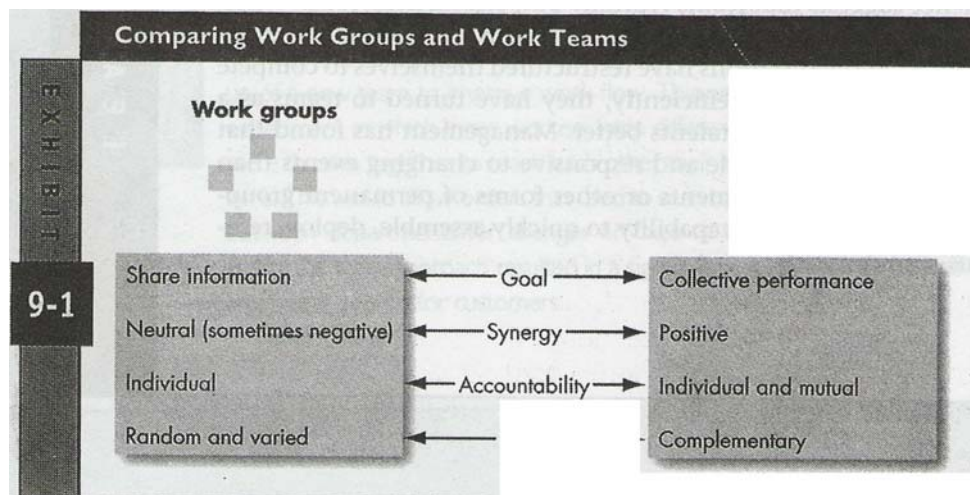# Lesson:-28
UNDERSTANDING WORK TEAMS

Coaches of athletic teams have long understood the importance of building team work . However that hasn't necessarily been true for business firms . One of the reasons , of course is that business organizations have traditionally been organized around individuals. that's no longer true. Teams have increasingly become the primary means for organizing work in contemporary business firms

WHY HAVE TEAMS BECOME SO POPULAR!

Twenty-five years ago, when companies like 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. It's the organization that *doesn't* use teams that has become newsworthy. Currently, 80 percent of Fortune 500 companies have half or more of their employees on teams. And 68 percent of small U.S. manufacturers are using teams in their production areas.2

How do we explain the current popularity of teams? The evidence suggests that teams typically outperform individuals when the tasks being done require multiple skills, judgment, and experience.3 As organizations have restructured themselves to compete more effectively and efficiently, they have turned to teams as a way to use employee talents better. Management has found that teams are more flexible and responsive to changing events than are traditional departments or other forms of permanent groupings. Teams have the capability to quickly assemble, deploy, refocus, and disband.

Comparing Work Groups and Work Teams

EXHIBIT 9-1

Work groups

	Goal	Collective performance
Share information		
Neutral (sometimes negative)	Synergy	Positive
Individual	Accountability	Individual and mutual
Random and varied		Complementary

But don't overlook the motivational properties of teams. Consistent with our discussion in Chapter 7 of the role of employee involvement as a motivator, teams facilitate employee participation in operating decisions. For instance, some assembly-line workers at John Deere are part of sales teams that call on customers.4 These workers know the products better than any traditional salesperson; and by traveling and speaking with farmers, these

hourly workers develop new skills and become more involved in their jobs. So another explanation for the popularity of teams is that they are an effective means for management to democratize their organizations and increase employee motivation.

TEAMS VERSUS GROUPS: WHAT'S TME DIFFERENCE!
Groups and teams are not the same thing. In this section, we want to define and clarify the difference between a work group and a work team.
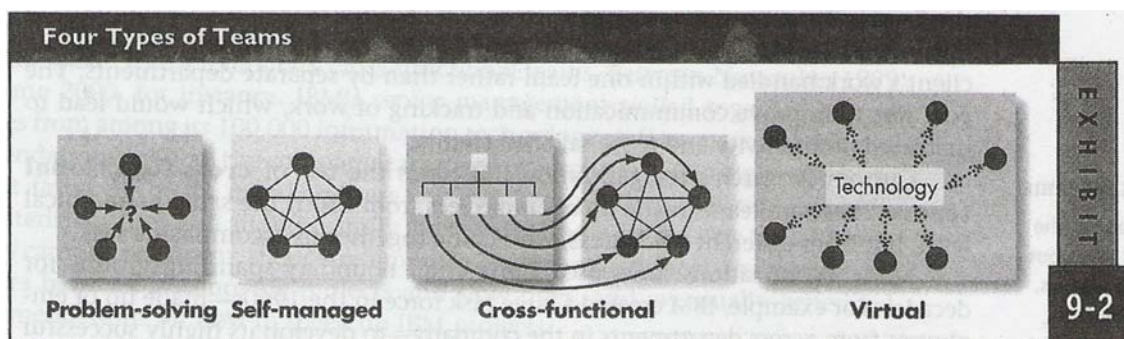
In the previous chapter, we defined a *group* as two or more individuals, interacting and interdependent, who have come together to achieve particular objectives. A **work group** is a group that interacts primarily to share information and to make decisions to help each member perform within his or 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 that is greater than the sum of the inputs.

A work team generates positive synergy through coordinated effort. Their individual efforts results in a level of performance that is greater than the sum of those individual inputs. Exhibit 9-1 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 that positive synergy thafwill allow their 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, we said "potential." There is nothing inherently magical in the creation Q{ teams that ensures the achievement of this positive synergy. Merely calling a *group* a *team* doesn't automatically increase its

<div align="center">

Work teams
Skills

</div>

Four Types of Teams

Problem-solving   Self-managed   Cross-functional   Virtual

EXHIBIT 9-2

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, it will need to ensure that its teams possess these characteristics.