GROWING HIGH PERFORMANCE TEAMS

28TH OCT 2024

THE CASE FOR TEAM BUILDING

"

Teams outperform individuals acting alone or in organizational groupings, especially when performance requries mulptiple skills, judgements and experiences.

Katzenbach & Smith (1993)

And if we get it right…

- High performing teams deliver a 29% increase in financial return vs poor or averagely performing teams.

The cost of getting it wrong…

3 types of effeciency losses in teams as they grow:

1. Effort and productivity
2. Problem solving ability
3. Creativity

"

A team is a small number of people with complementary skills who are committed to a common purpose, performance goals, and approach for which they hold themselves mutually accountable.

(Katzenback & Smith, 1993)

> "A group is two or more individuals who are connected by and within social relationships.

(Forsyth, 2014)

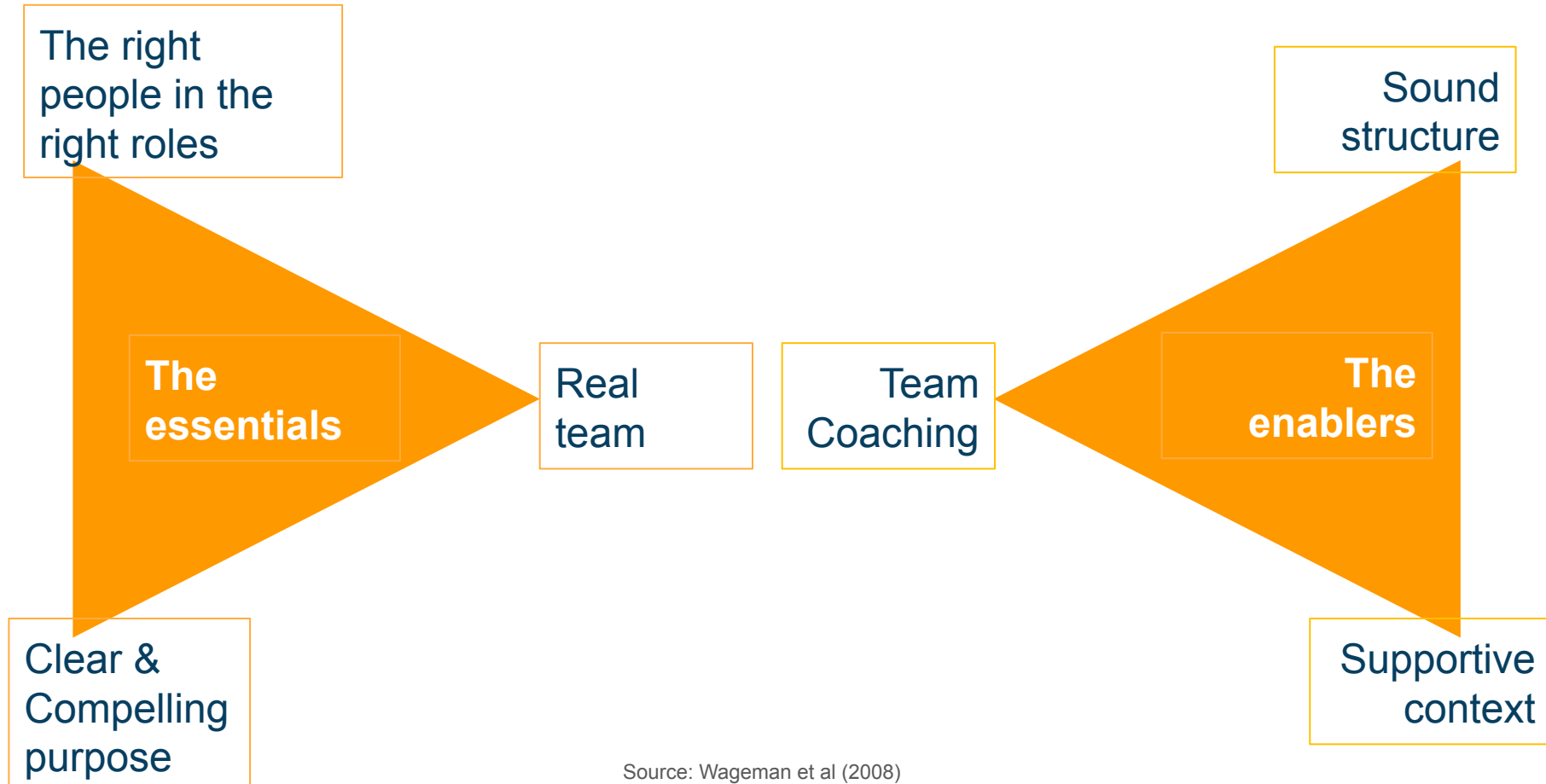# What % of teams perform at the highest level?

- Wageman et al (2008) reported 21% based on research od 120 senior teams

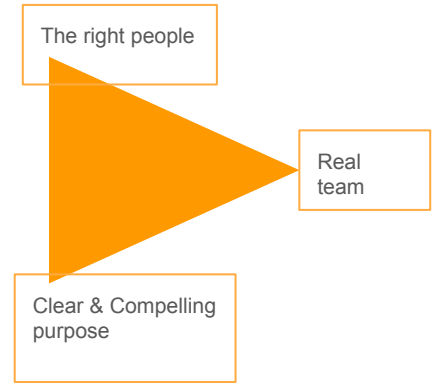- Price & Toye (2017) found 13% of teams were 'accelorating' based on research with 3000 leadership teams.

THE 6 CONDITIONS

The 6 conditions of a high performing team

The right people in the right roles

Sound structure

The essentials

Real team

Team Coaching

The enablers

Clear & Compelling purpose

Supportive context

Source: Wageman et al (2008)

The essentials

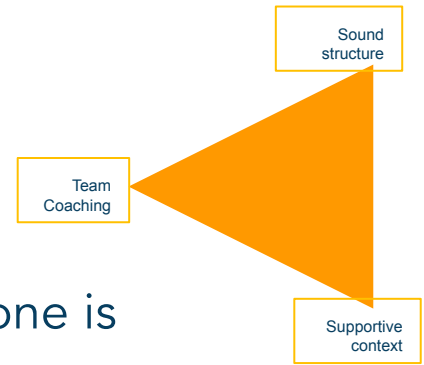The right people

Real team

Clear & Compelling purpose

- Real team: Everyone is clear who the members are and they share accountability for a common purpose.
- Clear and compelling purpose: The purpose is challenging, requires stretch, is consequential and shared.
- Right people, in the right roles: Team members have the capability to achieve the tasks at hand, including the diversity, task and teamwork skills.

The enablers

- Sound structure: Ways of working for getting the work done is clear. The size of the team is just right and the rules of engagement are cear.
- Supportive context: Systems enable, encourage and reward teamwork and team performance. People feel they have the resources they need to succeed.
- Team Coaching: Is available to leverage the collective wisdom of the team (can be team leader or external coach)

TEAM MAKE-UP

The right people, in the right roles

- Attracting the right people
- Making sure the right people are in the right roles
- Evolving our roles
- Retaining good people

Common founder role evolutions

Founder & CEO (start up)	Founder & CEO (scale-up)
First…. ● Establish the Purpose (why, what how) for your business. ● Establish the values and behaviours that define the company's culture. ● Build and align the team around short-term goals (and long term mission) ● Validate product market fit ● Direct day-to-day business operations ● Hands on leadership Then… ● Build 'just enough' process into the business for 'how we get things done around here' (e.g. decision making processes) ● Identify your expansion/succession team plans (developing/hiring). ● Start delegating operational tasks to make space for more strategic thinking company culture, strategic partnerships, and future growth opportunities etc)	Now… ● Overseeing the broader vision and holding leaders accountable for their individual objectives. ● Setting high-level goals ● Securing investment ● Acting as external face of the business building network opportunities ● Exploring new market opportunities, partnerships or acquisitions ● Nurturing company culture. ● Acting as a sounding board for the team ● Making high-level decisions only. ● Mentoring, coaching style leadership ● Regularly re-assessing your role and it's value to the business. No longer… ● Key decision maker in day to day operations Definitely not… ● Micromanaging

HIRING

Strengths & Gaps analysis

1. **Identify the required core team competencies for today and tomorrow that will directly support the company mission**:
   - Technical skills (e.g., data analysis, project management)
   - Soft skills (e.g., leadership, communication).

2. **Talent map the team today**
   - Identify and evaluate each team members technical and non technical skills, strengths.
   - You can use structured assessments like Gallup StrengthsFinder, CliftonStrengths assessment, Big 5, Insights profiles or similar.
   - Gather 360 feedback to get a rounded view of everyone's performance.
   - Create a skills matrix by listing all team members down one axis and key skills across the other. Mark each team member's proficiency level for each skill.
   - Use a SWOT analysis for the team.

3. **Identify gaps**
   - Look at skills gaps AND capability gaps (e.g. technical and team building ability)
   - Identify any role-overlaps or imbalances that would benefit from dedicated resource
   - Use Insights for teams, or DISC to identify how the team collaborates, compliments and communicates together currently.

4. **Prioritise the most critical gaps**
5. **Define the ideal candidate** Include required technical skills, experience, cultural fit, and any soft skills that would support team cohesion.

Building diverse teams

- Putting a diverse group together is not enough. Diversity and inclusion in organisations, groups and teams requires effort; however, the rewards are significant. Outside of moral (fairness) and legal reasons, there are also performance benefits.

- **Gender**. Greater numbers of females in a group increases the group's ability to perceive and understand each other, resulting in increased conversational turn-taking, which helps increase a group's collective intelligence (Bender et al, 2012; Kim et al, 2017).

- **Subgroups**. When groups consist of too many similar people (age, sex, education, social background etc), subgroups develop, which have been demonstrated to negatively impact on group performance (Molleman, 2005).

- **Diversity of thought**. Groups and teams can benefit from embracing diversity of thought. By understanding our own and other people's personality traits (preferences) we can both stretch ourselves and be more gracious towards others. Also, understanding personality traits can provide us with a safe and neutral language to be challenged with, and to challenge others.

- **Neurodiversity**. Neurodiversity is considered to include autism, adhd, bipolar disorder, developmental dyspraxia, dyslexia, epilepsy and Tourette's syndrome (Fenton & Krahn, 2007). Despite so many of the world's great inventions, music and pieces of art coming from those who can see the world differently, organisations, groups and teams are still struggling to attract and develop a workplace environment that allows those who are different from the majority to thrive in the modern workplace.

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8 biases to watch out for in hiring

1. **Affinity bias:** When you are more biased to people like you.
2. **Conformity bias:** Group think - agreeing with what others say.
3. **Confirmation bias:** Giving more weight to things that confirm our beliefs.
4. **Recency bias:** If I recently had a good/bad experience with 'x' I might overweight that experience.
5. **Contrast effect:** If just had a great interview, it might make the next one look worse by comparison.
6. **Halo Effect:** Assuming if someone is good at one thing they will be good at another thing.
7. **Horn Effect:** Assuming if someone is bad at one thing they will be bad at another thing.
8. **Team protection bias:** If they are on my team I might be biased to protect them.

Readiness to scale

Have you got the right processes and tech in place to add complexity into your system yet?

3 PEOPLE
3 lines

7 PEOPLE
21 lines

11 PEOPLE
55 lines

Source: Brooks Law
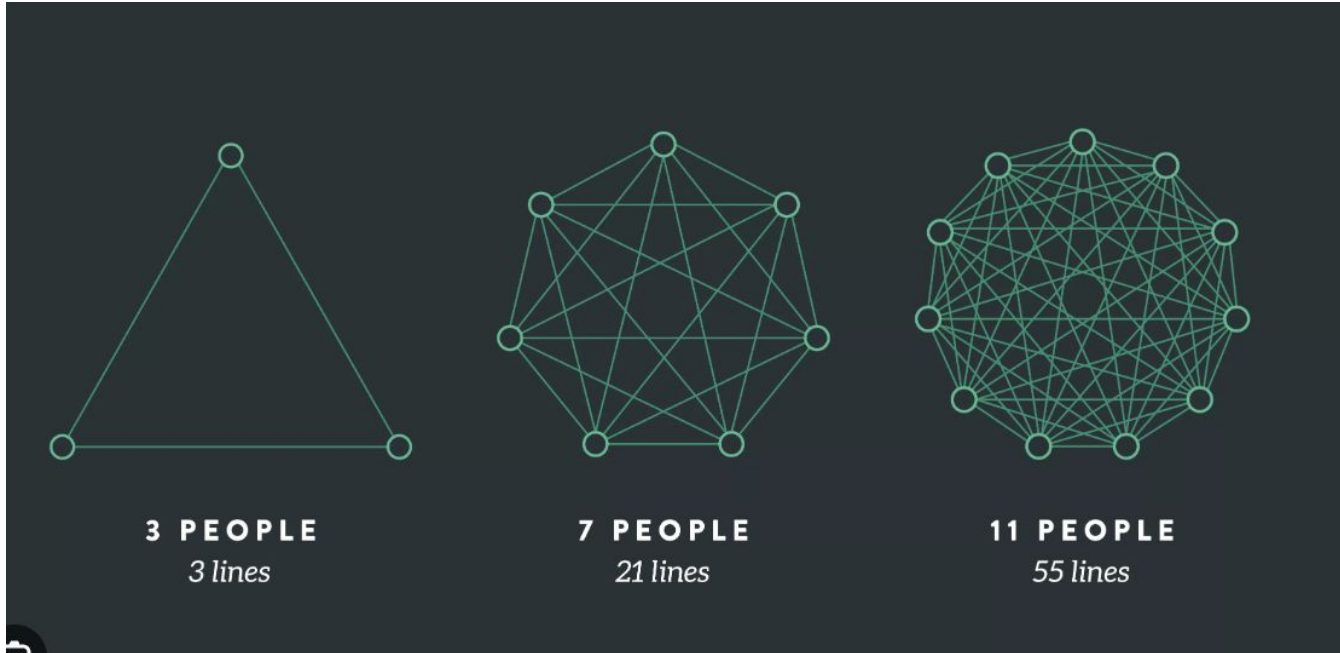
Critical process to have in place BEFORE scalling

- At scale communication tools (e.g. slack)
- Increased formal communication cadence e.g. all hands, town halls, weekly emails.
- Decision making process that de-risks bottle necking and is built of increasing volumes of decisions to be made.
- Robust hiring practices and onboarding processes to ensure successful integration.
- The optimal number of direct reports for managers typically ranges from 5-9
- Cash flow not keeping pace with head count.
- Tech infrastructure ready for bigger volumes of data.
- Training in place for employees where needed to meet new demands.

Most commonly asked questions from candidates…

- How would you describe the culture of your organisation?

- Are all of the team clear on the company direction and strategy?

- How you do create an environment that is both productive and an enjoyable place to work?

- How often does your team get together for social activities outside of work?

- How do you celebrate the big wins / small wins in your business?

- What is the remote working policy?

- What are the growth plans for the business? How do you define success?

Employer Branding… The Do's

- Do remember that your employees are your story tellers

- Do listen and take action based on feedback you receive – appraisals, exit interviews, Glassdoor/online etc.

- Do use social media channels to tell prospective employees your story – be consistent across all platforms – LinkedIn, job adverts, careers pages etc.

- Do consider that your employer branding will need to evolve as your company scales and grows

- Do remember that employer branding isn't just about attracting new talent – it's about giving your existing staff vision and something to realise day-to-day

Employer Branding… The do nots…

- Don't underestimate how powerful employer branding can be – people talk!

- Don't allow for a poor candidate experience when interviewing new people

- Don't undervalue how critical new starter inductions and onboarding programmes can be, and how they are directly related to employee success

Behind every successful employer brand is a clear employee value proposition or EVP.

Employer Brand

An employer's reputation as a place to work - external

Employee Value Proposition (EVP)

The promise you make to your employees in return for their commitment - internal

Employee Value Proposition

"EVP is defined as a set of monetary and non-monetary benefits provided by an organization to its employees, in return for the skills, capabilities, and experience they bring and the contributions they make to the organization." Gartner, 2018
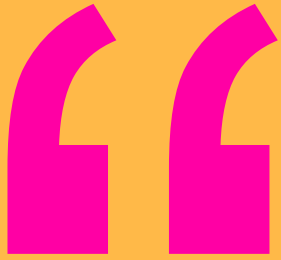
What benefits can *you* offer your employees?

Defining your Employee Value Proposition

- What makes your business attractive?
- What makes your business unique?
- How do you want your business to be perceived by prospective employees?
- What non-monetary promises can you make to your employees in return for their commitment, time and hard work?

PURPOSE

> **He who has a why to live for can bear with almost any how.**
>
> Friedrich Nietzsche (1844–1900)

Clear and compelling purpose

A clear statement on why the team exists, supported by collective shared goals that can only be achieved as a team, prioritising these over individual agendas.

- Organisational Purpose

- Team Purpose

- Individual Purpose

ORG/TEAM PURPOSE CHECKLIST

1. Gives clarity

1. Provides meaning beyond making money

1. Aspirational

1. Encourage collective responsibility

TEAM PURPOSE SHIELD

WHO DO WE SERVE?	HOW DO WE ADD VALUE DIRECTLY?
WHAT CAN WE ONLY ACHIEVE TOGETHER?	**WHAT DO WE DO ADD VALUE INDIRECTLY?**

OUR PURPOSE: (WHY DO WE EXIST?)

SOUND STRUCTURE

Structure change rules of thumb

15-20 People (Dunbar): Introduce sub-teams or a more defined structure to support informal communication.

30-50 People: Move from a flat hierarchy to a functional structure with department heads.

100-150 People: Consider breaking into semi-autonomous groups or divisions to maintain alignment and avoid communication breakdown

ORGANISATIONAL VALUES/BEHAVIOUR CHARTER

Clear and established norms for what good standards and behaviours look like, both in and out of meetings

START-UP

- What Is Important to us
- How Does This Inform How We Behave?

SCALE-UP

- What do we need to keep?
- What do we need to let go?
- What do we need to start?

SUPPORTIVE CONTEXT

THE TRUST EQUATION

$$\text{Trust (worthiness)} = \frac{\text{Credibility} + \text{Reliability} + \text{Intimacy}}{\text{Self Orientation}}$$

HIGH SUPPORT, HIGH CHALLENGE

Source: Sanford, 2017

Alice Driscoll

Conflict Coaching | Leadership Development,
Team & 1:1 Coaching | Keynote Speaker

Further resources

The Founder's Dilemmas by Noam Wasserman explores common issues founders face when scaling.

Measure What Matters by John Doerr focuses on goal-setting frameworks like OKRs (Objectives and Key Results) to help maintain focus.

McKinsey's *7S Framework* and Collins' *Level 5 Leadership* provide structured approaches to management and leadership transitions.

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