

Building Teams: Moving Beyond Traditional Organizational Hierarchy

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As the United States has moved from a heavy industry economy to one based on automation and service, companies need to evaluate the type of organizational structure necessary for success. Modes of economic production changes should lead to more streamlined organizations. The ready availability of information through computerization and the worldwide web (Internet) has reduced the need for rigid, vertical structures within organizations. This is not to suggest that hierarchal structuring is not necessary but certainly complex layering is probably more counterproductive to overall effectiveness and efficiency.

The replacement of traditional hierarchal structure with a less layered team structure is one alternative for allowing companies to become more competitive with respect to delivering products or services. This article examines the general process of building teams within organizations. Additionally, guidance for successful implementation of a team structure is provided.

Types of Teams

A team can be broadly defined as a group of individuals working together to achieve common organizational goals through collaborative decision-making. The key to establishing a successful team requires having a clear vision.

One of the first decisions that an organization must resolve is whether the team arrangement will be a replacement for the current organizational structure or whether it will augment the structure. This distinction is important for assigning employee responsibility and accountability. If the team arrangement replaces the current structure, each employee will have a single team position and appropriate responsibilities assigned to it. If the team arrangement augments the present structure, each employee will have multiple positions. Minimally, an employee will occupy a team position and a position in the current organizational structure with a set of responsibilities attached to each. This multiplicity of positions can cause confusion for the employee and result in the team operating ineffectively within the organization.

There are two types of teams aimed at replacing a traditional hierarchal organizational structure. The first is identified as the *executive team*. It is composed of senior leaders who have responsibility for successfully achieving the organization's strategic goals. For example, in a typical company, the executive team may be composed of the president, chief executive officer, chief financial officer, and all department heads.

The second is known as the *working (or organizational) team*. It is comprised of individuals within a specific functional area within the company. For instance, there may be a human resource team arrayed with individuals who have expertise in hiring, recruitment, retention, and medical benefits, etc.

There are two types of teams that augment the traditional hierarchal organizational structure. A *multifunctional team* is comprised of individuals who have similar functions or expertise but are located in different areas of the company. This team is able to identify and address issues that are common across the organization.

The other is known as the *special purpose team*. It is composed of individuals selected to address a very specific issue that the organization has defined as important. It usually has a focused set of goals and timelines. A special purpose team is typically dissolved after its work is completed.

Envisioning Teams Within Organizations

The decision to establish teams within an organization should be assessed carefully before beginning the process. The critical element related to building teams is empowerment. Leaders and managers within the company or organization must be willing to allow individuals to have a reasonable level of decision-making and embrace professional accountability. Ultimately, this will require leadership to decentralize a certain amount of decision-making. If empowerment is not given, then implementation of a team structure will not provide the organization with the desired benefits.

The impetus for creating teams should center on enhancing the organization's effectiveness and efficiency. As a result, increased employee commitment and cooperation will be gained. Avenues of more employee participation and involvement in organizational activities will be realized. In addition, professional development is often a personal outcome for many employees.

Building teams is a dynamic process and the time it takes to implement a team structure varies from organization to organization. Generally, team-building is a five-stage process, illustrated in Figure 1, and it requires from one to three years for successful implementation.

The initial stage is called *start-up* (forming). This is where the organization defines the nature of the team, membership composition and structure, goals associated with it, and resources necessary for operation. The issue of empowerment must be addressed in this stage and leadership must give the team an appropriate level of decision-making. Team members will create a team structure that will insure maximum participation from each member.

The second stage is known as *conflict* (storming). Often team members, early in the developmental process, will disagree on structure, approaches to addressing goals, and individual roles and responsibilities. This is normal and simply highlights the human interaction issues associated with organizational change. This represents the most troublesome stage in the process. Team-building is most likely to stall and fail within a company or organization in this stage. Sufficient time must be given to team members to work through their disagreements in a civil manner. If members can resolve structural and participation issues and create team *culture*, then the way is paved for effective team operation.

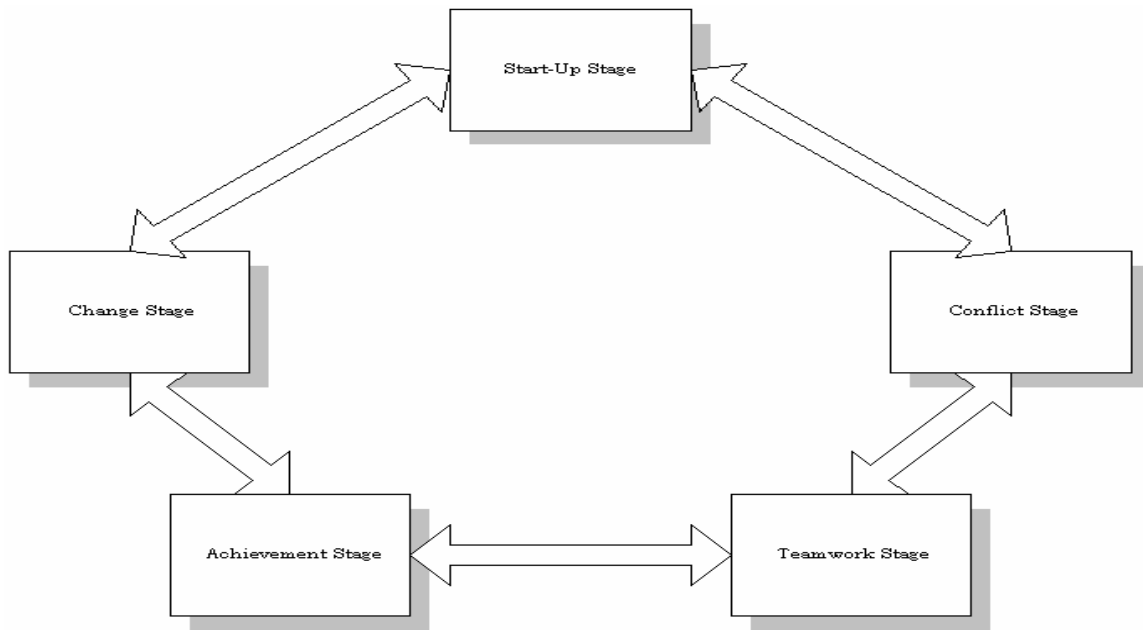


Figure 1. Five Stages of Team Development

Following conflict is the *teamwork stage* (norming). This represents a point in the process where individual team members create their roles and responsibilities. Members begin to understand how they will interact and interface with each other. The team formally and informally structures itself in a manner that will allow it to systematically address the goals set forth.

The *achievement stage* (performing) is where the team is operational. It is meeting regularly and updating membership on progress relative to goals. The team interfaces with other teams as necessary, coordinates its activities with leadership within the organization, and sets timetables for completing intermediate goals and objectives.

The last stage is *change* (reforming). Over time, the way a team operates may no longer mesh with the organizational mission. If a team is successful in achieving its goals, it may find itself in a situation where it needs to re-structure.

Concluding Remarks

Building teams and creating a less stratified structure is critical for any organization's competitive success, whether it be a private, not-for-profit, or governmental entity. The very nature of information and the ease of its access, the level of employee academic achievement, and innovative leadership demand a more appropriate arrangement of positions within organizations. A team approach provides the flexibility needed in a highly competitive environment.

The implementation of a team structure will require that organizational goals are clearly articulated and understood by each team and its membership. Members must be committed to the goals and develop a climate of trust with open communication links. Creativity and risk-taking must be key team components. Lastly, no team-building process can be fully successful unless there is participatory decision-making, strongly supported by senior leadership.

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2/2006