



STRENGTHENING TEAM PERFORMANCE

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It's a dilemma many executives and managers face: For the best long-term results, is it better to reward star performers on a team or the entire team's efforts?

Organizational experts differ in their views. Some researchers advocate focusing on individual performers, reasoning that recognizing their accomplishments will spur results from other team members. Others believe individual recognition can cause resentment among the rest of the team.

Companies want their work teams to be effective and achievement-oriented. Well-functioning teams can lead to faster completion of goals and successful wins, as well as foster company loyalty, positive morale and higher productivity.

Researchers make a distinction between recognition and rewards for strong performance. Recognition may include acknowledgement of contributions and wins, appreciation for a job well done, and celebrations when milestones are achieved. Rewards may include financial compensation, bonuses and other tangible incentives.

Recognizing individual performance can be an effective way to motivate all team members for greater overall success. A recent study at North Carolina State University found that when employees are individually recognized, other team members work harder to emulate those top performers, raising the overall performance of the group.¹ This phenomenon has been labeled the "recognition spillover effect."²

When recognition is given to a central team member to whom others turn for assistance and advice, the spillover effect increases.

However, when it comes to tangible rewards, a system of splitting the incentives or compensation 50/50 between individuals and teams may be the best approach. This fair sharing of recognition and rewards can strengthen the team culture in an organization and help raise the overall level of team performance.

SETTING THE TONE FOR SUCCESS

Work teams today are more diverse, geographically dispersed, digitally connected and dynamic, with changes in team members occurring regularly. These characteristics make it more difficult for teams to collaborate effectively and remain focused on success.

Global teams working in different time zones, languages and regional cultures are especially challenged. These factors can reinforce differences instead of unifying team members around a common goal. High performance and improved group collaboration can be achieved by paying careful attention to the team's goal setting and organizational structure and taking these action steps:³

- Set a clear and compelling direction with explicit, challenging goals and a clear understanding of the benefits of achieving those goals.
- Formalize the team structure and include the appropriate number of members, a mix of skills and positive interpersonal dynamics.



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- Confirm support from company resources, including access to needed data, an educational system for needed training, adequate funding, technological assistance and maintenance of a consistent reward system.
- Foster a shared mindset by reinforcing a common identity and mutual understanding of challenges across diverse geographical and cultural boundaries.

MORE STRATEGIES

To foster high-performance teamwork, companies and managers should focus on these aspects:⁴

- Apply tangible metrics for ongoing improvement and better results. Both Google and Intel use a system to set objectives and key results (OKRs) for the team and its individual members. By tracking performance against set measures, both teams and team members have a roadmap for achieving goals and creating greater value.
- Empower team members by delegating greater responsibility for decision-making. Provide coaching and training to ensure team members have the skills they need to step up. Take on authority to foster confidence and encourage team members to take strategic steps to achieve goals.
- Pay attention to relationships between two or three individual team members to foster and build a spirit of collaboration. Recognize these small relationships and the role they play in overall team achievements.
- Celebrate big and small wins. As one expert notes: "What gets rewarded gets repeated."⁵ Small successes can serve as stepping stones to greater achievements by the entire team.

¹ "Want Your Team to Improve? Praise the Top Performers," by Chad Brooks, Business News Daily blog, March 16, 2016. Available at: <http://www.businessnewsdaily.com/8884-individual-rewards-team-performance.html>

² "Want Your Team to Improve? Praise the Top Performers," by Chad Brooks, Business News Daily blog, March 16, 2016. Available at: <http://www.businessnewsdaily.com/8884-individual-rewards-team-performance.html>

³ "The Secrets of Great Teamwork," by Martine Haas and Mark Mortensen, *Harvard Business Review*, June 2016. Available at: <https://hbr.org/2016/06/the-secrets-of-great-teamwork>

⁴ Compiled from: "Want Your Team to Improve? Praise the Top Performers," by Chad Brooks, Business News Daily blog, March 16, 2016. Available at: <http://www.businessnewsdaily.com/8884-individual-rewards-team-performance.html>; "7 Ways to Improve Team Performance," by Brianna Hansen, Wrike blog, Nov. 15, 2016. Available at: <https://www.wrike.com/blog/7-ways-improve-team-performance/>

⁵ "5 Leadership Strategies Proven to Improve Performance on Your Team," Practical Leadership blog, Crestcomleadership.com, Dec. 1, 2016. Available at: <http://crestcomleadership.com/2016/12/01/5-leadership-strategies-to-improve-performance-in-your-company/>

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