

FOUR WAYS TO MEASURE TEAM PERFORMANCE

How a team functions can make or break a business

Most organizations assess their teams by looking at lagging indicators. But would it not be beneficial to diagnose a team's potential and performance in real time? These four strategies can provide immediate feedback.

If you listen to and read business reviews, you know that every successful business credits its success to motivated and creative teams. Reading these, you may think that businesses just have to increase the number of teams and all performance indicators will improve drastically.

If we analyze team performance, however, we find that fewer than 10 percent of teams can truly be considered "high performance," and a whopping 40 percent are dysfunctional, destroying motivation and engagement. The remaining 50 percent perform marginally, never producing more than incremental results.

High-performing teams are critical, especially if you want to reap the benefits of programs like lean manufacturing, Six Sigma, and other forms of continuous improvement. Therefore, it is crucial to understand the current level of teamwork in your company. How can you really measure this without relying on subjective statements like "We work well as a team"?

The best way is to look at the areas in which high-performing teams excel. Such teams have a healthy culture in which it's safe to be vulnerable, to open up and to contribute, and to build on ideas and suggestions from others. These people encourage each other to create new possibilities and creative solutions that push the envelope. They hold each other accountable for outcomes and behaviours during and outside meetings. They align their thinking around the decisions already made, and focus on results.

Most try to assess their teams by looking at lagging indicators, such as reaching milestones on time or financial measures attached to the overall goal for the team. By the time these measures are available, though, teams have worked for a considerable time, and it's too late to change the outcome of their work.

Would it not be beneficial to diagnose a team's potential and performance in real time? To that end, these four strategies may help give you unbiased, immediate feedback.

1. Measure Interaction

Teams thrive when their members are courteous to each other, take time to fully understand where team members are coming from, and expand on ideas from other team members to create new strategies previously thought impossible. You can measure those interactions by recording how many positive or encouraging comments versus negative or degrading comments are made during meetings.

Because negative emotions are much more powerful than positive ones, high-performing teams consistently show ratios between 3-to-1 and 7-to-1 (positive to negative). Anything above 8-to-1 signals artificial harmony and avoidance of tackling tough issues, while ratios below 1-to-1 are signs of failing and dysfunctional teams.

2. Address Conflict

For many, conflict is scary and needs to be avoided at all cost. This is true when we are talking about negative or combative conflict in which team members are personally attacked, or if some members have a win-at-all-costs, my-way-or-the-highway attitude. But avoiding conflict entirely means you may not be tackling the challenges that really need to be addressed. High-performing teams thoroughly discuss these critical challenges and exchange their experiences and ideas openly to find the best possible solution. In most cases, this is a solution no one thought of at the beginning of the meeting.

Record how many team members actively participate in the idea-generation and selection process. High-performing teams strive for an equal participation of all team members, while dysfunctional teams have just one or two people who dominate the discussion.

3. Align Decisions

Critical decisions should be made only after all team members have contributed to, aligned with, and bought into the developed idea. Everyone should be deeply knowledgeable about the important details and able to defend the decision based on facts.

Dysfunctional or “OK” teams agree to decisions made by the most vocal person and show no commitment to follow through with the steps outlined for implementation.

4. Create Accountability

Members of high-performing teams hold each other to the same behavioural and performance standards and enforce these standards without the team leader’s help. Do team members show up on time, and are they well-prepared for the team meetings? Are disruptions, such as side conversations, checking e-mails, and playing with electronic gadgets, kept to a minimum?

When team members don’t enforce standards and rely on the leader to enforce rules, they’re really saying that they do not care enough for each other, don’t understand that it is their responsibility to speak up, or fail to get engaged and put in the necessary work.

Now the Hard Part

After assessing your teams’ performance level, the hard part starts: determining and fixing the underlying causes for the challenges you discovered. Depending on the area selected to start the improvement, you can strengthen team performance significantly by tweaking the team makeup and providing team-specific coaching.

Some situations, however, might be influenced only by casting a wider net that encompasses the entire company culture, leadership and communication styles, and the environment of accountability and feedback. Team performance is highly dependent on all these areas, and in most cases, you need to start with engineering and initiating a culture change in the leadership. As with so many other business practices, building and sustaining high-performing teams must start with the leader.

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