

## 8.15: Building Effective Teams

### Learning Outcomes

- Explain the importance of communication in teams.
- Explain how team goals and accountability differ from individual goals and accountability.
- Summarize common techniques for team building.
- Evaluate the advantages and disadvantages of large and small teams.



Members of an effective team help each other achieve goals.

### Characteristics of Effective Teams

Many studies have been completed on the topic of what effective teams look like. They agree on key characteristics that effective teams share. The chart that follows identifies skills and attitudes that help teams function effectively.

Key Characteristics of Effective Teams

Characteristic	Definition
Clarity of Purpose	The purpose of the team must be clearly defined in concrete and measurable objectives. Effective teams know how their work contributes toward an organizational goal. The team leader reminds members of how each team member makes business success possible.
Good Communication	Open and accurate communication both between the team members and between the team and the larger organization is critical to keep members informed, motivated and focused. Part of the communication process involves establishing roles, making plans, and following standard business protocols and procedures.
Positive Role for Conflict	We will look at the role of positive and negative conflict in more detail later in this module, but generally effective teams use conflict to improve decision-making and problem solving processes.

Accountability and Commitment	Each member of the team understands his role on the team and takes responsibility for his actions. Team members take proactive measures to ensure that they can complete tasks, and they alert management when a problem arises. Members of effective teams not only know the team's purpose but are committed to achieving it and demonstrate the behavior needed to meet the goals. Team members have the authority to do what they need to do without being checked every step along the way. Finally, members must be incentivized and rewarded on both an individual and team basis.
Shared Leadership	Effective team members are willing to assume leadership roles when appropriate. Shared leadership reinforces a sense of shared responsibility and increases morale and team performance.
Positive Group Dynamics	Interpersonal relationships in effective teams are built on trust, respect, honesty, and acceptance. Conflict will still occur, but a positive group dynamic will focus the conflict productively.

Check out the following video to discover what Cisco has found to be the key tips for building effective teams:

A link to an interactive elements can be found at the bottom of this page.

You can [view the transcript for “The Top Three Tips For Building High Performing and Effective Teams” here \(opens in new window\)](#).

#### ? Practice Question

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## Common Techniques for Team Building

Once you know the characteristics of effective teams, how do you go about building those qualities into a group? When initially forming the team, follow these procedures and techniques to help create the environment needed for the development of those characteristics.

- **Set team goals and priorities.** This step supports the key characteristic of clear goals. Team members need detailed explanations of how their individual actions contribute to the achievement of the team goals. Team priorities should be established so that members can understand when and where to provide additional help if needed. Individuals need to understand how their personal SMART goals support the team goals and how supporting the team also allows them to meet their own personal goals. If personal goals and team goals are not interdependent (for example, if a team goal is not specifically tied to a personal goal), then the employee most likely will focus on her own needs to the detriment of the team. Good communication skills are required to make sure that the goals are written clearly and that team members know their performances will affect the team goal and thus each other's performance.
- **Select team members carefully.** Three factors should be considered when selecting people for a team: individualism, the average level of experience and ability, and the degree of diversity.
  - It's a fact that some people make better team members than others. It's also a fact that with determination, anyone can learn to function on a team. **Individualists** generally put their personal welfare and interests first, and they prefer independent tasks in which they work alone. On the opposite end of the spectrum is the **collectivist**, who prefers cooperation to competition and is happiest working in a group. Although collectivists generally make better team members, there are many instances when independent tasks are part of a larger team effort. It may take more effort to communicate with the individualists, however.
  - The experience and ability levels of team members should be balanced so tasks can be distributed with high expectations of the work being done. At the same time, newer employees need to become a fully functioning part of the workforce, and this can happen by teaming them with the more experienced people. It is also important to select people based on their skills and leadership potential.

- **Team diversity** represents not only the mix of skills and experiences, but also how people of varying culture, ethnicity, race or gender work together. Diversity is a good defense against groupthink because of a different outlook and belief system that challenges common assumptions.

### ? Practice Question

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## Optimal Team Size

There seems to be no question about the right size of many teams. Basketball teams have five players (on the court), football is played with eleven members on the field, and a bridge team is made up of only two players. Businesses don't have rules for the proper size of a team. Jeff Bezos, CEO and founder of Amazon, has his own rule for the right-sized teams: the team should only be as big as can be fed with two pizzas. By normal standards, that would suggest five to eight people on a team. Bezos is said to have followed this guide when he created the innovative and decentralized start-up that has grown into one of the most successful companies in the country.



When in doubt about the right size of your team, you can always fall back on the “two-pizza rule.”

The ideal size, according to most management experts, falls within the range of five to nine people. The reason the size is so important that it is the focus of research studies has to do with processes and outcomes. Too few people and the team may not have enough resources or skills. Too many people and communication becomes more challenging. Groupthink and social loafing may occur and negatively affect team performance. In one study, it was determined that teams with more than twelve people had greater conflict and formed subgroups that disrupted the team cohesiveness.<sup>[1]</sup>

Experts also agree that the optimal size of the team is driven by other factors: what type of task the team will perform, what skills the team requires to complete the task, and the time provided to complete the task. Answers to those questions will often determine the best size for a team. If the task, for example, is a sales function, then one individual may do most of the work until the very end, when a finance and delivery/inventory manager gets involved. One business may be fortunate to have four employees with multiple skill sets whereas another company would have to include six or seven people to reach the same level of abilities. Finally, the shorter the timeframe to complete the task, the fewer the people should be on the team. Larger numbers increase complexity of communication and administration.

### ? Practice Question

<https://assessments.lumenlearning.co...essments/12241>

1. “Choosing Team Size and Team Members,” Boundless Open Textbook, May 26, 2016, accessed Aug. 2, 2017, <https://www.boundless.com/management/textbooks/boundless-management-textbook/groups-teams-and-teamwork-6/building-successful-teams-53/choosing-team-size-and-team-members-268-3956/>

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