessments that force a rating of a small group of individuals over others, reward and recognition programs that deactivate those who don’t “win,” information-sharing protocol, etc.
8. When we do acknowledge and celebrate individuals for reasons beyond the numbers they deliver, the nominating or voting is done by the entire team, rather than only the boss.
9. Customer information is shared seamlessly between people and functions.
10. When attending meetings, the majority of those with positional authority are effective at facilitating discussions among the team rather than spending most of the time talking at the team.

## Results Never Lie

Ford is winning again. It has delivered profits every year since 2009 and its stock price has made a comeback. Mulally is considered among the greatest leaders of our time, overseeing one of the most remarkable corporate turnarounds in history.<sup>3</sup>

The changes in Ford's culture are all identified on the wallet-sized card Mulally provided every employee early in his tenure. In bold letters it reads "One Ford: One Team, One Plan, One Goal." The de-activating circumstances once present in the business gave way to systems and business practices that demanded transparency, alignment, collaboration, and trust – and inspired employees to own their responsibilities in the one-team culture.

Some may claim the causes for Mulally's and Ford's success were the financial decisions they made, including gaining financial support from banks prior to the 2008 economic collapse, a move Ford's competition didn't make, requiring them to accept government support. As well, the restructuring of labor contracts and agreements with Ford's unionized workforce also proved important. Or, others may argue it was Mulally's decision to eliminate brands such as Jaguar, Land Rover, and others that were financially draining and fragmenting the overall focus of the company.

These leadership decisions certainly are correlated to Ford's success. All are smart moves made by smart people. We do, though, submit that similar actions are taken by businesses everywhere on a regular basis: Organizations are constantly making adjustments in their financial approach, their product development, and portfolio. Why don't these organizations also achieve breathtaking growth?

Because they miss the additional, and even greater condition: Shaping and nurturing a culture where employees function as one team. Ford didn't limit itself merely to smart people making smart decisions. Mulally transformed the way work got done by ensuring smart people worked together effectively. It was this act, in combination with other strategic maneuvers that elevated Ford's overall performance most significantly.

Alan Mulally was clear on this. He said "... at the heart of the One Ford plan is the phrase 'One Team.' Those are more than just words. We really expect our colleagues to model certain behaviors. People here really are committed to the enterprise and to each other. They are working for more than themselves."<sup>14</sup>

## **Amplify Your Input**

What happens if you can't affect company policy or where people sit when they attend a meeting? How do you move a team forward when your influence is limited? The key is resisting the temptation to think that it's your power and wisdom alone that will do the job. The answer lies in using a mechanism, a tool, which amplifies your input and leverages the wisdom, knowledge, and experience of the whole.

While this act, this ability to activate inspired teamwork isn't difficult, history proves that remarkably few teams have individuals with the wisdom, skill, and courage to model what Alan Mulally and others have done.

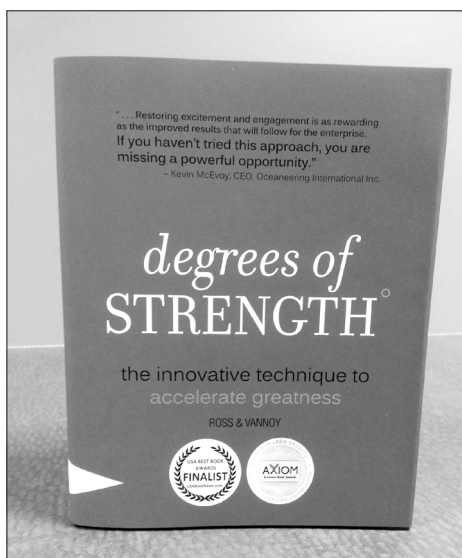
A growing movement is changing that – and quickly.

**Questions are levers.**  
**They activate, move**  
**and elevate thinking,**  
**which leads to**  
**different actions.**

# Are You An Accelerator?

## Improve Performance by Realizing the Greatness in People.

Learn the practical and inspiring method leaders use for developing the office culture that changes everything. *Degrees of Strength – The Innovative Technique to Accelerate Greatness* is short enough to read in one plane ride. Your team will be inspired to solve the problems that have slowed success, even those tenacious ones that have plagued your team or family for years. You'll accelerate results immediately.



## A remarkable way to ensure 'servant leadership' becomes a consistent reality — even in the toughest situations.

—Susan McConnell, President and CEO, Make-A-Wish Foundation® of Ohio, Kentucky and Indiana

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