

Highly Effective Teams

Research Reports

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1. Working on 'We' – Building High Performing Teams

Source: https://www.hsnz.co.nz/wp-content/uploads/Working-on-we-low.pdf

Those of us who spend a lot of time and energy being part of a team, leading a team or working with a team know that the promise of teamwork can sometimes feel more like wishful thinking than reality. There's a good reason for this: Research focused on senior teams found that only 21% of teams were effective.

This statistic is more than disappointing; it's unacceptable. Given the snapping rate of change, the need for coordination and 'joined up' thinking among team members is more important today than ever before. When teams perform at the best of their abilities, it's magic! An unseen switch gets flipped. Fixed individual positions give way to fluid collaboration and team flow. Gone are the 'trip wires' of egos, blame, shame, butt kicking, and the coulda, woulda and shoulda. People are prepared to trust one another and adapt to change as they 'merge awareness into action'. In short, they go from 'me' to 'we'.

The benefits of a high-performing team.

Our research has shown that when teams operate in a constructive way, they achieve significantly better results than teams operating in more defensive ways. For example, they:

- are 96% more effective when working together
- are 60% less likely to waste time
- increase the quality of solutions by 69%

What makes a team effective?

We've discovered plenty of frameworks and models of the conditions that promote and support team effectiveness. In considering these and our own extensive experience in working with teams, we've identified eight keys to team effectiveness.

1. Self-awareness who we are, what motivates us and how we show up. To operate effectively in the peer-to-peer relationships required of teamwork, individuals need to be aware of and understand themselves – how they think, what motivates them, what they value and how these factors influence their behaviour with others.

Knowing ourselves enables us to develop some strategies for managing our own thoughts and behaviours when we feel triggered by team members or team discussions. Without this awareness we are unconscious of our own biases and their impact on others.



2. Social sensitivity our consciousness of others and our relationships with them. Social sensitivity is the ability to perceive and correctly interpret social cues while responding and interacting to them respectfully. A high level of social sensitivity between team members has been shown to be a predictor of high performance in teams.

People with higher levels of social sensitivity usually have:

- high levels of interpersonal awareness
- an ability to see themselves in relationships with others
- an ability to understand the dynamics between people and regulate their emotions and adapt their behaviour to respond appropriately.

The more socially sensitive, the more we are able to 'read' the room and the more we can adapt and respond to unspoken signals in an effective way.

3. The Leader's Impact how the leader shapes the behaviour of their team. An effective team has a clear leader who's accountable for the team outcomes. They maintain a clear focus on what their team members should prioritise and where they ought to invest their time and energy. They're also aware that team members often model their own behaviour on that of their leaders.

The leader shapes the team's effectiveness through:

- being clear in their messages
- being clear about what they expect of the team, the type of team they want to build, the team's role and how the team will operate
- having a clear view of what 'good' looks like in terms of what needs to be achieved and the standards that must be met in terms of behaviour and performance
- providing direction without being overly directive and doing their people's jobs for them.

Their behaviour is also important in creating a foundation of trust and authenticity in which team members feel able to speak up, challenge the status quo, be creative and be vulnerable in their team interactions. They must be perceived as:

- being open to feedback
- encouraging frank debate and collaboration
- enabling a level of risk-taking while also attending to results and outcomes.

In doing this well, the leader will avoid all the risks of vague, ambiguous and ineffective leadership that leaves team members frustrated, confused and unwilling or unable to take the initiative and make decisions. A **'command and control' approach is equally unhelpful,** as close supervision and micro-management can lead to passive behaviour among team members and their feeling intimidated or becoming increasingly risk-adverse – waiting for direction rather than taking the initiative.



4. Purpose and Direction why our team exists. Effective teams have a clear reason or purpose for their existence. They know that their effort will make a difference because they have a shared understanding of their purpose, their direction and how they'll be measured.

Research has shown that high-performing teams have a clear and compelling purpose – compelling because the purpose is:

- challenging, with a stretch goal that the team has the ability and capacity to attain
- 'consequential', in that it makes an essential and significant contribution to the organisation's overall strategy.

5. Real team, right roles, right level what we do. In an effective team, individual talent is used to best effect and the skills, knowledge and experience levels of the individual team members match the quantum of the team's deliverables.

Patrick Lencioni, an American author specialising in team management, has described some of the major roadblocks to team effectiveness. They include the comprehensive, negative impacts of low trust in a team, and its inevitable effects on the team's ability to engage in positive conflict, which in turn weakens its ability to deliver results.

We have witnessed this kind of dysfunction ourselves and have also seen the extent to which poor design of a team's work increases the pressure on team members, exacerbating negative behaviour while creating dysfunctional team dynamics.

How can we get it right?

Having formed a team, it's important to ensure:

Clarity on who is in the team and why. A real team is bounded. Who is in and why is clear. As incredible as it seems, Wageman's research found that fewer than 10% of the teams they studied, knew beyond doubt, who was on the team. It is no surprise then that teams are challenged! Our observation is that often leaders can feel reluctant to exclude people from a team even when they do not play a genuine role nor are they a decision maker in key issues impacting the team. The cost of this reluctance to be decisive is that it leads to inefficiency and ineffectiveness in how the team works.

Role clarity. Everyone in the team knows their role and expected contribution, as well as their fellow team members' roles and contributions. Boundaries, interdependencies and interfaces are known and clear, and as things change team members' role clarity enables them to renegotiate their roles.



Recruit the right people. High performing teams rely on having the right people in the right roles. Individual team members must have the knowledge, experience and skills to be able to maximise the impact of their position and role for the team. In the cut and thrust of every day working, things often change quickly, and team members have to be able to pivot quickly and seamlessly to be effective. This is not possible if people are not the right fit for a role.

The leader works at the right level. This applies especially to executive teams. Leaders need to avoid focusing on the minutiae, perhaps as a reaction to increasing pressure or owing to a preference for detail. It can slow progress and lead to the team putting too much emphasis on day-to-day tasks instead of the overall outcomes they're required to deliver. In the case of an executive team, this will likely reduce effectiveness at every leadership level in the organisation.

6. Cohesion and constructive norms and behaviours how we work together

It can be argued that the most important elements of team effectiveness are the norms that characterise team members' interactions and teamwork. For example, teams that agree on a 'code' or charter that outlines their agreed values and standards of behaviour when interacting with each other (both within and outside the team environment) increase their chances of being effective.

Human Synergistics' research has shown that when the norms that underpin team interactions are 'constructive', the teams' effectiveness is much higher than when the norms are 'defensive'. This conclusion was reached using our Group Styles Inventory[™] (GSI), which measures team climate, behaviour and impact using the 'Circumplex' – a graphic model that measures 12 group 'styles', or ways in which group members approach a task and work together as a team.

The styles are categorised into three main clusters:

Constructive styles

Team members' behaviour reflects a concern for getting the job done (task skills) and for satisfying the needs of individual members (people skills).

Passive/Defensive styles

Team members' behaviour reflects a concern for maintaining their personal security. They may be prevented from performing effectively by their need for acceptance, convention and self-protection, and a need to avoid threatening situations and people.

Aggressive/Defensive styles

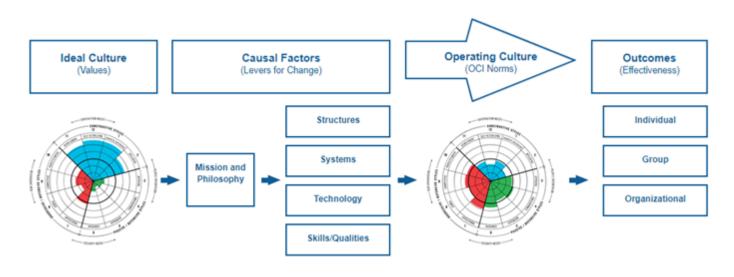
Team members' behaviour reflects a concern for maintaining their status/position. These teams tend to over-emphasise the task side of things and pay little attention to team members' needs and concerns.

7. Effective practices and ways of working our roles in the team. Teams need an effective operating rhythm that provides clarity on things like:

- How often they meet, how long for
- The types of meetings and their purpose
- Which issues need to be brought for collective problem solving and input from all team members, before a decision can be made and which do not
- Which decisions can be made within function independent of team collaboration.

8. Organisational culture how context and operating environment affect us. Neither individuals nor teams in an organisation operate in a vacuum. They're part of an overall organisational system that's shaped and influenced by the organisation's culture and climate.

The impact of organisational culture and climate on teams is highlighted in the **'How Culture Works™' model below developed by Dr. Robert Cooke.** The model shows how the values of an organisation influence the 'causal factors' – five elements that shape culture, which in turn affects the effectiveness of the 'group' outcomes.



Top 10 tips for helping teams become more effective

From our perspective, the way to help teams to become more effective and high performing is to help them become more autonomous and manage themselves to their best effect. We recommend that you:

1. Be deliberate in designing the team so that it's set up for success right from the start. Ensure that the work is suited to team work, that there is some level of collaboration and interdependence needed to achieve a common goal.



2. Be clear about your expectations and how you'll measure the team's performance and success.

3. Establish a shared understanding and compelling team purpose or better still involve team members in establishing this purpose.

4. Conduct a 'kick off ' or launch workshop with the team to discuss and agree on a charter that outlines team members agreement as to;

- Purpose
- Values and behaviour (during and outside team meetings)
- Roles and responsibilities Ways of working.

5. Provide coaching and regular feedback to team members and encourage feedback between peers as to 'what's working' and 'what needs work'.

6. Involve team members in determining criteria that guides which issues need collective problem solving and decision making vs individual problem solving independent of team input.

7. Make it a priority for team members to collaborate on cross functional issues so that they have the opportunity to collaborate regularly.

8. Create opportunities for team members to get to know each other better in more relaxed and informal settings. Increasing familiarity with each other's preferences can build trust.

9. Make time at the end of each meeting to evaluate how effective the meeting and conversations were. 'Did we have the conversations that mattered?' 'Did we discuss things effectively.' Using a tool to do this will help provide a consistent standard against which the team can judge its development.

10. Celebrate successes and milestones achieved.



2. How to Focus Your Team on the KPIs You Measure to Drive Better Performance

Source: <u>https://enhance.training/how-to-focus-your-team-on-the-kpis-you-measure-to-drive-better-performance-tm0226/</u>

Focus your team on the KPIs you measure to drive better team and business performance. Sounds simple, yet most companies and teams have more KPIs or key performance indicators than they need yet don't use KPIs effectively to change behaviour and drive better performance.

Per Harvard Business School the majority of companies fail to implement the strategy they set successfully. That is a huge number of companies' most important goals not being achieved. Most employees – 80%+ – don't really know about or understand the direction or strategy of their company.

Working in many different companies from world class market leaders to entrepreneurial start ups – I would agree that not really understanding their company's direction and goals is pretty normal for most employees.

If most employees don't know or understand the goals their team is trying to achieve, how can they work harder on the areas that help achieve those goals? For how to focus your team on the KPIs you measure to drive better performance in your team and business we are covering:

Too many leaders and managers <u>communicate team goals</u> a few times at team meetings or in presentations and expect employees to know and understand exactly what to do. In reality – for most employees – a lot more is needed to really focus your team on the KPIs you measure and use to increase team performance.

Choosing the right KPIs to achieve goals

Most companies have an excess of data from which they can choose KPIs. <u>Choosing the right KPIs</u> is not an easy task – that focus effort and resources on the most valuable tasks, activities and projects to reach the goals set.

Too many companies <u>only use financial KPIs</u> which are much easier to set, yet very few employees relate these KPIs to what they do on a day to day basis. This lack of connection means less focus and effort is put into the best activities to reach goals.



Start with the goals your team or business needs or wants to reach. Understand how progress towards these goals is being measured so you understand what the finish line looks like. Next, go through all the tasks, activities and projects that your team is responsible for or involved in delivering.

Ask yourself: "If we delivered more, better or faster on this task, activity or project, how would it impact achieving the team goals?" Or another type of question to ask "What are the sales, marketing or operating activities that create the most progress towards goals?" Or you could ask "What tasks, activities and projects create the biggest increases in revenue, profit and cash?"

Prioritise KPIs

Prioritise your options from the most important to the least important.

Another factor to consider is how broad a range of activities does the KPI I am considering capture. For example, the number of sales meeting per week is a much narrower measure than the gross profit generated from new sales per week.

Work out the most suitable and relevant KPI measures to use from the range available. Think operating, sales, marketing and financial KPIs as well as broad KPI measures that capture a lot of different activities and narrow KPI measures that focus on critical points in the process. Try to limit the KPIs you really focus the team on to 5 or less.

Choose KPIs that best capture the most valuable and profit generating tasks, activities and projects that your team can work on.

Explain why these KPIs and link the KPIs to team benefits

Once you have chosen your KPIs, explain to your team – those that will be doing the work that drive these KPIs – why you have chosen these specific KPIs.

Explain the thinking process you went through to choose the KPIs you have. Explain how these KPIs align with reaching the team goals. Doing more of the activities captured by the KPIs should be the best way available to move the team towards reaching the goals set. Explain exactly why this is the case.

A simple example – the team's goal is to grow revenue by 30% over the year. You choose a KPI tracking the number of sales calls made to potential clients who have attended one of the company's webinars. You have chosen this KPI because the data proves the number of sales calls to warm leads is the biggest driver of sales growth for the team.



Create Links

Link the KPI into daily tasks, activities and projects that your team does. Explain why increasing the output the key performance indicator measures will help achieve the goal. Once you have created a clear link between KPI and team activity, I suggest you spell out exactly why this will help the team. Don't just focus on financial benefits.

For example, from the previous example you might say "Growing revenue means higher profits in the company, higher job security for us all, being part of a success story, more career development opportunities, more cash to reinvest in the business and a lot of appreciation from the other teams.

Make clear why achieving these goals will make the individual team member better off. Don't assume it is obvious or they understand why. Tell them. Explain it to them until they understand. Answer the "What is in it for me?" question.

Explain how these KPIs will be achieved

Explain exactly what tasks, activities, and projects each person on the team needs to do and how they will directly or indirectly improve the KPIs that you have chosen. Set personalised targets in terms of the activities and responsibilities that each person on the team has.

Also talk through what resources will be made available to support achieving the goals set. What other departments, projects etc will help in driving the KPIs measures. Then what activities should the team focus on? What should they avoid and how should they prioritise? These are all useful question to discuss and answer.

Also think about training and support to increase skills and capabilities in the team. What can be done to increase the ability of the team to deliver in the most important areas? What are you able to commit to now and what do you need to try to get in place?

Having a realistic plan and carefully though through set of steps adds a huge amount of confidence to the team that they can achieve goals. Use the team to help create the plan of action and you increase their buy-in and commitment to the plan.

Explain how each individual can and will increase the results the KPIs measure.

Constantly talk about KPI progress

Once you have the KPIs you want to measure, the team understand why you have chosen these KPIs and the team understand how they can improve the results the KPIs measure, keeping the KPIs top priority for each team member is the next challenge.



Way too many managers talk through the KPIs a couple times with the team and expect that is enough. We all work in an increasingly fast paced, and distracting workplace. There is a constant flood of new ideas, initiatives and things the team needs to do – almost on weekly basis. KPIs are soon forgotten about unless you keep reminding the team about their importance.

How To Keep The Team Focused

Here are 7 great ways for how to keep the KPIs you want your team to focus on front of mind:

- 1. Send round a weekly KPI email to team members and stakeholders
- 2. Talk about the KPIs in team meetings and <u>one-on-one meetings</u>
- 3. Regularly meet to go through KPI progress with stakeholders and your manager
- 4. Put the KPIs on a whiteboard in full view of the team or use a TV screen for live progress updates
- **5.** Hold huddle meetings each day or week and get team members to update the KPI they own onto a scoreboard
- 6. Hold planning meetings to work how to improve the results the KPIs are tracking
- **7.** Create games between team members or sub-teams for biggest increase in KPI progress in that month

There are so many options. The key is to do all of these and keep repeating them. The more time and effort you put into communicating the progress of KPIs, the more you ask questions about the activities that drive the KPIs, the more your team will get the message they are really important to you. If they are important to the manager, they become important to the team members. Actions coveys the KPIs importance a lot more than words ever will.

Link recognition, rewards, bonuses and promotions into achieving KPIs

Recognition and praise take a bit of time and effort to do well. Ideas include public recognition in team meetings, winning the best team member prize of the month, having their picture on the wall and getting emails celebrating their achievements.

Think about who gets what development opportunities and how you use your time to mentor and coach team members. These are both valuable. Ask team members what they would like and how they want to be rewarded. Work out what you can do without any or little budget and permission. You should put these ideas into practice if you haven't already.

Next, think about all the incentives that require budget, permission and signoff. Link as many of them into improving the KPIs and reaching team goals as sensible. Give bigger bonuses to those that deliver and little or nothing to those that don't. Give bigger pay rises to those that increase value.

Think carefully about who you put forward for promotion and why.

The more incentives you link directly to improving the KPIs you have chosen to focus your team on, the more the team will focus on the tasks, activities and projects that deliver them.



3. High-Performing Teams Don't Leave Relationships to Chance

Source: https://hbr.org/2022/09/high-performing-teams-dont-leave-relationships-to-chance

Research has shown that employees with close connections at work are more productive, creative, and collaborative. They're also more satisfied with their job, less susceptible to burnout, and less likely to leave.

At first glance, workplace friendships can seem trivial — a nice to have that's distinct from traditional organizational objectives like productivity, efficiency, and profitability. Nothing could be further from the truth. A wealth of studies reveal that by fueling our basic human psychological need for belonging, meaningful workplace connections drive many of the outcomes central to high-performing teams.

For starters, employees with close connections at work are more productive, creative, and collaborative. They also report being more satisfied with their job, are less susceptible to burnout, and are less likely to leave their organization to pursue another role. In other words, not only are they better contributors, they provide more stability to a team.

In contrast, when employees feel disconnected from their team or lonely at work, their performance craters. Their ability to focus deteriorates and their willingness to collaborate plummets. Worse, they devote valuable cognitive resources attempting to hide their loneliness from others, leaving less mental firepower for completing projects. In short, they become less capable of doing their jobs.

Now, it's one thing to logically appreciate the value of close connections, and another to know what to do about it. After all, what can a single leader possibly do to get coworkers to bond? The short answer is plenty.

Research suggests that workplace friendships don't just happen by chance. They blossom under certain conditions, many of which leaders can strategically engineer, even in a remote or hybrid environment. Here are three evidence-based strategies that leaders can use to leverage insights from the science of close connections.

1. Use commonalities to spark friendships.

Studies indicate that one of the strongest drivers of friendships is similarity. The more workers have in common with one another, whether it's a favorite TV show, weekend hobby, or even the same birthday, the more likely they are to click. In a fascinating study of best friends who remained close for nearly 20 years, researchers found that the strongest predictor of long-term bonding is the level of similarity when friends first meet.



Managers can leverage this insight by making it easier for employees to identify commonalities. Onboarding offers the perfect opportunity. Instead of simply introducing new hires by their professional experience, consider interviewing them to uncover a few colorful details about their personal interests, and sprinkle these details into your welcome message.

Introducing new team members by their personal interests immediately humanizes them and empowers existing team members to find commonalities over which they can bond. Moreover, inquiring about personal interests demonstrates to new hires that you care about them and value their individuality. It's also a differentiator. In a world where 88% of employees believe their company's onboarding process can improve, designing an introduction that sets the stage for friendship not only sets an organization apart, it paves the way for more effective collaboration.

2. Highlight shared goals.

It's easy to assume that employees reporting to the same manager will naturally view themselves as a team. Yet that's not always the case. A crucial aspect of leading teams is therefore ensuring that employees view their colleagues not just as coworkers, but as teammates. The question is, how?

Social psychologists have long appreciated that <u>shared goals</u>, or the experience of working together toward a common objective, supports the development of friendships. And indeed, <u>studies show</u> that workers who view their colleagues as essential to their success build closer friendships, have fewer disagreements, and view their work as more meaningful.

The challenge in many organizations is that shared goals are often surprisingly difficult to identify, especially when members of the same team are working on different projects. It's when we don't feel like our objectives align with those of our colleagues that we witness the emergence of cliques, silos, and conflicts.

And yet shared goals can still offer leaders a valuable opportunity for building a team mentality, even when collaboration is limited. For example, managers can draw attention to the ways projects require a team effort. Doing so can be as simple as highlighting an important collaboration, or publicly thanking an individual whose contributions are vital to a team's success but are easy to overlook.

Another option is to emphasize team-wide goals (such as objectives and key results, or OKRs) that can only be achieved through working together. Depending on the department, team OKRs may include increasing referrals, improving organic traffic, or optimizing employee engagement scores. Shared goals can also foster team-building outside the office, during recreational activities.



A well-designed social activity can do more than deliver a fun experience, it can present the conditions that empower colleagues to work shoulder-to-shoulder toward a common objective. In other words, skip the office happy hour and invest in a collaborative cooking class.

3. Turn tension into connection.

Research indicates that workplace disagreements often erupt when people experience an absence of relatedness — when they feel undervalued, unappreciated, or perceive a lack of respect. The less connected people feel, the more likely they are to interpret a difference of opinion as a personal slight.

But disagreements can offer a lot of value if you navigate them correctly. Far from signaling office dysfunction, workplace disagreements can yield more creative solutions, better decision-making, and higher performance.

The best leaders do more than defuse conflict — they use relationship-building statements to turn tense moments into opportunities for deeper connections. These can take the form of recommitting to the partnership ("I bet we can figure this out"), acknowledging your partner's contributions ("You clearly put a lot of work into this"), or valuing their expertise ("I've always appreciated your insight into clients like this."). The trick is to quickly reassure your colleague that your disagreement has nothing to do with your relationship, and everything to do with finding the best solution.

Used correctly, relationship-building statements can do much more than put out relationship fires. They are a vital conversational tool for fostering collaboration, expressing appreciation, and ensuring that contributors feel valued.

For too long, workplace friendships have been left to chance. Yet the research is clear: feeling connected to our colleagues elevates productivity, reduces turnover, and fosters better teamwork. As such, it's a powerful and underutilized tool for creating high-performing teams.

Fortunately, research indicates that leaders can do a great deal when it comes to nurturing employee friendships. By utilizing insights from the science of close connections to promote bonding, teaming, and productive collaborations, any leader can fuel their team's need for relatedness and elevate performance.

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ANY QUESTIONS? WE'RE HERE TO HELP

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