What distinguishes a run-of-the-mill working group from a high-performing team? A powerful blend of emotional intelligence and mutual accountability.

Boosting Your Team’s Emotional Intelligence—for Maximum Performance

Overview

What Makes a Leader?
by Daniel Goleman

Building the Emotional Intelligence of Groups
by Vanessa Urch Druskat and Steven B. Wolff

The Discipline of Teams
by Jon R. Katzenbach and Douglas K. Smith
**Extraordinary** team performance. Superior decision making and action. The conviction that your group’s power transcends the contribution of any individual member. These are the hallmarks of enduring team success.

Many teams experience occasions when they get “in the groove.” But how can they sustain it? As teams increasingly become the primary units of productivity in organizations, this question becomes more urgent. Certainly, team members’ intelligence, vision, and technical skills are important. But these qualities shine only when teams hone their **emotional intelligence** (EI)—that potent combination of self-management and social skills—and practice essential **discipline** based on mutual accountability.

One intriguing aspect of emotional intelligence—and one that distinguishes it from IQ—is that we can boost it. How? First by learning the basic competencies of EI. Then by building group-behavior norms that encourage the expression of these competencies at the team level. When combined with mutual accountability, EI can transform a team.


**THE ARTICLES**

“**What Makes a Leader?**” by Daniel Goleman
Goleman defines five EI competencies for the individual: 1) self-awareness (knowledge of one’s weaknesses), 2) self-regulation (ability to control one’s impulses), 3) motivation (passion for achievement), 4) empathy (ability to take others’ feelings into account), and 5) social skill (ability to build rapport with and influence others). To boost your emotional intelligence, the author emphasizes extensive practice, feedback from colleagues, and personal enthusiasm for making the change. He contrasts this with traditional training programs that target the rational part of the brain.

“**Building the Emotional Intelligence of Groups**” by Vanessa Urch Druskat and Steven B. Wolff
Druskat and Wolff take EI up to the team level, outlining the norms needed for groups to strengthen their emotional intelligence. As the authors explain, successful groups need to be aware of and to regulate the emotions of 1) individual members, 2) the whole group, and 3) other key groups with whom the team interacts. Norms—which leaders, trainers, or organizational culture introduce—include letting the group express its emotions, handling confrontation constructively, and inviting “reality checks” from customers or suppliers.

“**The Discipline of Teams**” by Jon R. Katzenbach and Douglas K. Smith
Katzenbach and Smith address one group of essential building blocks for enduring team performance—emotional intelligence. Katzenbach and Smith address the other—mutual accountability based on collective discipline. As they explain, a truly disciplined team has 1) a common purpose, 2) specific performance goals, 3) complementary skills, 4) commitment to how the work gets done, and 5) mutual accountability. The authors also outline the critical challenges faced by three kinds of teams: those whose purpose is to make recommendations, those that make or do things, and those that run things.
What makes a Leader?
by Daniel Goleman

What distinguishes the outstanding leader from the merely adequate?

Emotional intelligence—a powerful combination of self-management skills and the ability to work with others.

New sections to guide you through the article:
• The Idea in Brief
• The Idea at Work
• Exploring Further...
A sked to define the ideal leader, many would emphasize traits such as intelligence, toughness, determination, and vision. Often left off the list are softer, more personal qualities—but recent studies indicate that they are also essential. Although a certain degree of analytical and technical skill is a minimum requirement for success, what is called “emotional intelligence” may be the key attribute that distinguishes outstanding performers from those who are merely adequate. For example, in a 1996 study of a global food and beverage company, where senior managers had a certain critical mass of emotional intelligence, their divisions outperformed yearly earnings goals by 20%. Division leaders without that critical mass underperformed by almost the same amount.

What Makes a Leader?

There are five components to emotional intelligence: self-awareness, self-regulation, motivation, empathy, and social skill. All five traits sound desirable to just about everyone. But organizations too often implicitly discourage their people from developing them.

Self-management skills

1. Self-awareness. Emotional intelligence begins with this trait. People with a high degree of self-awareness know their weaknesses and aren’t afraid to talk about them. Someone who understands that he works poorly under tight deadlines, for example, will work hard to plan his time carefully, and will let his colleagues know why. Many executives looking for potential leaders mistake such candor for “wimpiness.”

2. Self-regulation. This attribute flows from self-awareness, but runs in a different direction. People with this trait are able to control their impulses or even channel them for good purposes.

3. Motivation. A passion for achievement for its own sake—not simply the ability to respond to whatever incentives a company offers—is the kind of motivation that is essential for leadership.

The ability to relate to others

4. Empathy. In addition to self-management skills, emotional intelligence requires a facility for dealing with others. And that starts with empathy—taking into account the feelings of others when making decisions—as opposed to taking on everyone’s troubles.

Example:

Consider two division chiefs at a company forced to make layoffs. One manager gave a hard-hitting speech emphasizing the number of people who would be fired. The other manager, while not hiding the bad news, took into account his people’s anxieties. He promised to keep them informed and to treat everyone fairly. Many executives would have refrained from such a show of consideration, lest they appear to lack toughness. But the tough manager demoralized his talented people—most of whom ended up leaving his division voluntarily.

5. Social skill. All the preceding traits culminate in this fifth one: the ability to build rapport with others, to get them to cooperate, to move them in a direction you desire. Managers who simply try to be sociable—while lacking the other components of emotional intelligence—are likely to fail. Social skill, by contrast, is friendliness with a purpose.

Can you boost your emotional intelligence? Absolutely—but not with traditional training programs that target the rational part of the brain. Extended practice, feedback from colleagues, and your own enthusiasm for making the change are essential to becoming an effective leader.
IQ and technical skills are important, but emotional intelligence is the sine qua non of leadership.

What Makes a Leader?

by Daniel Goleman

Every businessperson knows a story about a highly intelligent, highly skilled executive who was promoted into a leadership position only to fail at the job. And they also know a story about someone with solid—but not extraordinary—intellectual abilities and technical skills who was promoted into a similar position and then soared.

Such anecdotes support the widespread belief that identifying individuals with the “right stuff” to be leaders is more art than science. After all, the personal styles of superb leaders vary: some leaders are subdued and analytical; others shout their manifestos from the mountaintops. And just as important, different situations call for different

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types of leadership. Most mergers need a sensitive negotiator at the helm, whereas many turnarounds require a more forceful authority.

I have found, however, that the most effective leaders are alike in one crucial way: they all have a high degree of what has come to be known as emotional intelligence. It's not that IQ and technical skills are irrelevant. They do matter, but mainly as “threshold capabilities”; that is, they are the entry-level requirements for executive positions. But my research, along with other recent studies, clearly shows that emotional intelligence is the sine qua non of leadership. Without it, a person can have the best training in the world, an incisive, analytical mind, and an endless supply of smart ideas, but he still won't make a great leader.

In the course of the past year, my colleagues and I have focused on how emotional intelligence operates at work. We have examined the relationship between emotional intelligence and effective performance, especially in leaders. And we have observed how emotional intelligence shows itself on the job. How can you tell if someone has high emotional intelligence, for example, and how can you recognize it in yourself? In the following pages, we’ll explore these questions, taking each of the components of emotional intelligence—self-awareness, self-regulation, motivation, empathy, and social skill—in turn.

### Evaluating Emotional Intelligence

Most large companies today have employed trained psychologists to develop what are known as “competency models” to aid them in identifying, training, and promoting likely stars in the leadership firmament. The psychologists have also developed such models for lower-level positions. And in recent years, I have analyzed competency models from 188 companies, most of which were large and global and included the likes of Lucent Technologies, British Airways, and Credit Suisse.

In carrying out this work, my objective was to determine which personal capabilities drove outstanding performance within these organizations, and to what degree they did so. I grouped capabilities into three categories: purely technical skills like accounting and business planning; cognitive abilities like analytical reasoning; and competencies demonstrating emotional intelligence such as the ability to work with others and effectiveness in leading change.

To create some of the competency models, psychologists asked senior managers at the companies to identify the capabilities that typified the organization’s most outstanding leaders. To create other models, the psychologists used objective criteria such as a division’s profitability to differentiate the star performers at senior levels within their organizations from the average ones. Those individuals were then extensively interviewed and tested, and their capabilities were compared. This process resulted in the creation of lists of ingredients for highly effective leaders. The lists ranged in length from 7 to 15 items and included such ingredients as initiative and strategic vision.

When I analyzed all this data, I found dramatic results. To be sure, intellect was a driver of outstanding performance. Cognitive skills such as big-picture thinking and long-term vision were particularly important. But when I calculated the ratio of technical skills, IQ, and emotional intelligence as ingredients of excellent performance, emotional intelligence proved to be twice as important as the others for jobs at all levels.

Moreover, my analysis showed that emotional intelligence played an increasingly important role at the highest levels of the company, where differences in technical skills are of negligible importance. In other words, the higher the rank of a person considered to be a star performer, the more emotional intelligence capabilities showed up as the reason for his or her effectiveness. When I compared star performers with average ones in senior leadership positions, nearly 90% of the difference in their profiles was attributable to emotional intelligence factors rather than cognitive abilities.

Other researchers have confirmed that emotional intelligence not only distinguishes outstanding leaders but can also be linked to strong performance. The findings of the late David McClelland, the renowned researcher in human and organizational behavior, are a good example. In a 1996 study of a global food and beverage company, McClelland found that when senior managers had a critical mass of emotional intelligence capabilities, their
divisions outperformed yearly earnings goals by 20%. Meanwhile, division leaders without that critical mass underperformed by almost the same amount. McClelland’s findings, interestingly, held as true in the company’s U.S. divisions as in its divisions in Asia and Europe.

In short, the numbers are beginning to tell us a persuasive story about the link between a company’s success and the emotional intelligence of its leaders. And just as important, research is also demonstrating that people can, if they take the right approach, develop their emotional intelligence. [See the insert “Can Emotional Intelligence Be Learned?”]

### Self-Awareness

Self-awareness is the first component of emotional intelligence—which makes sense when one considers that the Delphic oracle gave the advice to “know thyself” thousands of years ago. Self-awareness means having a deep understanding of one’s

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<th>Definition</th>
<th>Hallmarks</th>
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<td>the ability to recognize and understand your moods, emotions, and drives,</td>
<td>self-confidence</td>
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<tr>
<td>as well as their effect on others</td>
<td>realistic self-assessment</td>
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<tr>
<td>the ability to control or redirect disruptive impulses and moods</td>
<td>trustworthiness and integrity</td>
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<td>the propensity to suspend judgment—to think before acting</td>
<td>comfort with ambiguity</td>
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<td>a passion to work for reasons that go beyond money or status</td>
<td>openness to change</td>
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<td>a propensity to pursue goals with energy and persistence</td>
<td>strong drive to achieve</td>
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<td>the ability to understand the emotional makeup of other people</td>
<td>optimism, even in the face of failure</td>
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<td>skill in treating people according to their emotional reactions</td>
<td>organizational commitment</td>
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<td>proficiency in managing relationships and building networks</td>
<td>expertise in building and retaining talent</td>
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<td>an ability to find common ground and build rapport</td>
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emotions, strengths, weaknesses, needs, and drives. People with strong self-awareness are neither overly critical nor unrealistically hopeful. Rather, they are honest – with themselves and with others.

People who have a high degree of self-awareness recognize how their feelings affect them, other people, and their job performance. Thus a self-aware person who knows that tight deadlines bring out the worst in him plans his time carefully and gets his work done well in advance. Another person with high self-awareness will be able to work with a demanding client. She will understand the client’s impact on her moods and the deeper reasons for her frustration. “Their trivial demands take us away from the real work that needs to be done,” she might explain. And she will go one step further and turn her anger into something constructive.

Self-awareness extends to a person’s understanding of his or her values and goals. Someone who is highly self-aware knows where he is headed and why; so, for example, he will be able to be firm in turning down a job offer that is tempting financially but does not fit with his principles or long-term goals. A person who lacks self-awareness is apt to make decisions that bring on inner turmoil by treading on buried values. “The money looked good so I signed on,” someone might say two years into a job, “but the work means so little to me that I’m constantly bored.” The decisions of self-aware people mesh with their values; consequently, they often find work to be energizing.

How can one recognize self-awareness? First and foremost, it shows itself as candor and an ability to assess oneself realistically. People with high self-awareness are able to speak accurately and openly – although not necessarily effusively or confessionally – about their emotions and the impact they have on their work. For instance, one manager I know of was skeptical about a new personal-shopper service that her company, a major department-store chain, was about to introduce. Without prompting from her team or her boss, she offered them an explanation: “It’s hard for me to get behind the rollout of this service,” she admitted, “because I really wanted to run the project, but I wasn’t selected. Bear with me while I deal with that.” The manager did indeed examine her feelings; a week later, she was supporting the project fully.

Such self-knowledge often shows itself in the hiring process. Ask a candidate to describe a time he got carried away by his feelings and did something he later regretted. Self-aware candidates will be frank in admitting to failure – and will often tell their tales with a smile. One of the hallmarks of self-awareness is a self-deprecating sense of humor.

Self-awareness can also be identified during performance reviews. Self-aware people know – and are comfortable talking about – their limitations and strengths, and they often demonstrate a thirst for constructive criticism. By contrast, people with low self-awareness interpret the message that they need to improve as a threat or a sign of failure.

Self-aware people can also be recognized by their self-confidence. They have a firm grasp of their capabilities and are less likely to set themselves up to fail by, for example, overstretching on assignments. They know, too, when to ask for help. And the risks they take on the job are calculated. They won’t ask for a challenge that they know they can’t handle alone. They’ll play to their strengths.

Consider the actions of a mid-level employee who was invited to sit in on a strategy meeting with her company’s top executives. Although she was the most junior person in the room, she did not sit there quietly, listening in awestruck or fearful silence. She knew she had a head for clear logic and the skill to present ideas persuasively, and she offered cogent suggestions about the company’s strategy. At the same time, her self-awareness stopped her from wandering into territory where she knew she was weak.

Despite the value of having self-aware people in the workplace, my research indicates that senior executives don’t often give self-awareness the credit it deserves when they look for potential leaders. Many executives mistake candor about feelings for “wimpiness” and fail to give due respect to employees who openly acknowledge their shortcomings. Such people are too readily dismissed as “not tough enough” to lead others.

In fact, the opposite is true. In the first place, people generally admire and respect candor. Further, leaders are constantly required to make judgment calls that require a candid assessment of capabilities – their own and those of others. Do we have the management expertise to acquire a competitor?
For ages, people have debated if leaders are born or made. So too goes the debate about emotional intelligence. Are people born with certain levels of empathy, for example, or do they acquire empathy as a result of life’s experiences? The answer is both. Scientific inquiry strongly suggests that there is a genetic component to emotional intelligence. Psychological and developmental research indicates that nurture plays a role as well. How much of each perhaps will never be known, but research and practice clearly demonstrate that emotional intelligence can be learned.

One thing is certain: emotional intelligence increases with age. There is an old-fashioned word for the phenomenon: maturity. Yet even with maturity, some people still need training to enhance their emotional intelligence. Unfortunately, far too many training programs that intend to build leadership skills—including emotional intelligence—are a waste of time and money. The problem is simple: they focus on the wrong part of the brain.

Emotional intelligence is born largely in the neurotransmitters of the brain’s limbic system, which governs feelings, impulses, and drives. Research indicates that the limbic system learns best through motivation, extended practice, and feedback. Compare this with the kind of learning that goes on in the neocortex, which governs analytical and technical ability. The neocortex grasps concepts and logic. It is the part of the brain that figures out how to use a computer or make a sales call by reading a book. Not surprisingly—but mistakenly—it is also the part of the brain targeted by most training programs aimed at enhancing emotional intelligence. When such programs take, in effect, a neocortical approach, my research with the Consortium for Research on Emotional Intelligence in Organizations has shown they can even have a negative impact on people’s job performance.

To enhance emotional intelligence, organizations must refocus their training to include the limbic system. They must help people break old behavioral habits and establish new ones. That not only takes much more time than conventional training programs, it also requires an individualized approach.

Imagine an executive who is thought to be low on empathy by her colleagues. Part of that deficit shows itself as an inability to listen; she interrupts people and doesn’t pay close attention to what they’re saying. To fix the problem, the executive needs to be motivated to change, and then she needs practice and feedback from others in the company. A colleague or coach could be tapped to let the executive know when she has been observed failing to listen. She would then have to replay the incident and give a better response; that is, demonstrate her ability to absorb what others are saying. And the executive could be directed to observe certain executives who listen well and to mimic their behavior.

With persistence and practice, such a process can lead to lasting results. I know one Wall Street executive who sought to improve his empathy—specifically his ability to read people’s reactions and see their perspectives. Before beginning his quest, the executive’s subordinates were terrified of working with him. People even went so far as to hide bad news from him. Naturally, he was shocked when finally confronted with these facts. He went home and told his family—but they only confirmed what he had heard at work. When their opinions on any given subject did not mesh with his, they, too, were frightened of him.

Enlisting the help of a coach, the executive went to work to heighten his empathy through practice and feedback. His first step was to take a vacation to a foreign country where he did not speak the language. While there, he monitored his reactions to the unfamiliar and his openness to people who were different from him. When he returned home, humbled by his, he was shocked when finally confronted with these facts. He went home and told his family—but they only confirmed what he had heard at work. When their opinions on any given subject did not mesh with his, they, too, were frightened of him.

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It’s important to emphasize that building one’s emotional intelligence cannot—will not—happen without sincere desire and concerted effort. A brief seminar won’t help, nor can one buy a how-to manual. It is much harder to learn to empathize—to internalize empathy as a natural response to people—than it is to become adept at regression analysis. But it can be done. “Nothing great was ever achieved without enthusiasm,” wrote Ralph Waldo Emerson. If your goal is to become a real leader, these words can serve as a guidepost in your efforts to develop high emotional intelligence.
Can we launch a new product within six months? People who assess themselves honestly—that is, self-aware people—are well suited to do the same for the organizations they run.

Self-Regulation

Biological impulses drive our emotions. We cannot do away with them—but we can do much to manage them. Self-regulation, which is like an ongoing inner conversation, is the component of emotional intelligence that frees us from being prisoners of our feelings. People engaged in such a conversation feel bad moods and emotional impulses just as everyone else does, but they find ways to control them and even to channel them in useful ways.

Imagine an executive who has just watched a team of his employees present a botched analysis to the company’s board of directors. In the gloom that follows, the executive might find himself tempted to pound on the table in anger or kick over a chair. He could leap up and scream at the group. Or he might maintain a grim silence, glaring at everyone before stalking off.

But if he had a gift for self-regulation, he would choose a different approach. He would pick his words carefully, acknowledging the team’s poor performance without rushing to any hasty judgment. He would then step back to consider the reasons for the failure. Are they personal—a lack of effort? Are there any mitigating factors? What was his role in the debacle? After considering these questions, he would call the team together, lay out the incident’s consequences, and offer his feelings about it. He would then present his analysis of the problem and a well-considered solution.

Why does self-regulation matter so much for leaders? First of all, people who are in control of their feelings and impulses—that is, people who are reasonable—are able to create an environment of trust and fairness. In such an environment, politics and infighting are sharply reduced and productivity is high. Talented people flock to the organization and aren’t tempted to leave. And self-regulation has a trickle-down effect. No one wants to be known as a hothead when the boss is known for her calm approach. Fewer bad moods at the top mean fewer throughout the organization.

People who have mastered their emotions are able to roll with the changes. They don’t panic.

Second, self-regulation is important for competitive reasons. Everyone knows that business today is rife with ambiguity and change. Companies merge and break apart regularly. Technology transforms work at a dizzying pace. People who have mastered their emotions are able to roll with the changes. When a new change program is announced, they don’t panic; instead, they are able to suspend judgment, seek out information, and listen to executives explain the new program. As the initiative moves forward, they are able to move with it.

Sometimes they even lead the way. Consider the case of a manager at a large manufacturing company. Like her colleagues, she had used a certain software program for five years. The program drove how she collected and reported data and how she thought about the company’s strategy. One day, senior executives announced that a new program was to be installed that would radically change how information was gathered and assessed within the organization. While many people in the company complained bitterly about how disruptive the change would be, the manager mulled over the reasons for the new program and was convinced of its potential to improve performance. She eagerly attended training sessions—some of her colleagues refused to do so—and was eventually promoted to run several divisions, in part because she used the new technology so effectively.

I want to push the importance of self-regulation to leadership even further and make the case that it enhances integrity, which is not only a personal virtue but also an organizational strength. Many of the bad things that happen in companies are a function of impulsive behavior. People rarely plan to exaggerate profits, pad expense accounts, dip into the till, or abuse power for selfish ends. Instead, an opportunity presents itself, and people with low impulse control just say yes.

By contrast, consider the behavior of the senior executive at a large food company. The executive was scrupulously honest in his negotiations with local distributors. He would routinely lay out his cost structure in detail, thereby giving the distributors a realistic understanding of the company’s pricing. This approach meant the executive couldn’t always drive a hard bargain. Now, on occasion, he felt the urge to increase profits by withholding informa-
tion about the company’s costs. But he challenged that impulse—he saw that it made more sense in the long run to counteract it. His emotional self-regulation paid off in strong, lasting relationships with distributors that benefited the company more than any short-term financial gains would have.

The signs of emotional self-regulation, therefore, are not hard to miss: a propensity for reflection and thoughtfulness; comfort with ambiguity and change; and integrity—an ability to say no to impulsive urges.

Like self-awareness, self-regulation often does not get its due. People who can master their emotions are sometimes seen as cold fish—their considered responses are taken as a lack of passion. People with fiery temperaments are frequently thought of as “classic” leaders—their outbursts are considered hallmarks of charisma and power. But when such people make it to the top, their impulsiveness often works against them. In my research, extreme displays of negative emotion have never emerged as a driver of good leadership.

**Motivation**

If there is one trait that virtually all effective leaders have, it is motivation. They are driven to achieve beyond expectations—their own and everyone else’s. The key word here is *achieve*. Plenty of people are motivated by external factors such as a big salary or the status that comes from having an impressive title or being part of a prestigious company. By contrast, those with leadership potential are motivated by a deeply embedded desire to achieve for the sake of achievement.

If you are looking for leaders, how can you identify people who are motivated by the drive to achieve rather than by external rewards? The first sign is a passion for the work itself—such people seek out creative challenges, love to learn, and take great pride in a job well done. They also display an unflagging energy to do things better. People with such energy often seem restless with the status quo. They are persistent with their questions about why things are done one way rather than another; they are eager to explore new approaches to their work.

A cosmetics company manager, for example, was frustrated that he had to wait two weeks to get sales results from people in the field. He finally tracked down an automated phone system that would beep each of his salespeople at 5 P.M. every day. An automated message then prompted them to punch in their numbers—how many calls and sales they had made that day. The system shortened the feedback time on sales results from weeks to hours.

That story illustrates two other common traits of people who are driven to achieve. They are forever raising the performance bar, and they like to keep score. Take the performance bar first. During performance reviews, people with high levels of motivation might ask to be “stretched” by their superiors. Of course, an employee who combines self-awareness with internal motivation will recognize her limits—but she won’t settle for objectives that seem too easy to fulfill.
And it follows naturally that people who are driven to do better also want a way of tracking progress—their own, their team’s, and their company’s. Whereas people with low achievement motivation are often fuzzy about results, those with high achievement motivation often keep score by tracking such hard measures as profitability or market share. I know of a money manager who starts and ends his day on the Internet, gauging the performance of his stock fund against four industry-set benchmarks.

Interestingly, people with high motivation remain optimistic even when the score is against them. In such cases, self-regulation combines with achievement motivation to overcome the frustration and depression that come after a setback or failure. Take the case of another portfolio manager at a large investment company. After several successful years, her fund tumbled for three consecutive quarters, leading three large institutional clients to shift their business elsewhere.

Some executives would have blamed the nosedive on circumstances outside their control; others might have seen the setback as evidence of personal failure. This portfolio manager, however, saw an opportunity to prove she could lead a turnaround. Two years later, when she was promoted to a very senior level in the company, she described the experience as “the best thing that ever happened to me; I learned so much from it.”

Executives trying to recognize high levels of achievement motivation in their people can look for one last piece of evidence: commitment to the organization. When people love their job for the work itself, they often feel committed to the organizations that make that work possible. Committed employees are likely to stay with an organization even when they are pursued by headhunters waving money.

It’s not difficult to understand how and why a motivation to achieve translates into strong leadership. If you set the performance bar high for yourself, you will do the same for the organization when you are in a position to do so. Likewise, a drive to surpass goals and an interest in keeping score can be contagious. Leaders with these traits can often build a team of managers around them with the same traits. And of course, optimism and organizational commitment are fundamental to leadership—just try to imagine running a company without them.

Empathy

Of all the dimensions of emotional intelligence, empathy is the most easily recognized. We have all felt the empathy of a sensitive teacher or friend; we have all been struck by its absence in an unfeeling coach or boss. But when it comes to business, we rarely hear people praised, let alone rewarded, for their empathy. The very word seems unbusinesslike, out of place amid the tough realities of the marketplace.

But empathy doesn’t mean a kind of “I’m okay, you’re okay” mushiness. For a leader, that is, it doesn’t mean adopting other people’s emotions as one’s own and trying to please everybody. That would be a nightmare—it would make action impossible. Rather, empathy means thoughtfully considering employees’ feelings—along with other factors—in the process of making intelligent decisions.

For an example of empathy in action, consider what happened when two giant brokerage companies merged, creating redundant jobs in all their divisions. One division manager called his people together and gave a gloomy speech that emphasized the number of people who would soon be fired. The manager of another division gave his people a different kind of speech. He was upfront about his own worry and confusion, and he promised to keep people informed and to treat everyone fairly.

The difference between these two managers was empathy. The first manager was too worried about his own fate to consider the feelings of his anxiety-stricken colleagues. The second knew intuitively what his people were feeling, and he acknowledged their fears with his words. He was upfront about his own worry and confusion, and he promised to keep people informed and to treat everyone fairly.

The difference between these two managers was empathy. The first manager was too worried about his own fate to consider the feelings of his anxiety-stricken colleagues. The second knew intuitively what his people were feeling, and he acknowledged their fears with his words. Is it any surprise that the first manager saw his division sink as many demoralized people, especially the most talented, departed? By contrast, the second manager continued to be a strong leader, his best people stayed, and his division remained as productive as ever.

Empathy is particularly important today as a component of leadership for at least three reasons: the increasing use of teams; the rapid pace of globalization; and the growing need to retain talent.
Consider the challenge of leading a team. As anyone who has ever been a part of one can attest, teams are cauldrons of bubbling emotions. They are often charged with reaching a consensus – hard enough with two people and much more difficult as the numbers increase. Even in groups with as few as four or five members, alliances form and clashing agendas get set. A team's leader must be able to sense and understand the viewpoints of everyone around the table.

That's exactly what a marketing manager at a large information technology company was able to do when she was appointed to lead a troubled team. The group was in turmoil, overloaded by work and missing deadlines. Tensions were high among the members. Tinkering with procedures was not enough to bring the group together and make it an effective part of the company.

So the manager took several steps. In a series of one-on-one sessions, she took the time to listen to everyone in the group – what was frustrating them, how they rated their colleagues, whether they felt they had been ignored. And then she directed the team in a way that brought it together: she encouraged people to speak more openly about their frustrations, and she helped people raise constructive complaints during meetings. In short, her empathy allowed her to understand her team's emotional makeup. The result was not just heightened collaboration among members but also added business, as the team was called on for help by a wider range of internal clients.

Globalization is another reason for the rising importance of empathy for business leaders. Cross-cultural dialogue can easily lead to missteps and misunderstandings. Empathy is an antidote. People who have it are attuned to subtleties in body language; they can hear the message beneath the words being spoken. Beyond that, they have a deep understanding of the existence and importance of cultural and ethnic differences.

Consider the case of an American consultant whose team had just pitched a project to a potential Japanese client. In its dealings with Americans, the team was accustomed to being bombarded with questions after such a proposal, but this time it was greeted with a long silence. Other members of the team, taking the silence as disapproval, were ready to pack and leave. The lead consultant gestured them to stop. Although he was not particularly familiar with Japanese culture, he read the client's face and posture and sensed not rejection but interest – even deep consideration. He was right: when the client finally spoke, it was to give the consulting firm the job.

Finally, empathy plays a key role in the retention of talent, particularly in today's information economy. Leaders have always needed empathy to develop and keep good people, but today the stakes are higher. When good people leave, they take the company's knowledge with them.

That's where coaching and mentoring come in. It has repeatedly been shown that coaching and mentoring pay off not just in better performance but also in increased job satisfaction and decreased turnover. But what makes coaching and mentoring work best is the nature of the relationship. Outstanding coaches and mentors get inside the heads of the people they are helping. They sense how to give effective feedback. They know when to push for better performance and when to hold back. In the way they motivate their protégés, they demonstrate empathy in action.

In what is probably sounding like a refrain, let me repeat that empathy doesn't get much respect in business. People wonder how leaders can make hard decisions if they are “feeling” for all the people who will be affected. But leaders with empathy do more than sympathize with people around them: they use their knowledge to improve their companies in subtle but important ways.

Social Skill

The first three components of emotional intelligence are all self-management skills. The last two, empathy and social skill, concern a person's ability to manage relationships with others. As a component of emotional intelligence, social skill is not as simple as it sounds. It's not just a matter of friendliness, although people with high levels of social skill are rarely mean-spirited. Social skill, rather, is friendliness with a purpose: moving people in the direction you desire.

But leaders with empathy do more than sympathize with people around them: they use their knowledge to improve their companies in subtle but important ways.
for building rapport. That doesn’t mean they socialize continually; it means they work according to the assumption that nothing important gets done alone. Such people have a network in place when the time for action comes.

Social skill is the culmination of the other dimensions of emotional intelligence. People tend to be very effective at managing relationships when they can understand and control their own emotions and can empathize with the feelings of others. Even motivation contributes to social skill. Remember that people who are driven to achieve tend to be optimistic, even in the face of setbacks or failure. When people are upbeat, their “glow” is cast upon conversations and other social encounters. They are popular, and for good reason.

Because it is the outcome of the other dimensions of emotional intelligence, social skill is recognizable on the job in many ways that will by now sound familiar. Socially skilled people, for instance, are adept at managing teams—that’s their empathy at work. Likewise, they are expert persuaders—a manifestation of self-awareness, self-regulation, and empathy combined. Given those skills, good persuaders know when to make an emotional plea, for instance, and when an appeal to reason will work better. And motivation, when publicly visible, makes such people excellent collaborators, their passion for the work spreads to others, and they are driven to find solutions.

But sometimes social skill shows itself in ways the other emotional intelligence components do not. For instance, socially skilled people may at times appear not to be working while at work. They seem to be idly schmoozing—chatting in the hallways with colleagues or joking around with people who are not even connected to their “real” jobs. Socially skilled people, however, don’t think it makes sense to arbitrarily limit the scope of their relationships. They build bonds widely because they know that in these fluid times, they may need help someday from people they are just getting to know today.

For example, consider the case of an executive in the strategy department of a global computer manufacturer. By 1993, he was convinced that the company’s future lay with the Internet. Over the course of the next year, he found kindred spirits and used his social skill to stitch together a virtual community that cut across levels, divisions, and nations. He then used this de facto team to put up a corporate Web site, among the first by a major company. And, on his own initiative, with no budget or formal status, he signed up the company to participate in an annual Internet industry convention. Calling on his allies and persuading various divisions to donate funds, he recruited more than 50 people from a dozen different units to represent the company at the convention.

Management took notice: within a year of the conference, the executive’s team formed the basis for the company’s first Internet division, and he was formally put in charge of it. To get there, the executive had ignored conventional boundaries, forging and maintaining connections with people in every corner of the organization.

Is social skill considered a key leadership capability in most companies? The answer is yes, especially when compared with the other components of emotional intelligence. People seem to know intuitively that leaders need to manage relationships effectively; no leader is an island. After all, the leader’s task is to get work done through other people, and social skill makes that possible. A leader who cannot express her empathy may as well not have it at all. And a leader’s motivation will be useless if he cannot communicate his passion to the organization. Social skill allows leaders to put their emotional intelligence to work.

It would be foolish to assert that good-old-fashioned IQ and technical ability are not important ingredients in strong leadership. But the recipe would not be complete without emotional intelligence. It was once thought that the components of emotional intelligence were “nice to have” in business leaders. But now we know that, for the sake of performance, these are ingredients that leaders “need to have.”

It is fortunate, then, that emotional intelligence can be learned. The process is not easy. It takes time and commitment. It would be foolish to assert that good-old-fashioned IQ and technical ability are not important ingredients in strong leadership. But the recipe would not be complete without emotional intelligence. It was once thought that the components of emotional intelligence were “nice to have” in business leaders. But now we know that, for the sake of performance, these are ingredients that leaders “need to have.”

It is fortunate, then, that emotional intelligence can be learned. The process is not easy. It takes time and, most of all, commitment. But the benefits that come from having a well-developed emotional intelligence, both for the individual and for the organization, make it worth the effort.
ARTICLES


Whereas Goleman emphasizes emotional intelligence, Mintzberg focuses on specific skills. In this HBR Classic, Mintzberg uses his and other research to debunk myths about the manager’s role. Managerial work involves interpersonal roles, informational roles, and decisional roles, he notes. These in turn require the ability to develop peer relationships, carry out negotiations, motivate subordinates, resolve conflicts, establish information networks and disseminate information, make decisions with little or ambiguous information, and allocate resources. Good self-management skills are characteristic of most leaders; outstanding leaders also have the ability to empathize with others and to use social skills to advance an agenda.


Successfully leading an organization through an adaptive challenge calls for leaders with a high degree of emotional intelligence. But Heifetz and Laurie focus on the requirements of adaptive work, not on emotional maturity. The principles for leading adaptive work include: ‘getting on the balcony,’ forming a picture of the entire pattern of activity; identifying the key challenge; regulating distress; maintaining disciplined attention; giving the work back to the people; and protecting voices of leadership from below.


CEOs inspire a variety of sentiments ranging from awe to wrath, but there’s little debate over CEOs’ importance in the business world. The authors conducted 160 interviews with executives around the world. Instead of finding 160 different approaches, they found five, each with a singular focus: strategy, people, expertise, controls, or change. The five components of emotional intelligence, singly or in combination, have a great effect on how each focus is expressed in an organization.

BOOK


In this collection of six articles, Kotter shares his observations on the nature of leadership gained over the past 30 years. Without leadership that can deal successfully with today’s increasingly fast-moving and competitive business environment, he warns, organizations will slow down, stagnate, and lose their way. He presents his views on the current state of leadership through ten observations and revisits his now famous eight-step process for organizational transformation. In contrast to Goleman’s article on emotional intelligence, which is about leadership qualities, Kotter’s work focuses on action: What does a leader do to lead? And how will leadership need to be different in the future?
Maximize your team’s effectiveness by taking aim at the heart of the matter: your group’s emotional intelligence.

The result will be greater collaboration, creativity, and productivity.

New sections to guide you through the article:
• The Idea in Brief
• The Idea at Work
• Exploring Further...
**T H E  I D E A  I N  B R I E F**

How does IDEO, the celebrated industrial-design firm, ensure that its teams consistently produce the most innovative products under intense deadline and budget pressures? By focusing on its teams’ emotional intelligence—that powerful combination of self-management skills and ability to relate to others.

Many executives realize that EQ (emotional quotient) is as critical as IQ to an individual’s effectiveness. But groups’ emotional intelligence may be even more important, since most work gets done in teams.

**T H E  I D E A  A T  W O R K**

To build a foundation for emotional intelligence, a group must be aware of and constructively regulate the emotions of:
- individual team members
- the whole group
- other key groups with whom it interacts.

How? By establishing EI norms—rules for behavior that are introduced by group leaders, training, or the larger organizational culture. Here are some examples of norms—and what they look like in action—from IDEO:

<table>
<thead>
<tr>
<th>Emotions of…</th>
<th>To Hone Awareness…</th>
<th>To Regulate…</th>
<th>IDEO Examples</th>
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<tr>
<td>Individual Team Members</td>
<td>• Understand the sources of individuals’ behavior and take steps to address problematic behavior.</td>
<td>• Handle confrontation constructively. If team members fall short, call them on it by letting them know the group needs them.</td>
<td>• Awareness: A project leader notices a designer’s frustration over a marketing decision and initiates negotiations to resolve the issue.</td>
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<td>• Encourage all group members to share their perspectives before making key decisions.</td>
<td>• Treat each other in a caring way—acknowledge when someone is upset; show appreciation and respect.</td>
<td>• Regulation: During brainstorming sessions, participants pelt colleagues with soft toys if they prematurely judge ideas.</td>
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<td>The Whole Group</td>
<td>• Regularly assess the group’s strengths, weaknesses, and modes of interaction.</td>
<td>• Create structures that let the group express its emotions.</td>
<td>• Awareness: Teams work closely with customers to determine what needs improvement.</td>
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<td></td>
<td>• Invite reality checks from customers, colleagues, suppliers.</td>
<td>• Cultivate an affirmative environment.</td>
<td>• Regulation: “Finger-blower” toys scattered around the office let people have fun and vent stress.</td>
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<td>Other Key Groups</td>
<td>• Designate team members as liaisons to key outside constituencies.</td>
<td>• Develop cross-boundary relationships to gain outsiders’ confidence.</td>
<td>• Regulation: IDEO built such a good relationship with an outside fabricator that it was able to call on it for help during a crisis—on the weekend.</td>
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<td>• Identify and support other groups’ expectations and needs.</td>
<td>• Know the broader social and political context in which your group must succeed.</td>
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By now, most executives have accepted that emotional intelligence is as critical as IQ to an individual’s effectiveness. But much of the important work in organizations is done in teams. New research uncovers what emotional intelligence at the group level looks like—and how to achieve it.

Building the Emotional Intelligence of Groups

by Vanessa Urch Druskat and Steven B. Wolff

When managers first started hearing about the concept of emotional intelligence in the 1990s, scales fell from their eyes. The basic message, that effectiveness in organizations is at least as much about EQ as IQ, resonated deeply; it was something that people knew in their guts but that had never before been so well articulated. Most important, the idea held the potential for positive change. Instead of being stuck with the hand they’d been dealt, people could take steps to enhance their emotional intelligence and make themselves more effective in their work and personal lives.

Indeed, the concept of emotional intelligence had real impact. The only problem is that so far emotional intelligence has been viewed only as an individual competency, when the reality is that most work in organizations is done by teams. And if managers have one pressing need today, it’s to find ways to make teams work better.
It is with real excitement, therefore, that we share these findings from our research: individual emotional intelligence has a group analog, and it is just as critical to groups’ effectiveness. Teams can develop greater emotional intelligence and, in so doing, boost their overall performance.

Why Should Teams Build Their Emotional Intelligence?

No one would dispute the importance of making teams work more effectively. But most research about how to do so has focused on identifying the task processes that distinguish the most successful teams—that is, specifying the need for cooperation, participation, commitment to goals, and so forth. The assumption seems to be that, once identified, these processes can simply be imitated by other teams, with similar effect. It’s not true. By analogy, think of it this way: a piano student can be taught to play Minuet in G, but he won’t become a modern-day Bach without knowing music theory and being able to play with heart. Similarly, the real source of a great team’s success lies in the fundamental conditions that allow effective task processes to emerge—and that cause members to engage in them wholeheartedly.

Our research tells us that three conditions are essential to a group’s effectiveness: trust among members, a sense of group identity, and a sense of group efficacy. When these conditions are absent, going through the motions of cooperating and participating is still possible. But the team will not be as effective as it could be, because members will choose to hold back rather than fully engage. To be most effective, the team needs to create emotionally intelligent norms—the attitudes and behaviors that eventually become habits—that support behaviors for building trust, group identity, and group efficacy. The outcome is complete engagement in tasks. (For more on how emotional intelligence influences these conditions, see the sidebar “A Model of Team Effectiveness.”)

Three Levels of Emotional Interaction

Make no mistake: a team with emotionally intelligent members does not necessarily make for an emotionally intelligent group. A team, like any social group, takes on its own character. So creating an upward, self-reinforcing spiral of trust, group identity, and group efficacy requires more than a few members who exhibit emotionally intelligent behavior. It requires a team atmosphere in which the norms build emotional capacity (the ability to respond constructively in emotionally uncomfortable situations) and influence emotions in constructive ways.

Team emotional intelligence is more complicated than individual emotional intelligence because teams interact at more levels. To understand the differences, let’s first look at the concept of individual emotional intelligence as defined by Daniel Goleman. In his definitive book Emotional Intelligence, Goleman explains the chief characteristics of someone with high EI; he or she is aware of emotions and able to regulate them—and this awareness and regulation are directed both inward, to one’s self, and outward, to others. “Personal competence,” in Goleman’s words, comes from being aware of and regulating one’s own emotions. “Social competence” is awareness and regulation of others’ emotions.

A group, however, must attend to yet another level of awareness and regulation. It must be mindful of the emotions of its members, its own group emotions or moods, and the emotions of other groups and individuals outside its boundaries.

In this article, we’ll explore how emotional incompetence at any of these levels can cause dysfunction. We’ll also show how establishing specific group norms that create awareness and regulation of emotion at these three levels can lead to better outcomes. First, we’ll focus on the individual level—how emotionally intelligent groups work with their individual members’ emotions. Next, we’ll focus on the group level. And finally, we’ll look at the cross-boundary level.

Working with Individuals’ Emotions

Jill Kasper, head of her company’s customer service department, is naturally tapped to join a new cross-functional team focused on enhancing the customer experience: she has extensive experience in and a real passion for customer service. But her teammates find she brings little more than a bad attitude to the table. At an early brainstorming session, Jill sits silent, arms crossed, rolling her eyes. Whenever the team starts to get energized about an idea, she launches into a detailed account of how a similar idea went nowhere in the past. The group is confused: this is the customer service star they’ve been hearing about? Little do they realize she feels insulted by the very formation of the team. To her, it implies she hasn’t done her job well enough.

When a member is not on the same emotional wavelength as the rest, a team needs to be emotionally intelligent vis-à-vis that individual. In part, that simply means being aware of the problem. Having a norm that encourages interpersonal understanding might facilitate an awareness that Jill is acting out of defensiveness. And picking up on this defensiveness is necessary if the team

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A Model of Team Effectiveness

Study after study has shown that teams are more creative and productive when they can achieve high levels of participation, cooperation, and collaboration among members. But interactive behaviors like these aren’t easy to legislate. Our work shows that three basic conditions need to be present before such behaviors can occur: mutual trust among members, a sense of group identity (a feeling among members that they belong to a unique and worthwhile group), and a sense of group efficacy (the belief that the team can perform well and that group members are more effective working together than apart).

At the heart of these three conditions are emotions. Trust, a sense of identity, and a feeling of efficacy arise in environments where emotion is well handled, so groups stand to benefit by building their emotional intelligence.

Group emotional intelligence isn’t a question of dealing with a necessary evil—catching emotions as they bubble up and promptly suppressing them. Far from it. It’s about bringing emotions deliberately to the surface and understanding how they affect the team’s work. It’s also about behaving in ways that build relationships both inside and outside the team and that strengthen the team’s ability to face challenges. Emotional intelligence means exploring, embracing, and ultimately relying on emotion in work that is, at the end of the day, deeply human.
which each member creates a small poster representing his or her ideas. As team members will attest, these methods and others have helped the group build trust and increase participation.

Regulating Individuals’ Emotions

Interpersonal understanding and perspective taking are two ways that groups can become more aware of their members’ perspectives and feelings. But just as important as awareness is the ability to regulate those emotions—to have a positive impact on how they are expressed and even on how individual team members feel. We’re not talking about imposing groupthink or some other form of manipulation here—clearly, the goal must be to balance the team’s cohesion with members’ individuality. We’re simply acknowledging that people take their emotional cues from those around them. Something that seems upsetting initially can seem not so bad—or ten times worse—depending on whether one’s colleagues are inclined to smooth feathers or fan flames. The most constructive way of regulating team members’ emotions is by establishing norms in the group for both confrontation and caring.

It may seem illogical to suggest that an emotionally intelligent group must engage in confrontation, but it’s not. Inevitably, a team member will indulge in behavior that crosses the line, and the team must feel comfortable calling the foul. In one manufacturing team we studied, a member told us about the day she selfishly decided to extend her break. Before long, one of her teammates stormed into the break room, saying, “What are you doing in here? Get back out on the floor—your team needs you!” The woman had overstepped the bounds, and she got called on it. There were no hard feelings, because the woman knew the group valued her contributions.

Some teams also find that a little humor helps when pointing out errant behavior. Teasing someone who is habitually late for meetings, for instance, can make that person aware of how important timeliness is to the group. Done right, confrontation can be seen in a positive light; it’s a way for the group to say, “We want you in—we need your contribution.” And it’s especially important when a team must work together on a long-term assignment. Without confrontation, disruptive behavior can fester and erode a sense of trust in a team.

Establishing norms that reinforce caring behavior is often not very difficult and usually a matter of concentrating on little things. When an individual is upset, for example, it may make all the difference to have group members acknowledge that person’s feelings. We saw this in a meeting where one team member arrived angry because the time and place of the meeting was very inconvenient for him. When another member announced the sacrifice the man had made to be there, and thanked him, the man’s attitude turned around 180 degrees. In general, a caring orientation includes displaying positive regard, appreciation, and respect for group members through behaviors such as support, validation, and compassion.

Interpersonal understanding, perspective taking, confrontation, caring—these norms build trust and a sense of group identity among members. And all of them can be established in teams where they don’t arise naturally. You may ask, But is it really worth all the effort? Does it make sense to spend managerial time fostering new norms to accommodate a few prickly personalities? Of course it does. Teams are at the very foundation of an organization, and they won’t work effectively without mutual trust and a common commitment to goals.

Working with Group Emotions

Chris couldn’t believe it, but he was requesting a reassignment. The team he was on was doing good work, staying on budget, and hitting all its deadlines—though not always elegantly. Its leader, Stan Evans, just got a promotion. So why was being on the team such a downer? At the last major status meeting, they should have been serving champagne—so much had been achieved. Instead, everyone was thoroughly dispirited over a setback they hadn’t foreseen, which turned out later to be no big deal. It seemed no matter what happened, the group griped. The team even saw Stan’s promotion in a negative light: “Oh, so I guess management wants to keep a closer eye on us” and “I hear Stan’s new boss doesn’t back this project.” Chris had a friend on another team who was happy to put in a good word for him. The work was inherently less interesting—but hey, at least they were having fun.

Some teams suffer because they aren’t aware of emotions at the group level. Chris’s team, for instance, isn’t aware of all it has achieved, and it doesn’t acknowledge that it has fallen into a malaise. In our study of effective teams, we’ve found that having norms for group self-awareness—of emotional states, strengths and weaknesses, modes of interaction, and task processes—is a critical part of group emotional intelligence that facilitates group efficacy. Teams gain it both through self-evaluation and by soliciting feedback from others.

Self-evaluation can take the form of a formal event or a constant activity. At Sherwin Williams, a group of managers was starting a new initiative that would require higher levels of teamwork. Group members hired a con-
sultant, but before the consultant arrived, they met to assess their strengths and weaknesses as a team. They found that merely articulating the issues was an important step toward building their capabilities.

A far less formal method of raising group emotional awareness is through the kind of activity we saw at the Veterans Health Administration's Center for Leadership and Development. Managers there have developed a norm in which they are encouraged to speak up when they feel the group is not being productive. For example, if there's a post-lunch lull and people on the team are low on energy, someone might say, “Don't we look like a bunch of sad sacks?” With attention called to it, the group makes an effort to refocus.

Emotionally competent teams don't wear blinders; they have the emotional capacity to face potentially difficult information and actively seek opinions on their task processes, progress, and performance from the outside. For some teams, feedback may come directly from customers. Others look to colleagues within the company, to suppliers, or to professional peers. A group of designers we studied routinely posts its work in progress on walls throughout the building, with invitations to comment and critique. Similarly, many advertising agencies see annual industry competitions as a valuable source of feedback on their creative teams' work.

**Regulating Group Emotions**

Many teams make conscious efforts to build team spirit. Team-building outings, whether purely social or Outward Bound–style physical challenges, are popular methods for building this sense of collective enthusiasm. What's going on here is that teams and their leaders recognize they can improve a team's overall attitude—that is, they are regulating group-level emotion. And while the focus of a team-building exercise is often not directly related to a group's actual work, the benefits are highly relevant: teams come away with higher emotional capacity and thus a greater ability to respond to emotional challenges.

The most effective teams we have studied go far beyond the occasional “ropes and rocks” off-site. They have established norms that strengthen their ability to respond effectively to the kind of emotional challenges a group confronts on a daily basis. The norms they favor accomplish three main things: they create resources for working with emotions, foster an affirmative environment, and encourage proactive problem solving.

Teams need resources that all members can draw on to deal with group emotions. One important resource is a common vocabulary. To use an example, a group member at the Veterans Health Administration picked up on another member's bad mood and told him that he was just “cranky” today. The “cranky” term stuck and became the group's gentle way of letting someone know that their negativity was having a bad effect on the group. Other resources may include helpful ways to vent frustrations. One executive team leader we interviewed described his team's practice of making time for a “wailing wall”—a few minutes of whining and moaning about some setback. Releasing and acknowledging those negative emotions,
the leader says, allows the group to refocus its attention on the parts of the situation it can control and channel its energy in a positive direction. But sometimes, venting takes more than words. We’ve seen more than one intense workplace outfitted with toys—like soft projectile shooters—that have been used in games of cube warfare.

Perhaps the most obvious way to build emotional capacity through regulating team-level emotion is simply to create an affirmative environment. Everyone values a team that, when faced with a challenge, responds with a can-do attitude. Again, it’s a question of having the right group norms—in this case, favoring optimism, and positive images and interpretations over negative ones. This doesn’t always come naturally to a team, as one executive we interviewed at the Hay Group knows. When external conditions create a cycle of negativity among group members, he takes it upon himself to change the atmosphere of the group. He consciously resists the temptation to join the complaining and blaming and instead tries to reverse the cycle with a positive, constructive note.

One of the most powerful norms we have seen for building a group’s ability to respond to emotionally challenging situations is an emphasis on proactive problem solving. We saw a lot of this going on in a manufacturing team we observed at AMP Corporation. Much of what this team needed to hit its targets was out of its strict control. But rather than sit back and point fingers, the team worked hard to get what it needed from others, and in some cases, took matters into its own hands. In one instance, an alignment problem in a key machine was creating faulty products. The team studied the problem and approached the engineering group with its own suggested design for a part that might correct the problem. The device worked, and the number of defective products decreased significantly.

This kind of problem solving is valuable for many reasons. It obviously serves the company by removing one more obstacle to profitability. But, to the point of our work, it also shows a team in control of its own emotions. It refused to feel powerless and was eager to take charge.

Working with Emotions Outside the Group

Jim sighed. The “Bugs” team was at it again. Didn’t they see that while they were high-fiving one another over their impressive productivity, the rest of the organization was paying for it? This time, in their self-managed wisdom, they’d decided to make a three months’ supply of one component. No changeover meant no machine downtime and a record low cost per unit. But now the group downstream was swamped with inventory it didn’t need and worried about shortages of something else. Jim braced himself for his visit to the floor. The Bugs didn’t take criticism well; they seemed to think they were flawless and that everyone else was just trying to take them down a notch. And what was with that name, anyway? Some kind of inside joke, Jim guessed. Too bad nobody else got it.

The last kind of emotional intelligence any high-performing team should have relates to cross-boundary relationships. Just as individuals should be mindful of their own emotions and others’, groups should look both inward and outward emotionally. In the case of the Bugs, the team is acting like a clique—creating close emotional ties within but ignoring the feelings, needs, and concerns of important individuals and teams in the broader organization.

Some teams have developed norms that are particularly helpful in making them aware of the broader organizational context. One practice is to have various team members act as liaisons to important constituencies. Many teams are already made up of members drawn from different parts of an organization, so a cross-boundary perspective comes naturally. Others need to work a little harder. One team we studied realized it would be important to understand the perspective of its labor union. Consequently, a team member from HR went to some lengths to discover the right channels for having a union member appointed to the group. A cross-boundary perspective is especially important in situations where a team’s work will have significant impact on others in the organization—for example, where a team is asked to...
### Norms That Create Awareness of Emotions

**Interpersonal Understanding**
1. Take time away from group tasks to get to know one another.
2. Have a “check in” at the beginning of the meeting – that is, ask how everyone is doing.
3. Assume that undesirable behavior takes place for a reason. Find out what that reason is. Ask questions and listen. Avoid negative attributions.
4. Tell your teammates what you’re thinking and how you’re feeling.

**Perspective Taking**
1. Ask whether everyone agrees with a decision.
2. Ask quiet members what they think.
3. Question decisions that come too quickly.
4. Appoint a devil’s advocate.

### Norms That Help Regulate Emotions

**Confronting**
1. Set ground rules and use them to point out errant behavior.
2. Call members on errant behavior.
3. Create playful devices for pointing out such behavior. These often emerge from the group spontaneously. Reinforce them.

**Caring**
1. Support members: volunteer to help them if they need it, be flexible, and provide emotional support.
2. Validate members’ contributions. Let members know they are valued.
3. Protect members from attack.
5. Never be derogatory or demeaning.

### Creating Resources for Working with Emotion

1. Make time to discuss difficult issues, and address the emotions that surround them.
2. Find creative, shorthand ways to acknowledge and express the emotion in the group.
3. Create fun ways to acknowledge and relieve stress and tension.
4. Express acceptance of members’ emotions.

### Creating an Affirmative Environment

1. Reinforce that the team can meet a challenge. Be optimistic. For example, say things like, “We can get through this” or “Nothing will stop us.”
2. Focus on what you can control.
3. Remind members of the group’s important and positive mission.
4. Remind the group how it solved a similar problem before.
5. Focus on problem solving, not blaming.

### Solving Problems Proactively

1. Anticipate problems and address them before they happen.
2. Take the initiative to understand and get what you need to be effective.
3. Do it yourself if others aren’t responding. Rely on yourself, not others.

### Group

**Team Self-Evaluation**
1. Schedule time to examine team effectiveness.
2. Create measurable task and process objectives and then measure them.
3. Acknowledge and discuss group moods.
4. Communicate your sense of what is transpiring in the team.
5. Allow members to call a “process check.” (For instance, a team member might say, “Process check: is this the most effective use of our time right now?”)

**Seeking Feedback**
1. Ask your “customers” how you are doing.
2. Post your work and invite comments.

### Norms That Create Awareness of Emotions

**Organizational Understanding**
1. Find out the concerns and needs of others in the organization.
2. Consider who can influence the team’s ability to accomplish its goals.
3. Discuss the culture and politics in the organization.
4. Ask whether proposed team actions are congruent with the organization’s culture and politics.

### Cross-Boundary

**Building External Relationships**
1. Create opportunities for networking and interaction.
2. Ask about the needs of other teams.
3. Provide support for other teams.
4. Invite others to team meetings if they might have a stake in what you are doing.
design an intranet to serve everyone’s needs. We’ve seen many situations in which a team is so enamored of its solution that it is caught completely by surprise when others in the company don’t share its enthusiasm.

Some of the most emotionally intelligent teams we have seen are so attuned to their broader organizational context that it affects how they frame and communicate their own needs and accomplishments. A team at the chemical-processing company KoSa, for example, felt it needed a new piece of manufacturing equipment, but senior management wasn’t so sure the purchase was a priority. Aware that the decision makers were still on the fence, the team decided to emphasize the employee safety benefits of the new machine—just one aspect of its desirability to them, but an issue of paramount importance to management. At a plant safety meeting attended by high-level managers, they made the case that the equipment they were seeking would greatly reduce the risk of injury to workers. A few weeks later they got it.

Sometimes, a team must be particularly aware of the needs and feelings of another group within the organization. We worked with an information technology company where the hardware engineers worked separately from the software engineers to achieve the same goal—faster processing and fewer crashes. Each could achieve only so much independently. When finally a hardware team leader went out of his way to build relationships with the software people, the two teams began to cooperate—and together, they achieved 20% to 40% higher performance than had been targeted.

This kind of positive outcome can be facilitated by norms that encourage a group to recognize the feelings and needs of other groups. We saw effective norms for interteam awareness at a division of AMP, where each manufacturing team is responsible for a step in the manufacturing process and they need one another to complete the product on time. Team leaders meet in the morning to understand the needs, resources, and schedules of each team. If one team is ahead and another is behind, they reallocate resources. Members of the faster team help the team that’s behind and do so in a friendly way that empathizes with their situation and builds the relationship.

Most of the examples we’ve been citing show teams that are not only aware of but also able to influence outsiders’ needs and perspectives. This ability to regulate emotion at the cross-boundary level is a group’s version of the “social skills” so critical to individual emotional intelligence. It involves developing external relationships and gaining the confidence of outsiders, adopting an ambassadorial role instead of an isolationist one.

A manufacturing team we saw at KoSa displayed very high social skills in working with its maintenance team. It recognized that, when problems occurred in the plant, the maintenance team often had many activities on its plate. All things being equal, what would make the maintenance team consider this particular manufacturing group a high priority? Knowing a good relationship would be a factor, the manufacturing team worked hard to build good ties with the maintenance people. At one point, for instance, the manufacturing team showed its appreciation by nominating the maintenance team for “Team of the Quarter” recognition—and then doing all the letter writing and behind-the-scenes praising that would ultimately help the maintenance team win. In turn, the manufacturing team’s good relationship with maintenance helped it become one of the highest producers in the plant.

A Model for Group Emotional Intelligence

We’ve been discussing the need for teams to learn to channel emotion effectively at the three levels of human interaction important to them: team to individual member, team to itself, and team to outside entities. Together, the norms we’ve been exploring help groups work with emotions productively and intelligently. Often, groups with emotionally intelligent members have norms like these in place, but it’s unlikely any group would unconsciously come up with all the norms we have outlined.

In other words, this is a model for group emotional intelligence that any work team could benefit from by applying it deliberately.

What would the ultimate emotionally intelligent team look like? Closest to the ideal are some of the teams we’ve seen at IDEO, the celebrated industrial design firm. IDEO’s creative teams are responsible for the look and feel of products like Apple’s first mouse, the Crest toothpaste tube, and the Palm V personal digital assistant. The firm routinely wins competitions for the form and function of its designs and even has a business that teaches creative problem-solving techniques to other companies.

The nature of IDEO’s work calls for high group emotional intelligence. Under pressure of client deadlines and budget estimates, the company must deliver innovative, aesthetic solutions that balance human needs with engineering realities. It’s a deep philosophical belief at IDEO
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that great design is best accomplished through the creative friction of diverse teams and not the solitary pursuit of brilliant individuals, so it’s imperative that the teams at IDEO click. In our study of those teams, we found group norms supporting emotional intelligence at all three levels of our model.

First, the teams at IDEO are very aware of individual team members’ emotions, and they are adept at regulating them. For example, an IDEO designer became very frustrated because someone from marketing was insisting a logo be applied to the designer’s product, which he felt would ruin it visually. At a meeting about the product, the team’s project leader picked up on the fact that something was wrong. The designer was sitting off by himself, and things “didn’t look right.” The project leader looked into the situation and then initiated a negotiation that led to a mutual solution.

IDEO team members also confront one another when they break norms. This is common during brainstorming sessions, where the rule is that people must defer judgment and avoid shooting down ideas. If someone breaks that norm, the team comes down on him in a playful yet forceful way (imagine being pelted by foam toys). Or if someone is out of line, the norm is to stand up and call her on it immediately. If a client is in the room, the confrontation is subtler—perhaps a kick under the chair.

Teams at IDEO also demonstrate strengths in group-focused emotional intelligence. To ensure they have a high level of self-awareness, teams constantly seek feedback from both inside and outside the organization. Most important, they work very closely with customers. If a design is not meeting customer expectations, the team finds out quickly and takes steps to modify it.

Regulating group emotion at IDEO often means providing outlets for stress. This is a company that believes in playing and having fun. Several hundred finger blasters (a toy that shoots soft projectiles) have been placed around the building for employees to pick up and start shooting when they’re frustrated. Indeed, the design firm’s culture welcomes the expression of emotions, so it’s not uncommon for someone—whether happy or angry—to stand up and yell. IDEO has even created fun office projects that people can work on if they need a break. For example, they might have a project to design the company holiday card or to design the “tourist stop” displays seen by visitors.

Finally, IDEO teams also have norms to ensure they are aware of the needs and concerns of people outside their boundaries and that they use that awareness to develop relationships with those individuals and groups. On display at IDEO is a curious model: a toy truck with plastic pieces on springs that pop out of the bed of the truck when a button is pressed. It turns out the model commemorates an incident that taught a variety of lessons. The story centers on a design team that had been working for three weeks on a very complex plastic enclosure for a product. Unfortunately, on the Thursday before a Monday client deadline, when an engineer was taking it to be painted, it slipped from his pickup bed and exploded on the road at 70 mph. The team was willing to work through the weekend to rebuild the part but couldn’t finish it without the help of the outside fabricator it had used on the original. Because they had taken the time to build a good relationship with the fabricator, its people were willing to go above and beyond the call of duty. The light-hearted display was a way for teammates to show the engineer that all was forgiven—and a reminder to the rest of the organization of how a team in crisis can get by with a little help from its friends.

Where Do Norms Come From?

Not every company is as dependent on teams and their emotional intelligence as IDEO. But now more than ever, we see companies depending on teams for decisions and tasks that, in another time, would have been the work of individuals. And unfortunately, we also see them discovering that a team can have everything going for it—the brightest and most qualified people, access to resources, a clear mission—but still fail because it lacks group emotional intelligence.

Norms that build trust, group identity, and group efficacy are the key to making teams click. They allow otherwise highly skilled and resourced team to fulfill its potential, and they can help a team faced with substantial challenges achieve surprising victories. So how do norms as powerful as the ones we’ve described in this article come about? In our research, we saw them being introduced from any of five basic directions: by formal team leaders, by informal team leaders, by courageous followers, through training, or from the larger organizational culture. (For more on how to establish the norms described in this article, see the sidebar “Building Norms for Three Levels of Group Emotional Intelligence.”)

At the Hay Group, for example, it was the deliberate action of a team leader that helped one group see the importance of emotions to the group’s overall effectiveness. Because this particular group was composed of managers...
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creating the greatest value in the new economy. Unfortunately, it’s the most difficult piece of the puzzle to put in place at companies that don’t already have it. For organizations with long histories of employees checking their emotions at the door, change will occur, if at all, one team at a time.

Becoming Intelligent About Emotion

The research presented in this article arose from one simple imperative: in an era of teamwork, it’s essential to figure out what makes teams work. Our research shows that, just like individuals, the most effective teams are emotionally intelligent ones—and that any team can attain emotional intelligence.

In this article, we’ve attempted to lay out a model for positive change, containing the most important types of norms a group can create to enhance its emotional intelligence. Teams, like all groups, operate according to such norms. By working to establish norms for emotional awareness and regulation at all levels of interaction, teams can build the solid foundation of trust, group identity, and group efficacy they need for true cooperation and collaboration—and high performance overall.

from many different cultures, its leader knew he couldn’t assume all the members possessed a high level of interpersonal understanding. To establish that norm, he introduced novelties like having a meeting without a table, using smaller groups, and conducting an inventory of team members’ various learning styles.

Interventions like these can probably be done only by a formal team leader. The ways informal leaders or other team members enhance emotional intelligence are typically more subtle, though often just as powerful. Anyone might advance the cause, for example, by speaking up if the group appears to be ignoring an important perspective or feeling—or simply by doing his or her part to create an affirmative environment.

Training courses can also go a long way toward increasing emotional awareness and showing people how to regulate emotions. We know of many companies that now focus on emotional issues in leadership development courses, negotiation and communication workshops, and employee-assistance programs like those for stress management. These training programs can sensitize team members to the importance of establishing emotionally intelligent norms.

Finally, perhaps more than anything, a team can be influenced by a broader organizational culture that recognizes and celebrates employee emotion. This is clearly the case at IDEO and, we believe, at many of the companies
This article lays the foundation for understanding group-level EI by defining the five basic competencies of individual emotional intelligence. As Goleman explains, these competencies fall into two categories: self-management and ability to relate to others. Self-management skills include 1) self-awareness (knowledge of one’s strengths and weaknesses), 2) self-regulation (ability to control one’s impulses), and 3) motivation (a passion for achievement for its own sake). The ability to relate well to others requires 1) empathy (ability to take others’ feelings into account during decision-making) and 2) social skill (ability to build rapport with and influence others). Goleman argues that strength in these five areas distinguishes outstanding performers from merely adequate ones. How can you hone these skills? According to Goleman, it’s extended practice, feedback from colleagues, and personal enthusiasm for making the change.

BOOKS

Emotional Intelligence by Daniel Goleman (Bantam Books, 1997)
This is the groundbreaking book that first riveted the public’s attention on the field of emotional intelligence. In it, Goleman draws on brain and behavioral research to show that our traditional, IQ-idolizing view of intelligence is far too narrow. It’s emotional intelligence, he argues, that most strongly determines human success. The book contains a wealth of engaging vignettes and describes the core EI competencies in detail. And as Goleman explains, EQ, unlike IQ, can keep developing through life experiences. He offers suggestions for combining emotions and thinking in your daily functioning in order to build a flourishing career and cultivate lasting, meaningful relationships.

Working with Emotional Intelligence by Daniel Goleman (Bantam Books, 2000)
This is another valuable resource for understanding and using the concepts in “Building Emotional Intelligence in Groups.” In this book, Goleman takes the concepts he introduced in Emotional Intelligence directly into the workplace. As he explains, the ability to manage one’s feelings, interact effectively with others, and communicate are more than twice as important as IQ or job skills in determining workplace success. Goleman draws on analyses from 500 corporations, government agencies, and not-for-profit organizations and explores the implications of these studies for job training, team learning, and management.
For blow-the-roof-off performance, a team is often the vehicle of choice.

But to excel, a team needs the right ingredients.

New sections to guide you through the article:
- The Idea in Brief
- The Idea at Work
- Exploring Further...
The word team gets bandied about so loosely that many managers are oblivious to its real meaning—or its true potential. With a run-of-the-mill working group, performance is a function of what the members do as individuals. A team's performance, by contrast, calls for both individual and mutual accountability. Though it may not seem like anything special, mutual accountability can lead to astonishing results. It enables a team to achieve performance levels that are far greater than the individual bests of the team's members. To achieve these benefits, team members must do more than listen, respond constructively, and provide support to one another. In addition to sharing these team-building values, they must share an essential discipline.

The Discipline of Teams

A team's essential discipline comprises five characteristics:

1. **A meaningful common purpose that the team has helped shape.** Most teams are responding to an initial mandate from outside the team. But to be successful, the team must "own" this purpose, develop its own spin on it.

2. **Specific performance goals that flow from the common purpose.** For example, getting a new product to market in less than half the normal time. Compelling goals inspire and challenge a team, give it a sense of urgency. They also have a leveling effect, requiring members to focus on the collective effort necessary rather than any differences in title or status.

3. **A mix of complementary skills.** These include technical or functional expertise, problem-solving and decision-making skills, and interpersonal skills. Successful teams rarely have all the needed skills at the outset—they develop them as they learn what the challenge requires.

4. **A strong commitment to how the work gets done.** Teams must agree on who will do what jobs, how schedules will be established and honored, and how decisions will be made and modified. On a genuine team, each member does equivalent amounts of real work; all members, the leader included, contribute in concrete ways to the team's collective work-products.

5. **Mutual accountability.** Trust and commitment cannot be coerced. The process of agreeing upon appropriate goals serves as the crucible in which members forge their accountability to each other—not just to the leader.

Once the essential discipline has been established, a team is free to concentrate on the critical challenges it faces:

- For a team whose purpose is to make recommendations, that means making a fast and constructive start and providing a clean handoff to those who will implement the recommendations.

- For a team that makes or does things, it's keeping the specific performance goals in sharp focus.

- For a team that runs things, the primary task is distinguishing the challenges that require a real team approach from those that don't.

If a task doesn't demand joint work-products, a working group can be the more effective option. Team opportunities are usually those in which hierarchy or organizational boundaries inhibit the skills and perspectives needed for optimal results. Little wonder, then, that teams have become the primary units of productivity in high-performance organizations.
Early in the 1980s, Bill Greenwood and a small band of rebel railroaders took on most of the top management of Burlington Northern and created a multibillion-dollar business in “piggybacking” rail services despite widespread resistance, even resentment, within the company. The Medical Products Group at Hewlett-Packard owes most of its leading performance to the remarkable efforts of Dean Morton, Lew Platt, Ben Holmes, Dick Alberting, and a handful of their colleagues who revitalized a health care business that most others had written off. At Knight-Ridder, Jim Batten’s “customer obsession” vision took root at the Tallahassee Democrat when 14 frontline enthusiasts turned a charter to eliminate errors into a mission of major change and took the entire paper along with them.

Such are the stories and the work of teams – real teams that perform, not amorphous groups that we call teams because we think that the label is motivating and energizing. The difference between teams that perform and other groups that don’t is a subject to which most of us pay far too little attention. Part of the problem is that team is a word and concept so familiar to everyone.

Or at least that’s what we thought when we set out to do research for our book The Wisdom of Teams. We wanted to discover what differentiates various levels of team performance, where and how teams work best, and what top management can do to enhance their effectiveness. We talked with hundreds of people on more than 50 different teams in

30 companies and beyond, from Motorola and Hewlett-Packard to Operation Desert Storm and the Girl Scouts.

We found that there is a basic discipline that makes teams work. We also found that teams and good performance are inseparable; you cannot have one without the other. But people use the word team so loosely that it gets in the way of learning and applying the discipline that leads to good performance. For managers to make better decisions about whether, when, or how to encourage and use teams, it is important to be more precise about what a team is and what it isn’t.

Most executives advocate teamwork. And they should. Teamwork represents a set of values that encourage listening and responding constructively to views expressed by others, giving others the benefit of the doubt, providing support, and recognizing the interests and achievements of others. Such values help teams perform, and they also promote individual performance as well as the performance of an entire organization. But teamwork values by themselves are not exclusive to teams, nor are they enough to ensure team performance.

Nor is a team just any group working together. Committees, councils, and task forces are not necessarily teams. Groups do not become teams simply because that is what someone calls them. The entire work force of any large and complex organization is never a team, but think about how often that platitude is offered up.

To understand how teams deliver extra performance, we must distinguish between teams and other forms of working groups. That distinction turns on performance results. A working group’s performance is a function of what its members do as individuals. A team’s performance includes both individual results and what we call “collective work-products.” A collective work-product is what two or more members must work on together, such as interviews, surveys, or experiments. Whatever it is, a collective work-product reflects the joint, real contribution of team members.

Working groups are both prevalent and effective in large organizations where individual accountability is most important. The best working groups come together to share information, perspectives, and insights, to make decisions that help each person do his or her job better, and to reinforce individual performance standards. But the focus is always on individual goals and accountabilities. Working-group members don’t take responsibility for results other than their own. Nor do they try to develop incremental performance contributions requiring the combined work of two or more members.

Teams differ fundamentally from working groups because they require both individual and mutual accountability. Teams rely on more than group discussion, debate, and decision; on more than sharing information and best practice performance standards. Teams produce discrete work-products through the joint contributions of their members. This is what makes possible performance levels greater than the sum of all the individual bests of team members. Simply stated, a team is more than the sum of its parts.

The first step in developing a disciplined approach to team management is to think about teams as discrete units of performance and not just as positive sets of values. Having observed and worked with scores of teams in action, both successes and failures, we offer the following. Think of it as a working definition or, better still, an essential discipline that real teams share.

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

The essence of a team is common commitment. Without it, groups perform as individuals; with it, they become a powerful unit of collective performance. This kind of commitment requires a purpose in which team members can believe. Whether the purpose is to “transform the contributions of suppliers into the satisfaction of customers,” to “make our company one we can be proud of again,” or to “prove that all children can learn,” credible team purposes have an element related to winning, being first, revolutionizing, or being on the cutting edge.

Teams develop direction, momentum, and commitment by working to shape a meaningful purpose. Building ownership and commitment to team purpose, however, is not incompatible with taking initial direction from outside the team. The often-asserted assumption that a team cannot “own” its purpose unless management leaves it alone actually confuses more potential teams than it helps. In fact, it is the exceptional case – for example, entrepreneurial situations – when a team creates a purpose entirely on its own.

Most successful teams shape their purposes in response to a demand or opportunity put in their path, usually by higher management. This helps teams get started by broadly framing the company’s performance expectation. Management is responsible for clarifying the charter, rationale, and perfor-
performance challenge for the team, but management must also leave enough flexibility for the team to develop commitment around its own spin on that purpose, set of specific goals, timing, and approach.

The best teams invest a tremendous amount of time and effort exploring, shaping, and agreeing on a purpose that belongs to them both collectively and individually. This “purposing” activity continues throughout the life of the team. In contrast, failed teams rarely develop a common purpose. For whatever reason – an insufficient focus on performance, lack of effort, poor leadership – they do not coalesce around a challenging aspiration.

The best teams also translate their common purpose into specific performance goals, such as reducing the reject rate from suppliers by 50% or increasing the math scores of graduates from 40% to 95%. Indeed, if a team fails to establish specific performance goals or if those goals do not relate directly to the team’s overall purpose, team members become confused, pull apart, and revert to mediocre performance. By contrast, when purposes and goals build on one another and are combined with team commitment, they become a powerful engine of performance.

Transforming broad directives into specific and measurable performance goals is the surest first step for a team trying to shape a purpose meaningful to its members. Specific goals, such as getting a new product to market in less than half the normal time, responding to all customers within 24 hours, or achieving a zero-defect rate while simultaneously cutting costs by 40%, all provide firm footholds for teams. There are several reasons:

- Specific team performance goals help to define a set of work-products that are different both from an organizationwide mission and from individual job objectives. As a result, such work-products require the collective effort of team members to make something specific happen that, in and of itself, adds real value to results. By contrast, simply gathering from time to time to make decisions will not sustain team performance.
- The specificity of performance objectives facilitates clear communication and constructive conflict within the team. When a plant-level team, for example, sets a goal of reducing average machine changeover time to two hours, the clarity of the goal forces the team to concentrate on what it would take either to achieve or to reconsider the goal. When such goals are clear, discussions can focus on how to pursue them or whether to change them; when goals are ambiguous or nonexistent, such discussions are much less productive.
- The attainability of specific goals helps teams maintain their focus on getting results. A product-development team at Eli Lilly’s Peripheral Systems Division set definite yardsticks for the market introduction of an ultrasonic probe to help doctors locate deep veins and arteries. The probe had to have an audible signal through a specified depth of tissue, be capable of being manufactured at a rate of 100 per day, and have a unit cost less than a pre-established amount. Because the team could measure...
its progress against each of these specific objectives, the team knew throughout the development process where it stood. Either it had achieved its goals or not.

As Outward Bound and other team-building programs illustrate, specific objectives have a leveling effect conducive to team behavior. When a small group of people challenge themselves to get over a wall or to reduce cycle time by 50%, their respective titles, perks, and other stripes fade into the background. The teams that succeed evaluate what and how each individual can best contribute to the team’s goal and, more important, do so in terms of the performance objective itself rather than a person’s status or personality.

Specific goals allow a team to achieve small wins as it pursues its broader purpose. These small wins are invaluable to building commitment and overcoming the inevitable obstacles that get in the way of a long-term purpose. For example, the Knight-Ridder team mentioned at the outset turned a narrow goal to eliminate errors into a compelling customer-service purpose.

Performance goals are compelling. They are symbols of accomplishment that motivate and energize. They challenge the people on a team to commit themselves, as a team, to make a difference. Drama, urgency, and a healthy fear of failure combine to drive teams who have their collective eye on an attainable, but challenging, goal. Nobody but the team can make it happen. It is their challenge.

The combination of purpose and specific goals is essential to performance. Each depends on the other to remain relevant and vital. Clear performance goals help a team keep track of progress and hold itself accountable; the broader, even nobler, aspirations in a team’s purpose supply both meaning and emotional energy.

Virtually all effective teams we have met, read or heard about, or been members of have ranged between 2 and 25 people. For example, the Burlington Northern “piggybacking” team had 7 members, the Knight-Ridder newspaper team, 14. The majority of them have numbered less than 10. Small size is admittedly more of a pragmatic guide than an absolute necessity for success. A large number of people, say 50 or more, can theoretically become a team. But groups of such size are more likely to break into subteams rather than function as a single unit.

Why? Large numbers of people have trouble interacting constructively as a group, much less doing real work together. Ten people are far more likely than fifty are to work through their individual, functional, and hierarchical differences toward a common plan and to hold themselves jointly accountable for the results.

Large groups also face logistical issues, such as finding enough physical space and time to meet. And they confront more complex constraints, like crowd or herd behaviors, which prevent the intense sharing of viewpoints needed to build a team. As a result, when they try to develop a common purpose, they usually produce only superficial “missions” and well-meaning intentions that cannot be translated into concrete objectives. They tend fairly quickly to reach a point when meetings become a chore, a clear sign that most of the people in the group are uncertain why they have gathered, beyond some notion of getting along better. Anyone who has been through one of these exercises knows how frustrating it can be. This kind of failure tends to foster cynicism, which gets in the way of future team efforts.

In addition to finding the right size, teams must develop the right mix of skills, that is, each of the complementary skills necessary to do the team’s job. As obvious as it sounds, it is a common failing in potential teams. Skill requirements fall into three fairly self-evident categories:

Goals help a team keep track of progress, while a broader purpose supplies meaning and emotional energy.
Technical or functional expertise. It would make little sense for a group of doctors to litigate an employment discrimination case in a court of law. Yet teams of doctors and lawyers often try medical malpractice or personal injury cases. Similarly, product-development groups that include only marketers or engineers are less likely to succeed than those with the complementary skills of both.

Problem-solving and decision-making skills. Teams must be able to identify the problems and opportunities they face, evaluate the options they have for moving forward, and then make necessary trade-offs and decisions about how to proceed. Most teams need some members with these skills to begin with, although many will develop them best on the job.

Interpersonal skills. Common understanding and purpose cannot arise without effective communication and constructive conflict, which in turn depend on interpersonal skills. These include risk taking, helpful criticism, objectivity, active listening, giving the benefit of the doubt, and recognizing the interests and achievements of others.

Obviously, a team cannot get started without some minimum complement of skills, especially technical and functional ones. Still, think about how often you’ve been part of a team whose members were chosen primarily on the basis of personal compatibility or formal position in the organization, and in which the skill mix of its members wasn’t given much thought.

It is equally common to overemphasize skills in team selection. Yet in all the successful teams we’ve encountered, not one had all the needed skills at the outset. The Burlington Northern team, for example, initially had no members who were skilled marketers despite the fact that their performance challenge was a marketing one. In fact, we discovered that teams are powerful vehicles for developing the skills needed to meet the team’s performance challenge. Accordingly, team member selection ought to ride as much on skill potential as on skills already proven.

effective teams develop strong commitment to a common approach, that is, to how they will work together to accomplish their purpose. Team members must agree on who will do particular jobs, how schedules will be set and adhered to, what skills need to be developed, how continuing membership in the team is to be earned, and how the group will make and modify decisions. This element of commitment is as important to team performance as is the team’s commitment to its purpose and goals.

Agreeing on the specifics of work and how they fit together to integrate individual skills and advance team performance lies at the heart of shaping a common approach. It is perhaps self-evident that an approach that delegates all the real work to a few members (or staff outsiders), and thus relies on reviews and meetings for its only “work together” aspects, cannot sustain a real team. Every member of a successful team does equivalent amounts of real work; all members, including the team leader, contribute in concrete ways to the team’s work-product. This is a very important element of the emotional logic that drives team performance.
When individuals approach a team situation, especially in a business setting, each has preexisting job assignments as well as strengths and weaknesses reflecting a variety of backgrounds, talents, personalities, and prejudices. Only through the mutual discovery and understanding of how to apply all its human resources to a common purpose can a team develop and agree on the best approach to achieve its goals. At the heart of such long and, at times, difficult interactions lies a commitment-building process in which the team candidly explores who is best suited to each task as well as how individual roles will come together. In effect, the team establishes a social contract among members that relates to their purpose and guides and obligates how they must work together.

No group ever becomes a team until it can hold itself accountable as a team. Like common purpose and approach, mutual accountability is a stiff test. Think, for example, about the subtle but critical difference between “the boss holds me accountable” and “we hold ourselves accountable.” The first case can lead to the second; but without the second, there can be no team.

Companies like Hewlett-Packard and Motorola have an ingrained performance ethic that enables teams to form “organically” whenever there is a clear performance challenge requiring collective rather than individual effort. In these companies, the factor of mutual accountability is commonplace. “Being in the boat together” is how their performance game is played.

At its core, team accountability is about the sincere promises we make to ourselves and others, promises that underpin two critical aspects of effective teams: commitment and trust. Most of us enter a potential team situation cautiously because ingrained individualism and experience discourage us from putting our fates in the hands of others or accepting responsibility for others. Teams do not succeed by ignoring or wishing away such behavior.

Mutual accountability cannot be coerced any more than people can be made to trust one another. But when a team shares a common purpose, goals, and approach, mutual accountability grows as a natural counterpart. Accountability arises from and reinforces the time, energy, and action invested in figuring out what the team is trying to accomplish and how best to get it done.

When people work together toward a common objective, trust and commitment follow. Consequently, teams enjoying a strong common purpose and approach inevitably hold themselves responsible, both as individuals and as a team, for the team’s performance. This sense of mutual accountability also produces the rich rewards of mutual achievement in which all members share. What we heard over and over from members of effective teams is that they found the experience energizing and motivating in ways that their “normal” jobs never could match.

On the other hand, groups established primarily for the sake of becoming a team or for job enhancement, communication, organizational effectiveness, or excellence rarely become effective teams, as demonstrated by the bad feelings left in many companies after experimenting with quality circles that never translated “quality” into specific goals. Only when appropriate performance goals are set does the process of discussing the goals and the approaches to them give team members a clearer and clearer choice: they can disagree with a goal and the path that the team selects and, in effect, opt out, or they can pitch in and become accountable with and to their teammates.

The discipline of teams we’ve outlined is critical to the success of all teams. Yet it is also useful to go one step further. Most teams can be classified in one of three ways: teams that recommend things, teams that make or do things, and teams that run things. In our experience, each type faces a characteristic set of challenges.

Teams that recommend things. These teams include task forces, project groups, and audit, quality, or safety groups asked to study and solve particular problems. Teams that recommend things almost always have predetermined completion dates. Two critical issues are unique to such teams: getting off to a fast and constructive start and dealing with the ultimate handoff required to get recommendations implemented.

The key to the first issue lies in the clarity of the team’s charter and the composition of its membership. In addition to wanting to know why and how their efforts are important, task forces need a clear definition of whom management expects to participate and the time commitment required. Management can help by ensuring that the team includes people with the skills and influence necessary for crafting practical recommendations that will carry weight throughout the organization. Moreover,
management can help the team get the necessary cooperation by opening doors and dealing with political obstacles.

Missing the handoff is almost always the problem that stymies teams that recommend things. To avoid this, the transfer of responsibility for recommendations to those who must implement them demands top management’s time and attention. The more top managers assume that recommendations will “just happen,” the less likely it is that they will. The more involvement task force members have in implementing their recommendations, the more likely they are to get implemented.

To the extent that people outside the task force will have to carry the ball, it is critical to involve them in the process early and often, certainly well before recommendations are finalized. Such involvement may take many forms, including participating in interviews, helping with analyses, contributing and critiquing ideas, and conducting experiments and trials. At a minimum, anyone responsible for implementation should receive a briefing on the task force’s purpose, approach, and objectives at the beginning of the effort as well as regular reviews of progress.

*Teams that make or do things.* These teams include people at or near the front lines who are responsible for doing the basic manufacturing, development, operations, marketing, sales, service, and other value-adding activities of a business. With some exceptions, like new-product development or process design teams, teams that make or do things tend to have no set completion dates because their activities are ongoing.

In deciding where team performance might have the greatest impact, top management should concentrate on what we call the company’s “critical delivery points,” that is, places in the organization where the cost and value of the company’s products and services are most directly determined.

Where does the team option make sense? Where the cost and value of the company’s products and services are most directly determined. Such critical delivery points might include where accounts get managed, customer service performed, products designed, and productivity determined. If performance at critical delivery points depends on combining multiple skills, perspectives, and judgments in real time, then the team option is the smartest one.

When an organization does require a significant number of teams at these points, the sheer challenge of maximizing the performance of so many groups will demand a carefully constructed and performance-focused set of management processes. The issue here for top management is how to build the necessary systems and process supports without falling into the trap of appearing to promote teams for their own sake.

The imperative here, returning to our earlier discussion of the basic discipline of teams, is a relentless focus on performance. If management fails to pay persistent attention to the link between teams and performance, the organization becomes convinced that “this year we are doing ‘teams.’” Top management’s focus on teams and performance challenges will keep both “performance” and “team” from becoming clichés.

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management can help by instituting processes like pay schemes and training for teams responsive to their real time needs, but more than anything else, top management must make clear and compelling demands on the teams themselves and then pay constant attention to their progress with respect to both team basics and performance results. This means focusing on specific teams and specific performance challenges. Otherwise “performance,” like “team,” will become a cliché.

*Teams that run things.* Despite the fact that many leaders refer to the group reporting to them as a team, few groups really are. And groups that become real teams seldom think of themselves as a team because they are so focused on performance results. Yet the opportunity for such teams includes groups from the top of the enterprise down through the divisional or functional level. Whether it is in charge of thousands of people or a handful, as long as the group oversees some business, ongoing program, or significant functional activity, it is a team that runs things.

The main issue these teams face is determining whether a real team approach is the right one. Many groups that run things can be more effective as working groups than as teams. The key judgment is whether the sum of individual bests will suffice for the performance challenge at hand or whether
the group must deliver substantial incremental performance requiring real, joint work-products. Although the team option promises greater performance, it also brings more risk, and managers must be brutally honest in assessing the trade-offs.

Members may have to overcome a natural reluctance to trust their fate to others. The price of faking the team approach is high: at best, members get diverted from their individual goals, costs outweigh benefits, and people resent the imposition on their time and priorities; at worst, serious animosities develop that undercut even the potential personal bests of the working-group approach.

Working groups present fewer risks. Effective working groups need little time to shape their purpose since the leader usually establishes it. Meetings are run against well-prioritized agendas. And decisions are implemented through specific individual assignments and accountabilities. Most of the time, therefore, if performance aspirations can be met through individuals doing their respective jobs well, the working-group approach is more comfortable, less risky, and less disruptive than trying for more elusive team performance levels. Indeed, if there is no performance need for the team approach, efforts spent to improve the effectiveness of the working group make much more sense than floundering around trying to become a team.

Having said that, we believe the extra level of performance teams can achieve is becoming critical for a growing number of companies, especially as they move through major changes during which company performance depends on broad-based behavioral change. When top management uses teams to run things, it should make sure the team succeeds in identifying specific purposes and goals.

This is a second major issue for teams that run things. Too often, such teams confuse the broad mission of the total organization with the specific purpose of their small group at the top. The discipline of teams tells us that for a real team to form there must be a team purpose that is distinctive and specific to the small group and that requires its members to roll up their sleeves and accomplish something beyond individual end-products. If a group of managers looks only at the economic performance of the part of the organization it runs to assess overall effectiveness, the group will not have any team performance goals of its own.

### Teams at the top are the most difficult but also the most powerful.

Although there is no guaranteed how-to recipe for building team performance, we observed a number of approaches shared by many successful teams.

**Establish urgency, demanding performance standards, and direction.** All team members need to believe the team has urgent and worthwhile purposes, and they want to know what the expectations are. Indeed, the more urgent and meaningful the rationale, the more likely it is that the team will live up to its performance potential, as was the case for a customer-service team that was told that further growth for the entire company would be impossible without major improvements in that area. Teams work best in a compelling context. That is why companies with strong performance ethics usually form teams readily.

**Select members for skill and skill potential, not personality.** No team succeeds without all the skills needed to meet its purpose and performance goals. Yet most teams figure out the skills they will need after they are formed. The wise manager will choose people both for their existing skills and their potential to improve existing skills and learn new ones.

**Pay particular attention to first meetings and actions.** Initial impressions always mean a great deal. When potential teams first gather, everyone monitors the signals given by others to confirm, suspend, or dispel assumptions and concerns. They pay particular attention to those in authority: the team leader and any executives who set up, oversee, or otherwise influence the team. And, as always, what such leaders do is more important than what they say. If a senior executive leaves the team kickoff to take a phone call ten minutes after the session has begun and he never returns, people get the message.

**Set some clear rules of behavior.** All effective teams develop rules of conduct at the outset to help them achieve their purpose and performance goals. The most critical initial rules pertain to attendance (for example, “no interruptions to take phone calls”), discussion (“no sacred cows”), confidentiality (“the only things to leave this room are what we agree on”), analytic approach (“facts are friendly”), end-product orientation (“everyone gets assignments and does them”), constructive confrontation (“no finger pointing”), and, often the most important, contributions (“everyone does real work”).
While the basic discipline of teams does not differ for them, teams at the top are certainly the most difficult. The complexities of long-term challenges, heavy demands on executive time, and the deep-seated individualism of senior people conspire against teams at the top. At the same time, teams at the top are the most powerful. At first we thought such teams were nearly impossible. That is because we were looking at the teams as defined by the formal organizational structure, that is, the leader and all his or her direct reports equals the team. Then we discovered that real teams at the top were often smaller and less formalized – Whitehead and Weinberg at Goldman, Sachs; Hewlett and Packard at HP; Krasnoff, Pall, and Hardy at Pall Corp; Kendall, Pearson, and Calloway at Pepsi; Haas and Haas at Levi Strauss; Batten and Ridder at Knight-Ridder. They were mostly twos and threes, with an occasional fourth.

Nonetheless, real teams at the top of large, complex organizations are still few and far between. Far too many groups at the top of large corporations needlessly constrain themselves from achieving real team levels of performance because they assume that all direct reports must be on the team; that team goals must be identical to corporate goals; that the team members’ positions rather than skills determine their respective roles; that a team must be a team all the time; and that the team leader is above doing real work.

As understandable as these assumptions may be, most of them are unwarranted. They do not apply to the teams at the top we have observed, and when replaced with more realistic and flexible assumptions that permit the team discipline to be applied, real team performance at the top can and does occur. Moreover, as more and more companies are confronted with the need to manage major change across their organizations, we will see more real teams at the top.

We believe that teams will become the primary unit of performance in high-performance organizations. But that does not mean that teams will crowd out individual opportunity or formal hierarchy and process. Rather, teams will enhance existing structures without replacing them. A team opportunity exists anywhere hierarchy or organizational boundaries inhibit the skills and perspectives needed for optimal results. Thus, new-product innovation requires preserving functional excellence through structure while eradicating functional bias through teams. And frontline productivity requires preserving direction and guidance through hierarchy while drawing on energy and flexibility through self-managing teams.

Set and seize upon a few immediate performance-oriented tasks and goals. Most effective teams trace their advancement to key performance-oriented events. Such events can be set in motion by immediately establishing a few challenging goals that can be reached early on. There is no such thing as a real team without performance results, so the sooner such results occur, the sooner the team congeals.

Challenge the group regularly with fresh facts and information. New information causes a team to redefine and enrich its understanding of the performance challenge, thereby helping the team shape a common purpose, set clearer goals, and improve its common approach. A plant quality improvement team knew the cost of poor quality was high, but it wasn’t until they researched the different types of defects and put a price tag on each one that they knew where to go next. Conversely, teams err when they assume that all the information needed exists in the collective experience and knowledge of their members.

Spend lots of time together. Common sense tells us that team members must spend a lot of time together, scheduled and unscheduled, especially in the beginning. Indeed, creative insights as well as personal bonding require impromptu and casual interactions just as much as analyzing spreadsheets and interviewing customers. Busy executives and managers too often intentionally minimize the time they spend together. The successful teams we’ve observed all gave themselves the time to learn to be a team. This time need not always be spent together physically; electronic, fax, and phone time can also count as time spent together.

Exploit the power of positive feedback, recognition, and reward. Positive reinforcement works as well in a team context as elsewhere. “Giving out gold stars” helps to shape new behaviors critical to team performance. If people in the group, for example, are alert to a shy person’s initial efforts to speak up and contribute, they can give the honest positive reinforcement that encourages continued contributions. There are many ways to recognize and reward team performance beyond direct compensation, from having a senior executive speak directly to the team about the urgency of its mission to using awards to recognize contributions. Ultimately, however, the satisfaction shared by a team in its own performance becomes the most cherished reward.
We are convinced that every company faces specific performance challenges for which teams are the most practical and powerful vehicle at top management’s disposal. The critical role for senior managers, therefore, is to worry about company performance and the kinds of teams that can deliver it. This means that top management must recognize a team’s unique potential to deliver results, deploy teams strategically when they are the best tool for the job, and foster the basic discipline of teams that will make them effective. By doing so, top management creates the kind of environment that enables team as well as individual and organizational performance.
ARTICLES


Teams whose members challenge one another’s thinking can create more options and ultimately make better decisions. But without the kind of discipline advocated by Katzenbach and Smith, such friction can become unproductive or downright ugly instead of creative. In this article, the authors identify six tactics that bring discipline to team decision making: Acquire as much information as possible and focus on facts. Develop as many options as possible and evaluate them jointly. Agree sincerely on common goals. Encourage humor. Ensure a balance of power among team members. And in cases where agreement cannot be reached, have the most relevant person make the decision based on input from the group.


For multifunctional teams to fulfill their promise, performance-measurement systems must be modified so that they adequately capture cross-functional work. Meyer offers four guiding principles for building measurement systems that promote team members’ mutual commitment to specified goals. First, the system should help the team, rather than top managers, gauge its progress. Second, the team must play the lead in designing its own measurement system. Third, the team needs to devise measures of the process by which it delivers value. (Knowing that there’s been an 8% drop in quarterly profits with a 10% rise in service costs doesn’t tell a customer-service team what to do differently. But knowing that the average time spent per service call rose 15%, and that late calls consequently rose 10%, helps the team understand the problem.) And fourth, no more than a handful of measures should be used.

BOOK


Donnellon takes a sociolinguistic perspective on why so many teams underperform—that is, she examines how teams talk for clues about why teams fail to meet expectations. Her definition of team—a group of people who are necessary to accomplish a task that requires the continuous integration of the expertise distributed among them—is consonant with the notion of mutuality that Katzenbach and Smith describe. Talk, Donnellon explains, is how teams achieve integration and mutuality. The work of most teams involves constructing new meanings, whether it’s in the form of new product developments or enhanced processes. And that work is essentially linguistic.