Building high-performing teams

Teamwork is critical for any large organization. Managers must not only find the right people for the right role, but they must also ensure that the right people are working together effectively. By understanding how teams function and how individuals will work together on tasks, leaders can optimize the teams within their organization. It's important to select the right mix of people for each task and provide them the right tools and environment for achieving the desired results.

By understanding the behavioral distance of current and potential team members from one another, managers can make better decisions about forming and managing teams. Managers can contribute to the strengthening of organizational culture by identifying the key attitudes and values for an organization and by ensuring that team members are aligned around these attitudes and values. Hiring for common attitudes and values minimizes the behavioral distance within a team, which can potentially drive synergy, improve retention, reduce conflict, and contribute to organizational success.
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Understanding why organizations rely on teams to succeed

There is no “I” in team, but there is a “me” waiting to become a “we.” Teams are increasingly important to the success of organizations in the modern economy. The larger an organization and the more work it produces, the more likely it is to rely on teams to be successful.1

Understanding how individuals interact in teams and how teams interact with each other is important for driving organizational outcomes such as higher sales, greater profits, and a stronger culture. Teams are simply groups of individuals working toward a common goal. However, that simple definition does not do justice to the complexity of teams, team processes, and team outcomes.

Teams can take many forms. They can be permanent, such as the core group of associates in a leasing office who work together daily to run a property; or they can be temporary, such as a cross-functional project team that assembles to address an organizational challenge. Teams can also vary in size, such as a five-person NBA team versus an eleven-person NFL team. Using another sports example, roles can also vary by organization, with NFL players specializing in offense or defense, while NBA players must play both. Finally, how a team is expected to work together and what outcomes matter most can be highly variable, with some teams being remote or virtual and others being onsite and physically close together, and some teams focused on sales with others focused on service.

This variety in the composition and organization of teams creates complexity for organizations that must decide how to form teams to drive outcomes.

Organizations must consider not only who to put together within a team, but also how many people to have in the team, what roles they should have, what processes they should follow, and which outcomes are most important. Such complexity makes predictions and recommendations around team composition difficult.

Nevertheless, predictive models are necessary for creating successful teams. Many companies find great value in the Infor® Talent Science™ Predictive Index for individual job success; however, there is high demand for the additional value that could be obtained from a team-level predictive index score. Such a score would not be about the individual alone, but would be based on the combination of every individual in relation to every other individual in the team. To start making such predictions, it’s important to have a model for how individuals work together to achieve results.

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Predicting team performance with models

Prediction of individual performance on the job is a well-established science, as evidenced by the plethora of case studies produced by Infor Talent Science. However, the science of group-level prediction is still in its infancy. Not only are teams much more complicated than individuals, but teams are also more than just the sum of their individual members. With teams there is the concept of synergy. The Merriam-Webster dictionary defines synergy as “the increased effectiveness that results when two or more people or businesses work together.” Achieving a positive synergy among individuals, so the whole is greater than the sum of its parts, is a holy grail for organizations. Corporate strategists have known for over 50 years that companies seek “a combined performance that is greater than the sum of its parts.”

Achieving such synergy in a business is about more than work processes and strategies, it’s also about people working well together. Managers spend 18% to 26% of their time dealing with conflict within teams. If these managers did not have to spend as much time acting as referees, they could focus more time on the strategic imperatives of the organization. In the US, employees spend nearly three hours per week dealing with interpersonal conflict. If these employees and their managers enjoyed working together and had less conflict, then they could put more hours into their performance, and there would be less risk of turnover within the team.

By understanding how people can work well together on creating better strategic outcomes, businesses can produce more with less. Designing synergistic teams, however, requires a model for predicting how people work together to achieve team results.

Over time there have been many models proposed for understanding how people work together to achieve team level results. One of the most popular models of teamwork focused on the team development stages of forming, norming, storming, performing, and adjourning. However, this model is now widely recognized as incomplete, as it does not take into account all the outside factors that impact team performance.

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Researchers are increasingly focused on understanding teams through the Input-Process-Output model developed by McGrath. This model says that team performance is extremely complicated. There are a variety of input variables that can interact with a variety of process variables to lead to a variety of outputs. On the input side, a manager needs to consider factors such as group size; knowledge, skills, and abilities of team members; technology available to the team; the history and experience of the team; and the behavioral preferences of the individual team members. From a process perspective, managers must consider how the team plans; how they interact with each other interpersonally (tone, conflict, trust level); what actions individual team members take to get their job done; and other factors that emerge in a team over time, such as attachment to work products, group identity, and feelings of psychological safety. These inputs, after analysis, can lead to a variety of outcomes, such as cohesion within the team (how much they like each other), performance of the team, and team viability (how likely they are to stay together).

This comprehensive model can provide a framework for identifying areas of improvement. Organizations can promote synergy in a number of ways. One way is to focus on the input side of the model, which is where managers often have the most influence. Team outcomes can be improved by making more accurate hiring decisions.

Using behavioral preferences to impact team performance

Identifying people who enjoy working together and complement each other in the pursuit of organizational objectives can lead to both higher productivity and lower turnover. Reviewing the research on teams shows that there is a clear relationship between personality, values, and team performance. Having an accurate measure of personality and values, as well as an understanding of a team’s performance expectations, is critical in designing a high-performing team.

Behavioral preferences can impact team performance in different ways depending on the tasks being performed by the team. Psychologists have known for over 40 years that different tasks require a focus on different team composition variables. Examples include:

- In assembly lines, the minimum ability of the team is most important. It’s the “weak link” or the team member with the lowest ability that is going to have the greatest impact on the performance of the team.
- In a problem-solving task, it’s the team member with the greatest ability that will have the greatest impact on team success.
- In creative tasks, the variability of the team is important. Research shows that more diverse teams in terms of surface level variables (such as education or background) generate more creative outcomes, assuming they can communicate well together.
- Some tasks are most impacted by the sum of abilities, like pushing a boulder.
- Finally, on many tasks, the average of all abilities is what is most predictive.
To summarize, although individual personalities and abilities of team members predict team outcomes, understanding the task type is also valuable. The more information that is available on the input, process, and output side of the model, the more accurately predictions can be made on how to achieve synergy and maximize results.

Leveraging behavioral preferences to build high-performing teams

Although work design is an important avenue for driving performance, individual hiring managers often have more freedom to change the composition of the team than they do to change work processes or productivity expectations. Therefore, the input side of the model, and specifically the team composition variables, are a source of great leverage for managers seeking to drive high performance.

When looking at team composition variables, there are surface-level composition variables that are relatively easy to discern such as age, race, organizational tenure, and education level, and then there are deep-level composition variables that are difficult to determine, such as attitudes, values, and personality. Managers who want to select individuals to form high-performing teams are better off focusing on these deep-level composition variables because many of the surface-level variables (e.g., age and race) are federally protected classes that can’t be considered in the hiring process. In addition, deep-level composition variables have been shown to have a larger impact on team performance than surface-level variables.10 When considering how to put together attitudes, values, and personalities on a new team to drive performance, there is theoretical value in identifying groups of individuals who have shared similarities. This can be quantified through the concept of behavioral distance. Behavioral distance is the sum of the absolute value of differences on measures of attitudes, values, and personalities. The larger the behavioral distance, the more opposite individuals are from each other in terms of their attitudes, values, and personalities. These distance scores can be aggregated across a team to calculate how much variability there is within a team on deep-level composition variables. Creating alignment around these variables is part of the culture-creation process, and can be done while simultaneously promoting diversity in the surface-level variables, which many organizations desire.

Researchers as far back as the 1980s have described this alignment of attitudes in the development of an organizational culture. It was then that the Attraction-Selection-Attrition (ASA) model of cultural development was proposed.11 This model suggests that organizations can achieve a certain level of cultural homogeneity through the attraction of candidates who are likely to fit their culture, the selection of candidates who fit their culture, and the greater retention of hires who most fit the culture.

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It’s a survival of the fittest, evolutionary view of the development of a culture, where individuals who fit a culture and thrive within a culture are most likely to stay within a culture, thereby strengthening the culture.

This model of emerging trait homogeneity and reduced behavioral distance through the ASA model has been tested and shown to have positive impacts on a variety of team-level outcomes. The impact of lower behavioral distance can range from reducing the emotional reaction of team members to team conflict,12 to increasing the financial performance of an organization.13 This ASA model suggests that a stronger culture could be defined as a lower behavioral distance among team members and that this behavioral distance should shrink over time as the team aligns around its core values and preferences. Promoting such trait homogeneity, especially along the cultural values most important to team success, is one path that managers can take to create high-performing teams. By creating a team that has high diversity (variability in backgrounds and experiences), low behavioral distance (alignment around key cultural values), and high fit to individual roles, managers have the best chance of achieving the holy grail of team synergy and maximizing team performance.

Many organizations are already focused on improving their diversity of backgrounds and experiences. Organizations using Infor Talent Science are also driving improvement in fit to individual roles through the Infor Talent Science Predictive Index for the job. Knowing and managing behavioral distance within a team can be a valuable tool in the manager’s tool belt. By promoting cultural alignment on key characteristics through the reduction of behavioral distance, managers can reduce the impact of conflict, promote shared mental models that improve communication, and ultimately drive improved organizational outcomes. By creating the right teams, organizations are taking an important first step in achieving strategic objectives. There may be no “I” in team, but there is a “me” and through proper selection and management, that “me” will increasingly look like “we.” The “we” of a team is the culture that is shared by the members of that team. It is an alignment around key behavioral preferences, a reduction in behavioral distance, a shared mindset, and shared goals. Creating the unity of the “we” through careful selection is a method for managers to differentiate their organization from their competitors and deliver on strategic objectives through their people, and more importantly, through their teams.