

# Continuous Organisational Learning through the development of High Performance Teams

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**ABSTRACT:** *The challenges facing business today require that organisations be able to continuously transform into flexible, agile enterprises which respond to market driven opportunities. Due to the complexity and speed of change, organisations cannot become agile high performers without the transformation to team based structures. Research has identified several key enablers of high performing teams within UK case study small to medium sized organisations. This paper discusses the developing role of teams during the migration to organisational agility and introduces the key elements of having a shared vision, trust and openness whilst striving to achieve higher levels of performance.*

*Keywords: organisational learning and performance, high performance teams, organisational agility.*

## INTRODUCTION

The business market of today is much more complex than it has ever been before, making it much more difficult for businesses to not only enter the market place, but to also survive and compete successfully against rival firms. White (1996) states that over 75% of all companies in existence today will not be around in 60 years time, due to the fact that they will have been taken over, merged, bought out, gone bankrupt or have gone into liquidation. Moran et al (1998) state that the business reality of today demands that if successful organisations wish to remain successful, then they and their employees must be able to change faster and more often than their competitors. Such a demand can be met by adopting the management philosophy of Agile Manufacturing. Goldman (1994) points out that to embrace such an approach requires new organisational philosophies and strategies in order to provide an adaptive capability of responding to future changes.

## ORGANISATIONAL PHILOSOPHIES

Organisations wanting to improve their performance can take advantage of a variety of modern organisation philosophies including the following:

### Management Agility

Goldman et al (1991) introduced the concept of Agile Manufacturing as being the ability to thrive in a competitive environment of continuous and unanticipated change. Dove (1996) stresses that agility is about responding quickly to rapidly changing markets driven by customer specified products and services. Therefore underlying agility is the capability to rapidly adapt or reconfigure in response to changes in the business environment which implies change proficiency as described by the Agile Forum (Goldman et al, 1991). Dove (1996) has pointed out that agility has four underlying principal dimensions:

- Mastering change and uncertainty – entrepreneurial organisation
- Enriching customers, products and solutions (providing total solutions)
- Leverage of people through knowledge and information
- Co-operating to enhance competitiveness - virtual partnerships (collaboration)

Sharp et al (1999) proposed a model that will assist organisations in moving towards agility. The paper also presented results from many of the UK leading manufacturing companies where continuous improvement, organisational learning, empowerment and teamwork were all considered to be vital. In contrast traditionally managed companies, who were surveyed, practised centralised decision-making and relied heavily on key managers to make decisions rather than rely on empowered teams. Such traditional organisations had tall organisational structures and unlike the aspiring agile companies were not routinely reconfigurable in response to constantly changing circumstances.

## Learning Organisations

Senge (1990) defines a Learning Organisation as “a group of people continually enhancing their capacity to create what they want to create”. Fletcher (2000) defines a learning organisation as an organisation with an ingrained philosophy for anticipating, reacting and responding to change, complexity and uncertainty. Senge (1990) remarks that the rate at which organisations learn may become the only sustainable source of competitive advantage. Pedler et al (1991) discussed the interactions between the organisation, as a learning organisation and the employees as effective learners. In their “Learning Company Toolkit” Pedler et al (1999) present eleven characteristics or practices for assessing organisations. Zairi (1999) used a survey instrument based on a questionnaire by Carr and benchmarked two large conglomerates in the area of corporate learning where one of the key areas was found to be developing effective and successful teams.

From the literature on learning organisations the authors propose that a suitable definition for a high performance learning organisation is one that has unleashed the potential of all its people toward achieving organisational goals and objectives. It thus has the inherent ability to respond to unanticipated market requirements by continuously learning and adapting to be able to cope and deal with new situations and challenges.

## Teamworking

Teamwork is not only a major contributor to the motivation and satisfaction of employees, but is also necessary in the modern manufacturing and commercial environment. As Oakland (1995) states, ‘The complexity of most of the processes that are operated in industry, commerce and the services places them beyond the control of any one individual. The only efficient way to tackle process improvement or problems is through the use of some form of teamwork,’ a point agreed with by Blanchard et al (1997) and DeToro et al (1997).

The rationale behind the use of teams and employee involvement is to make the organisation as a whole, more responsive to the dynamic market place, which should have the added bonus of making the business more competitive through its increased flexibility. Because team working makes a business more responsive, this means that decisions need to be made lower down the organisational hierarchy, rather than first having to traverse various communication channels before a decision can be made. This therefore means that the employee has to take on more responsibility with his empowerment/involvement in a team, so that they can exert greater authority over their work environment. As Ciampa (1991) points out, ‘This cannot be forced on workers. They must want to do it. Employee involvement efforts, done in the right way, will lead to such a sense of ownership of results.’ Harrington (1997) agrees with the need for people involvement in improvement projects, and states that cross-functional groups are very beneficial to an organisation. Zeffane (1996) also makes the point that through participation, employees will become committed, and if the leader(s) is/are successful in creating conditions which shift responsibility for change from managers to employees, then the employees will have no figure to rebel against (thereby reducing resistance).

Oakland (1995) devised a useful model to show how employees develop from a non-team environment, in that they work as individuals with little trust and sharing of information, to one that is interdependent, in that information is open and shared, and where individuals work together to solve problems and implement solutions.

Tuckman et al (1977) conducted work that suggested that there are four stages of development that a team actually go through when first put together. These four stages and the key aspects of each are briefly listed here:

- 1) *Forming - Awareness:*
  - a) Feelings, weaknesses and mistakes are covered up.
  - b) People conform to established lines.
  - c) Little care is shown for others’ values and views.
  - d) There is no shared understanding of what needs to be done.
- 2) *Storming - Conflict:*
  - a) More risky, personal issues are opened up.
  - b) The team becomes more inward looking.
  - c) There is more concern for the values, views and problems of others in the team.
- 3) *Norming - Co-operation:*
  - a) Confidence and trust to look at how the team is operating.
  - b) A more systematic and open approach, leading to a clearer and more methodical way of working.
  - c) Greater valuing of people for their differences.
  - d) Clarification of purpose and establishing of objectives.
  - e) Systematic collection of information.
  - f) Considering all options.

- g) Preparing detailed plans.
  - h) Reviewing progress to make improvements (part of a continuous improvement process).
- 4) *Performing - Productivity:*
- a) Flexibility
  - b) Leadership decided by situations, not protocol.
  - c) Everyone's energies are utilised.
  - d) Basic principles and social aspects of the organisation's decisions considered.

The key features (characteristics) are natural steps of progression as a team “gels” together into a “single organism”, able to tackle and solve problems efficiently, with the minimum amount of time and effort taken. However, it is necessary to look out for problems of role playing, in which an individual gets so narrow minded that they only perform a particular task; team leaders should be especially careful not to become narrow minded, since it is their job to maintain an overall perspective encompassing all tasks being performed.

A single person should not necessarily be the leader throughout the entire project; leadership should be decided by situations. This simply means that, because of different experiences and education among employees, different people will know more about different subjects, and so therefore leadership for different tasks should change. The most knowledgeable person on any item should naturally be used as a source of expertise, and could be used in the role of leader for that piece of work, and guide and teach the other team members what he/she knows, as part of the continuous learning and improvement cycle. However, everyone should get to be leader at one time to exercise their problem solving and organisational skills, that they will be taught, and continuously learn throughout the team project. This will be a great source in giving employees confidence and further motivation.

Adair (1987) has developed and applied to training, a functional view of leadership. In his research, Adair “distilled” the role of leadership, and hence the requirements of an effective leader, into three distinct areas, all of which are interrelated:

- 1) *Task Needs:* The common purpose, goal or objective of the team.
- 2) *Team Needs:* Team members need to work in a co-ordinated fashion, so that teamwork ensures that the teams' contribution is greater than the sum of it's parts. Conflict must be used effectively, so that ideas are generated instead of tension and lack of team cohesion.
- 3) *Individual Needs:* Individual team members need to know what their responsibilities are, and how well they are meeting the requirements of the group and the task. An individual also needs to be able to prove/use his/her abilities and attain recognition of their achievements, and receive guidance and constructive feedback when they are not so successful.

There is often much confusion about what the differences are between a team facilitator and a team leader, and sometimes they may be viewed as being one and the same. However, this is far from true. A team facilitator is an individual who helps the leader establish the team (and may even be a team participant early on while the team leader and members become more comfortable working with one another - Roland et al (1997)), and the correct balance of skills and personalities, and who also coaches and assists the leader in all pertinent tasks, when requested. The facilitator also ensures that the team are working in the “right” direction and ensures that all members contribute. A team leader, on the other hand, organises and sends out agendas for the project, consults with managers, takes minutes of meetings, identifies training and education needs, as well as providing reports to the mentor about team progress.

The mentor is a senior manager who agrees objectives, training needs, timeframes, and provides guidance to the team through a Quality Steering Group (or QSG, which is a group of managers who ensure that company aims and objectives are being attained). This individual also holds regular meetings with the facilitator, so that the QSG are kept up to date on events and progress in general.

Hersey *et al* (1993), state that there are three competencies of leadership: diagnosing - being able to understand the situation you are trying to influence; adapting - being able to adapt your behaviour and the other resources you have available to meet the contingencies of the situation; and communicating - being able to communicate in a way that people can easily understand and accept. Lloyd et al (1997) also warn that middle management (in their new roles as team leaders) decisions will require broad based behavioural changes, which will require them to learn new skills, particularly around the concept of manager as “coach”, as opposed to a “boss”, however, Katzenbach (1996) warns of the difficulty that middle management are currently having with adaptation.

## **DEVELOPING HIGH PERFORMANCE TEAMS**

The authors have been carrying out ethnographic studies of various companies in the North West of England, including several EFQM Business Excellence Model winners, via case study research projects. One interesting

finding was that many of the teams that were formed had many problems even though the companies followed implementation models such as those by Oakland (1995). Several companies used a similar methodology to that identified by Kotter's (1995) eight-phase approach and ensured that the employees shared a vision, had senior management commitment, had direction, involvement, communication and processes etc. They handled change management issues using methodologies similar to those proposed by Lewin (1947) and more recently confirmed by Moran et al (2000) however the empowered teams were not always successful and even the successful teams took varying amounts of time before truly achieving a high level of performance.

The researchers observed that during the "storming" phase of team development, as identified by Tuckman et al (1977), differences in personality were causing conflicts within the team which were not always being resolved amicably which then caused problems later on in the project. It was observed that the professionals often found dealing with personal differences very hard to come to terms with as they have high functional competencies such as accounting, engineering, manufacturing, commercial and so on, but have had little (or no) training in this area and are thus not prepared to cope with differences in interpersonal issues. Several of the companies underwent a programme that was devised to develop their team members' interpersonal communication skills. At the heart of the programme was in depth training and development, for all team members, in understanding and dealing with personality preferences.

### **Myers-Briggs Type Indicator (MBTI)**

The team members were introduced to the Myers-Briggs Type Indicator (MBTI). Myers (1992) explains how the Myers-Briggs Type Indicator, (MBTI), measures personal style. Based on Jungian psychology, the MBTI characterises an individual on four dimensions: Introvert-Extrovert (I/E), Sensing-Intuitive (S/N), Thinking-Feeling (T/F), and Judging-Perceptive (J/P). This corresponds to 16 possible personality types (Myers and McCauley, 1992). Following the training sessions the team members had an understanding of their personality preferences and how it affects the way they prefer to operate and deal with other team members. This allowed them to see how it affects the way they communicate, work with colleagues, solve problems and deal with change. Individual members began to see that differences in the team were often due to differences in personality preferences and not colleagues being awkward on purpose (a view often held when colleagues were enduring conflict within the team) and found it beneficial to the way the team functioned.

### **Results of Case Studies**

From the case studies the authors propose that a High Performing Team is "a team of people who have unleashed their potential toward their stakeholders' shared purpose". The authors and other researchers from the HPO research group at the University of Salford, UK have found that the characteristics of a High Performance Team are:

- Common goals
- Explicit and shared values (supported by the value system)
- Members know their individual roles
- Pride and respect in the individual
- Openness, trust, honest, motivation and enthusiasm
- Atmosphere is informal (a buzz)
- Everyone is included in discussion
- Conflict is not avoided
- Pride in the team and team performance
- Team information is public to all team members
- Achieving High Performance

These characteristics are in general agreement with Oakland (1995) whereby the team is committed because they have participated in generating ideas and selecting alternatives, and they have a role to play in the work as well as the evaluation of the work when it is finished. This atmosphere is conducive to improvements, learning, development and motivation and commitment on the employee's behalf, and is an ideal that needs to be sought after if team work is to continue to improve the morale within an organisation, and achieve organisational goals and objectives. From research carried out by the University of Salford's HPO research group the key enablers of a High Performance Team were found to be:

- Team member competencies
- Skills, processes, tools and techniques

- Interpersonal skills, communication, personality preferences
- Value system
- Shared vision, purpose, goals, direction
- Organisational values including openness

These enablers are similar to the results of Hastings et al (1986) who devised a list of “Ten Golden Rules” for successful working in teams although the authors found that personality preference underpinned the team working. As well as helping with the obvious areas of interpersonal relationships and communications once team members understood personality preferences they improved the way they were able to develop a shared vision and deal with issues of trust and openness. This led the authors to observe that in High Performance Teams, members draw on their inner resources of:

- Intelligence
- Knowledge and experience
- Creativity
- Courage and willingness to take risks
- Flexibility, adaptability, willingness to try new things before rejecting them
- Mutual support and help

These results support the work of organisational learning as the team is committed because they have participated in generating ideas and selecting alternatives, and they have a role to play in the work as well as the evaluation of the work when it is finished. This atmosphere is conducive to improvements, learning, development and motivation and commitment on the team member’s behalf, and is an ideal that needs to be sought after if team work is to continue to improve the morale within an organisation, and achieve organisational goals and objectives.

The researchers observed that the team members found it easier to trust each other once they had an understanding of personality preferences, as it helped them to explain differences which they previously held and previously had caused internal conflicts. In one team, in a small precision manufacturing company of 65 employees, a section leader had been branded “unco-operative and troublesome” by the operations director. Following the management team working through their personality preferences and realising that the two people were “opposites” they developed a better understanding of each other’s requirements and now have a positive working relationship. The management team is continuing to learn and make improvements in the operations area in order to make the company more competitive.

In a high technology company of 185 employees the new managing director was of the opinion that a business development manager was a “troublemaker” and was considering his position. The senior management team was working towards becoming a high performance team and went through the MBTI. Understanding personality preferences was found to be the missing link as it explained relationship problems which the managing director and the manager are now working at resolving (this difference in personality preferences was causing a lack of trust between the managing director and the manager). Obviously in a high technology environment this company is continually changing due to external pressures and the senior management team are committed to continuous organisational learning through developing teams at all levels. The junior management and supervisory staff teams are currently being introduced to their personality preferences as they develop high performance teams throughout the organisation.

## CONCLUSIONS

As teamwork allows an organisation to be more responsive in these modern ever-changing competitive environments, it is essential that high performance teams are developed. The authors have identified several key enablers for high performance teams, which agree with other researchers, and they discussed some of the problems that developing teams face. They have found that where the team members understand their personality preferences and those of their colleagues it has assisted them in improved communication skills and interpersonal relationships which have contributed to the development of high performance teams. The authors also found that understanding personality preferences assisted the team members to develop a shared vision, increase the levels of trust and openness within the team as it helped them understand their individual differences. Therefore in order to effectively develop high performance teams to continuously learn within an organisation, and therefore remain competitive, team members should take into account their personality preferences.

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In any organization, continuous learning means growth through learning events and experiences. It can be applied to individuals, team, and organizations- a process that will help them to achieve their overall objectives. Continuous learning for teams is collective individual learning, which means that if the members of the team acquire and share new knowledge and information, then team learning takes place. Organizational continuous learning comprises change of interaction patterns, change of policies and procedures, new culture, and new innovations and systems that have been institutionalized, which means that these are now embedded in the systems and structures of the organization, as a means to achieve overall objectives.