ARCHITECTING PROJECT MANAGEMENT

for Enterprise Agility…

July 14 to 16, 2016,

NIMHANS Convention Centre, Bengaluru

Title of the Paper : Success Factors to Enable a Workforce, Towards Building a High Performance Team

Enabled Workforce for Enterprise Agility

Paper ID: **PMIBC-16-4-010**

Author: Mr. Sreejith N T

CONTENTS

ABSTRACT

Agility is the ability of an organization to detect the changes in the operating environment and respond efficiently and effectively to that change gracefully and resourcefully. This includes outperforming the competition and driving growth in new, ambiguous situations by learning and adapting with foreseen and unforeseen circumstances and challenges.

Workforce is the foundation for any organization. For an organization to be agile, workforce need to be agile. An enabled, motivated and empowered workforce is the base for organization to be agile.

Having strategic responses to the operating environment makes an organization flexible and agile and only such organizations can continue to progress in a globally competitive environment.

This paper explores the key elements in building a high performance team - a team which is working towards relentless improvement, a team which is also enabled and empowered by the leadership. This study explains how the following are interlinked 1) The leadership styles such as servant leadership, transformational leadership 2) organizational culture including focus on innovation, time bound response to competition, organizational support for risk taking, faster adoption of best practices from within and outside the organization, effective use of knowledge developed in the organization, continuous inspect and adapt culture, leadership support to team to clear the impediments 3) Human needs and motivational aspects.

Paper further takes the analysis to a conclusion of how the interaction of these 3 pillars leads to the development of an enabled, self empowered team which forms the foundation for a truly agile organization.

INTRODUCTION

This technical paper, titled "Success Factors to Enable a Workforce, Towards Building a High Performance Team" shows light on the need of enterprises to be agile to become successful. High performance teams help organization to be agile. Paper explains in detail how the industry recognized theories on motivation, key characteristics of high performance teams and organizational culture (processes, systems and leadership styles) can be associated together to get holistic picture for identifying success factors to build and sustain high performance teams.

SYSTEM ANALYSIS AND DEFINITION

Key Challenges:

Today's organizations need more innovation and greater speed to acquire more customers, time to sense and adapt to the market dynamics is reducing, social media has tightened the customer-company relationship. A research report from MIT has shown that companies which have agile characteristics grew revenue 37% faster and generated 30% higher profits compared to non agile companies. As per Economist Intelligence Unit survey, 88% Executives said agility is key to global success. Organizations get agility by having high performance teams.

Every organization will strive towards having high performance teams to accomplish business results and to have high agility to be successful in the competitive market. Since every organization is different in nature, they have to customize the approach to get the best result and return on investment. Organizations need to use the underlying principles of human needs & motivation, linkage of that to organizational culture and leadership styles to identify success factors for the high performance teams as a baseline and customize for their environment. Getting a holistic picture, creating a baseline and then customizing is the challenge every organization undergo in their continuous effort to be better and better and successful.

Methodology:

Methodology followed in this paper is a step by step approach. As a first step, insights are provided to the reader on the importance of enterprise agility and people agility. As second step, readers are given details on human needs and motivational aspects, what is a high performance team and its characteristics, organizational culture and leadership styles. As the third and final step, association among these factors are explained, to demonstrate how organizations can link all these factors to build successful high performance teams. Through this, success factors which are required to build a high performance team is also demonstrated.

Enterprise Agility:

Enterprise agility is an organization's ability to gracefully outperform competition and drive growth in ambiguous environments by learning and adapting to the known and unknown circumstances. Enterprise agility will help companies to respond faster to time to market requirements, innovation needs and social media feedback. Agility in the workforce is the basis for enterprises to transform, be agile and be responsive to market demands and competition.

Organizations compete globally for the revenue and resources including people and investment. Having people with high potential as part of the organization, providing them the right environment to work , getting the expected results and keeping them motivated is as important as revenue generating functions for an organization. As per Forbes report, 57% of the companies on the 1995 Fortune 500 list are not part of the list today. Similarly,

45% of the companies on the 1955 list were gone by 1975. Rapid changes in technology is the biggest disrupting factor for any company. Unlike earlier, it is easier to build a global service company from any part of the world with a great idea and unparallel execution capabilities. Hence unless the companies are showing the enterprise agility, they will eventually get disrupted.

Individual Agility:

Resources will become agile and highly productive to manage the competitive challenges and give successful results to organization through developing skills such people agility, ability to learn from experience and being aware of own strengths and weaknesses, mental agility to examine problems in unique and different ways, change agility to experiment and adapt to changes, result agility to get results under tough conditions. Today, many IT organizations are taking the advantage of agile frameworks for doing their work which eventually improves the agility.

Human Needs and Motivations:

For people to be agile and work on the challenges given to them by their employers, there should be continuous encouragement and motivation irrespective of their experience in the field. More over, motivation factors and its influence varies across various workforce generations.

The Society for Human Resource Management recommends having a good understanding of the difference among Boomers(People born between 1946 and 1964), Gen X (people born between 1965 and 1980) and Gen Y (people born between 1981 and 2000) which will help organizations as well as resources. As an example, Gen X is tech savvy where as Gen Y considers technology as a natural extension of their life. Companies need to understand in broad aspects what are the motivational aspects of resources and how to build high performance teams based on that. Once a broad framework is created, adding workforce's generation based characteristics also will be easy. Analysing the theories regarding human motivation and identifying the linkage to the characteristics of high performance teams helps to create a framework.

Abraham Maslow and Frederick Herzberg were some of the pioneer thinkers in the management and motivational theory, who analyzed the human motivational aspects that will help the organizations and people to grow from career perspective. It is interesting to see that their study and findings are still relevant and useful in modern industry to build successful "people organizations".

Maslow's Hierarchy of Needs :

As per Maslow's hierarchy of needs, we must satisfy needs in each step starting from the base. Needs in the base of the pyramid are required for survival itself. Once the physical and emotional well-being is addressed, human beings will be concerned about higher level needs.
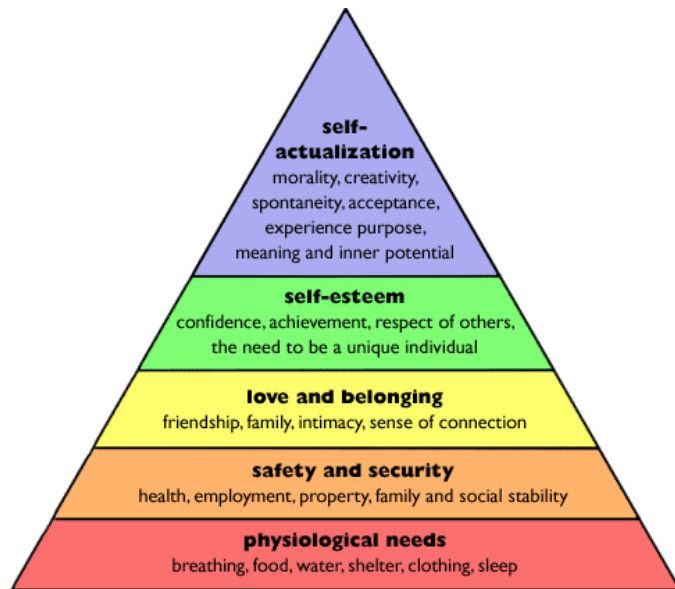

Diagram-1 Maslow's Hierarchy of Needs Illustration

Later Maslow's theory got expanded by various thought leaders and it included additional steps.
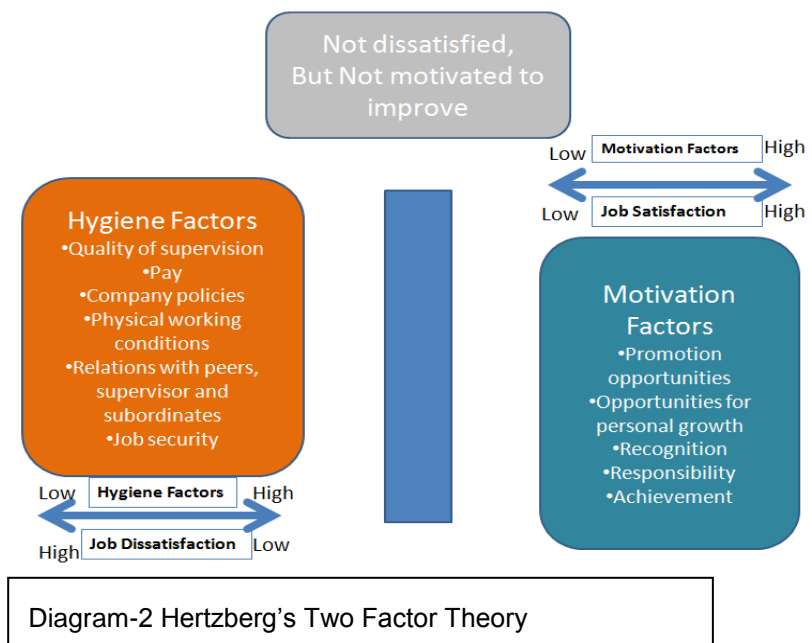
1. Biological and Physiological needs - air, food, water, clothing, sleep.

2. Safety needs - protection from elements, security, order, law, limits, stability, etc.

3. Belongingness and Love needs - work group, family, affection, relationships, etc.

4. Esteem needs - self-esteem, achievement, mastery, independence, status, dominance, prestige, managerial responsibility, etc.

5. Cognitive needs - knowledge, meaning, etc.

6. Aesthetic needs - appreciation and search for beauty, balance, form, etc.

7. Self-Actualization needs - realizing personal potential, self-fulfillment, seeking personal growth and peak experiences.

8. Transcendence needs - helping others to achieve self actualization.

For people who are working as part of modern industries and leveraging educational, family and social support systems, initial stages of needs are achieved easier in today's world. Beyond this basic needs, self-actualization is directly related to the present day opportunities and challenges organizations and employees encounter today. Successful organizations will be understanding and taking care of activities that will help people to be successful in achieving their self actualization goals. Today employers are looking at various options and management styles to help people identify their potential, enable them to grow in that and facilitating the growth, rather than doing a command and control. This is where leadership styles like servant leadership, transitional leadership etc plays an important role.

Herzberg's motivation-hygiene theory:

Herzberg suggested the concept of hygiene factors and motivators. Hygiene factors comprises of status, security, relationship with peers, manager and subordinates, personal life, work conditions, company policies and supervision. Motivational factors include personal growth, advancement, responsibility, work, recognition and achievement. The theory suggests that hygiene factors alone will not motivate an employee, but in the absence of hygiene factors, motivational factors will not work. Achievement, responsibility and advancement motivate employees provided hygiene factors are taken care of.

If the organization culture and it's leadership styles takes care of the motivation factors and self actualization factors for the employees, that creates the foundation to build high performance teams.

Not dissatisfied,
But Not motivated to improve

Low Motivation Factors High

Low Job Satisfaction High

Hygiene Factors
•Quality of supervision
•Pay
•Company policies
•Physical working conditions
•Relations with peers, supervisor and subordinates
•Job security

Low Hygiene Factors High

High Job Dissatisfaction Low

Motivation Factors
•Promotion opportunities
•Opportunities for personal growth
•Recognition
•Responsibility
•Achievement

Diagram-2 Hertzberg's Two Factor Theory

High Performance Teams:

High performance team concept was initiated by Tavistock Institute, UK, in the 1950s. The concept got acceptance in US in 1980s with some ups and downs. Recently the concept has picked up the momentum again. Recently more tools, technologies and processes have come in place which helps to build high performance teams. Companies like General Electric, Exelon and US Government have renewed attention to high performance teams. Lot of concepts in scrum teams in agile and concepts of high performance teams are overlapping.

High performance teams will have formally discussed and agreed upon goal and mission. Team will be self organized, empowered to take decisions and get results in short time frame. Team may be rapidly churning ideas until they create a workable plan and execution path. High performance team will be having support structure in place to ensure they are focussed and able to progress as expected. Support structure or support team will enable the team to go forward by clearing issues that could slow down the team.

Key characteristics of high performance teams

Following are some of the key characteristics of a high performance team:

- Empowered team helping to have participative leadership and decision making
- Effective communication and collaboration
- Respect and trust among team and trusted environment with management
- Clear goals and mission
- Clear roles and responsibility
- Clarity on how to manage dependencies
- A transparent environment to challenge status quo and to identify improvement opportunities
- Focussed culture towards achieving set goal
- High team morale
- Effective and transparent conflict resolution mechanisms
- Mechanisms to get constant feedback and to take corrective actions necessary
- Team based rewards and recognitions
- Interpersonal empathy

Leadership styles

Predominantly organization leaders use any of the following leadership style or mixed style based on the occasion and needs. To be successful in business and to get the best results out of the team, successful leaders use varying styles for different situations and for different people.

Leadership Style	Mode of operation	Underlying emotional	When it works	Impact

		intelligence competencies		
Commanding	Demands immediate compliance	drive to achieve, initiative, self control	in crisis situations, to initiate a turn around	Negative
Visionary	Mobilizes people toward a vision	self confidence, empathy, change catalyst	when changes require new vision, or when a clear direction is needed	Positive
Affiliative	Creates harmony and builds emotional bond	empathy, communication, building relationship	to motivate people in stressful situations, to create team bonding	Positive
Democratic	Forges consensus through participation	collaboration, team leadership, communication	to build buy-in or consensus, or to get input from valuable employees	Positive
Pace setter	sets high standard for performance	drive to achieve, initiative	to get quick results from a motivatred and competitive team	Negative
Coaching	Develops people for the future	developing others, empathy, self awareness	helps for performance improvement, for developing long term strength	Positive
Servant Leadership	Puts team first and listens to every one's opinion. Ensures team's interest is getting priority, motivates team to take decision and thinks in terms of long term	empathy, humility, developing others, self awareness, courage, influencing, committed	helps to empower team and enables to create self managed teams	Positive
Transformational	To create valuable and positive changes in the individuals and organizations by inspiring them towards a great vision	drive to achieve, high initiative, communication	helps for major transformations, helps for process changes	Positive

Leadership styles like servant leadership, transformational leadership are getting more importance now in the light of adoption of agile methodologies. Characteristics of these two leadership styles are elaborated here.

Servant Leadership :

Servant leader is a leader who always puts the team's interest first and leads by keeping others in mind. Skipp Richard, a renowned business leader demonstrates following as values for a servant leader.

- Values diverse opinions: A servant leader gives importance to everyone's contributions and regularly gives opportunity and listens to everyone's opinions and feedback. Based on the pros and cons of feedback, enables team to take decision.
- Cultivates culture of trust: Gives opportunity to express every one's opinions in a trusted environment, gives opportunity to discuss pros and cons and reach a conclusion.

- Develops other leaders: Gets others around them learn, develop and transform as leaders. That is sometimes giving up power and delegating. It takes more energy to let others try, fail and learn. Servant leader empowers others and do not micromanage.

- Encourages: Provides positive enforcement at every possible opportunity, encourage whenever possible. Encouragement helps people to be persistent to meet the goal they have set.

- Sells instead of tells: In traditional model, managers will direct the team, team will execute as it is. This management style is slowly disappearing and participatory style is emerging. When participatory style is being used, accountability and ownership also get distributed. This is matching with the style of servant leaders who persuade and do not dictate. Servant leaders understand that the why is more important than the what and how.

- Servant leader thinks you, not me : Servant leaders understand that influence through service is more influential than through authority.   Empowering employees is important because empowering increases the self satisfaction for employees, Empowerment raises expectations. If someone is empowered, that person has higher expectations and those employees rise to extraordinary levels when the bar is raised and they become the catalyst of growth.

- A servant leader thinks long term: A servant leader thinks about the long term benefit and what makes the organization and team successful in the long run. Servant leaders will focus on building skills in the people. Their goal is to find a model that creates sustainable success and motivate people.

Transformational Leadership :

Transformational leadership is defined as a leadership style that is used to create valuable and positive changes in the individuals and organizations by inspiring them towards a great vision. Transformational leaders are role models for followers. They challenge followers to take ownership of their work. They connect individuals to the collective identity of the organization by enhancing morale, motivation and performance. They understand strength and weakness of individuals and align the work to match to their skills.

Organizational Culture:

Every organization is a system and it has the characteristics of a system. Every system acts and reacts based on the feedback that it receives, similarly organization also. In simplest terms organizational culture is the personality of the organization and it demonstrates its values, beliefs, assumptions through its behaviour, communication and actions towards its various stakeholders.

By having various mechanisms that motivates employees as part of the organization culture, companies can create and sustain high performance teams. To accomplish this, organizations need to understand why and

how the current employees have become as part of the company and what motivates them to continue to be part of the company. In other terms, company should know what all factors motivates their employees based on theories like Maslow's theory, Hertzberg's theory etc. Every organization should be able to inspire their employees to go beyond the hygiene factors.

Actionable steps managers and organizations can take to improve the effectiveness of a team:

1. Build a challenging, achievable and attractive vision working with employees to get collective participation.
2. Build a strategy connecting to the vision
3. Develop strategy to executable activities which can be taken forward in incremental steps
4. Through planned steps and small successes, proceed to full implementation
5. Reinforce the direction and vision at all possible opportunities

Some of the aspects that could help organization to motivate employees and work towards building high performance teams are as following:

Organizational behaviour that could motivate employees:

- Focus on innovation: Being an innovative company, employees get opportunity to work on new things and learn more.
- Time bound response to competition: Any company that responds to market challenges, communicates and stays ahead of competition increases the belongingness and pride in employees.
- Organizational support for risk taking: Support to risk taking shows the company is displaying trust in the employees and empowering the employees.
- Quicker adoption of best practices from within and outside the organization, Effective use of knowledge developed in the organization, Continuous inspect and adapt culture: Gives opportunity for employees to learn and try the new skills to solve the problems. Also helps to fail fast, learn and adapt. This motivates the employees.
- Leadership support to team to overcome the challenges in project execution : Helps employees to focus on the work, gives confidence to seek out leadership team's support when ever needed.

Motivation Factors (Maslow's Hierarchy of Needs)	High Performance Team's Characteristics	Influencing factors : Organization Culture/Behaviour/ Leadership Style
Basic Needs (Biological and Safety Needs)	Required for all teams irrespective of performance nature	Company's infrastructure, Salary, Incentives and Perks
Belongingness (Work group, friendship, family and connections)	Cohesiveness, Interpersonal empathy, Respect and trust among team, Trusted environment with management, Effective communication and collaboration, High Team morale	Servant Leadership, Affiliative leadership, Coaching, Team building activities, Soft skills training, Emotional Intelligence training
Esteem needs - self-esteem, achievement, mastery, independence, status, dominance, prestige, managerial responsibility	Empowered team, Participative leadership and decision making, Clear goals and mission, Clear roles and responsibilities, Clarity on dependency management, A transparent environment to challenge status quo and to identify improvement opportunities	Coaching, Servant Leadership, Democratic Leadership, Transformational Leadership, Job enrichment, Role progression and job rotations
Cognitive needs (Knowledge, meaning)	Continuous learning Expertise building such as domain and technology	Learning and Development systems Environment and policies for job rotation and job enrichment Effective use of knowledge developed in the organization
Aesthetic needs (appreciation,	High emotional quotient,	Time bound response to market

perfection)	Respect and trust among team and trusted environment with management Mechanisms to get constant feedback and to take corrective actions necessary	dynamics, Faster adoption of best practices from within and outside the organization, Inspect and adapt culture
Self Actualization- Achieving one's full potential, self fulfilment, personal growth – Morality, Creativity, acceptance, work experience, career development, career planning and progression, opportunity to work in different environments	Empowered team, Participative leadership, Participation in decision making, Clear roles and responsibilities, Focussed culture towards achieving set goal	Servant Leadership, Transformational Leadership, Democratic leadership, Focus on innovation, Freedom to be creative, Support for risk taking, Time bound response to market dynamics
Transcendence needs - helping others to achieve self actualization	Team work, Team based rewards and recognitions, A transparent environment to challenge status quo and to identify improvement opportunities.	Servant Leadership, Transformational Leadership, Leadership support to team to overcome project challenges.

Motivation Factors (Hertzberg's Two-Factor Theory)	High Performance team Characteristics	Organization Culture/Systems In Place/Leadership Style
Motivation Factors Personal Growth, Career Advancement, Responsibility, Work, Recognition, Achievement	Clear roles and responsibility, Defined Goals and mission, Empowered team, High Team Morale, Interpersonal empathy, Team focussed rewards and recognitions, Focused culture towards	Coaching, Servant leadership, Focus on innovation, Time bound response to market conditions, Organizational support for risk taking, Best practices adoption, Knowledge management, Job rotation and job enrichment

	achieving defined goal.	
Hygiene Factors Company Policies, Pay and perks, Physical working conditions, Quality of supervision, Job security, Relation with others	Respect and trust among team, Trusted environment, Transparent environment for discussions, High team morale, Constant feedback and corrective actions	Affiliative / democratic leadership, Inspect and adapt, Team building , Emotional intelligence trainings, Leadership support

CONCLUSION

By using the multi dimensional model explained in this paper, organizations will be able to create a baseline for them to start building the foundation for developing and sustaining high performance teams. Organizations will be able to monitor the key factors, control it by inspecting and adapting, customize it to make it suitable for the organization from time to time.

REFERENCES

Becoming a servant leader-Skipp Richard

http://fortune.com/2015/06/04/fortune-500-facts/
http://www.business.com/sales-and-marketing/generations-divided-making-the-differences-between-gen-x-and-the-millen
http://www.businessballs.com/herzberg.htm
http://www.businessballs.com/maslow.htm
http://www.highperformanceteams.org/hpt_cpts.htm
http://www.kornferry.com/solutions/design/talent-strategy/enterprise-agility

http://www.langston.edu/sites/default/files/basic-content-files/TransformationalLeadership.pdf

http://www.linkageinc.com/leadership-development-documents/files/content/10-Leadership-Techniques-for-Building-High
http://www.researchhistory.org
http://www.workcoachcafe.com/career-dictionary-definitions/what-are-baby-boomers-what-is-gen-x-who-are-gen-y/
https://en.wikipedia.org/wiki/High-performance_teams
https://www.isixsigma.com/implementation/teams/high-performance-teams-understanding-team-cohesiveness/
https://www.psychologytoday.com/blog/cutting-edge-leadership/201108/10-rules-high-performing-teams
http://www.valuebasedmanagement.net/methods_goleman_leadership_styles.html