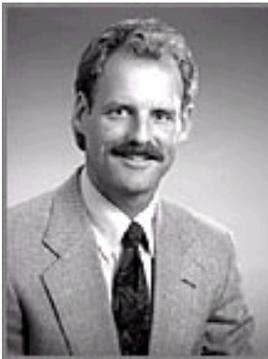


Teamwork: Fad or Forever?

Article Published May, 2005, Construction Executive
Volume 14, Number 5

Ronald Cohn, David Ralston
Ralston Consulting Group



Dr. Ronald Cohn and David Ralston are senior consultant and managing partner respectively for the Ralston Consulting Group, a 20 year old organization development firm. They specialize in helping people work together in many different industries through many services including executive coaching, team building, leadership development, work process redesign, and strategic planning. Ron can be reached at ron@thecompanydr.org, the company website, thecompanydr.org, or at 801-859-4650.

Fads come and go. Hula hoops and Chia pets, for example, have gone the way of extinction. Management by Objectives in the 1970s, Total Quality Management in the 80s, and Reengineering in the 90s all had their heyday. What will the next decade yield?

In addition to the design-build concept, high-performing teams seem to be the current organizational buzz among construction executives.

The use of high-performing teams has expanded because of the complexities of surety bonding, risk management and technology. Executives have realized that getting things to happen by doing it all themselves, issuing orders, or simply pushing people harder is no longer sufficient. More and more, collective thinking power and open communication with everyone having the information they need when they need it and outcomes where the “whole is greater than the sum of its parts” have become increasingly critical to success at all levels.

WHAT IS A TEAM ANYWAY?

A team consists of a group of individuals who need each other to get their work done. Whether they achieve adequate or superior results depends not only on how much each individual contributes, but on

how effectively they can complete the work together.

TYPES OF TEAMS

Two basic kinds of teams exist in organizations – intact teams and temporary teams. Intact teams exist for the same purpose over a long period of time and have relatively stable membership. Examples include any level manager and his direct reports, or a board member and members of board committees.

Temporary teams are teams with a short-term purpose and timeframe such as ad hoc improvement teams, task forces and construction project teams. Project teams fill an ongoing purpose but frequently change members with various subcontractors completing their work and leaving the team. Selected individuals then work together on a subsequent team.

WHY TEAMWORK?

As companies find ways to instill effective teamwork, the results can be positive. Projects run smoother with a well-integrated in-house team of estimators, accountants and operators. Jerry Schoenholtz, vice president of construction, of Sarasota, Fla.-based Tandem Construction, shares this view. “We don’t prepare our bids in a vacuum. This historically hasn’t worked,” he says.

“Our estimates are created by in-house teams that provide bid checks and balances as well as more accurate budgets. We have found that with our costs being more precise, we are more often realizing our profit targets. Of course, we also need to execute,” Schoenholtz says.

In addition to having an in-house team, projects run better when subcontractors, project managers, engineers/architects and owners work together to make decisions and resolve issues to meet the needs of all parties. Consider how many potential issues would be avoided among architects, engineers and contractors if they viewed one another as team partners with common goals rather than looking out only for their self-interest. Schoenholtz echoes that sentiment.

“Enlightened owners, like the Sarasota County School Board, have begun paying for pre-construction services—those services that bring owners, architects, and contractors together from project inception through completion,” he says. “In that way, we can provide real-time constructability advice, which has lessened the number of change orders. In addition, we create agreements that we try to adhere to—about how we’ll run the project. It is easier to use these ‘gentleman’s agreements’ to negotiate during the project’s life than referring to the contractual agreement. Overall, we have found that projects that are run from birth to completion in this fashion tend to have fewer conflicts, lawsuits and cost overruns.”

Temporary teams brought together for problem-solving or process improvement are established with increasing frequency, and results suggest that they achieve more creative solutions that actually get implemented when the groups learn how to function as a team. For example, many companies struggle with the issue of how to bid, build and bill using the same software to avoid duplicating data entry. The most successful implementation results when stakeholders collectively decide on software features, research

various alternatives, and then provide decision makers with a true consensus recommendation.

FAD OR FOREVER?

Executives now hear success stories, start talking about the importance of teamwork, and begin forming teams with greater frequency.

Many organizations, however, begin implementing various change initiatives before really understanding their goals. In terms of teamwork, just because people are thrown together to accomplish a project -- even highly intelligent and well-intentioned folks -- doesn't guarantee that synergy and high performance will happen. In some cases, teams, whether executive, project or ad hoc committees, do not spend the time needed to develop a team before "getting to work."

EFFECTIVE TEAM

An effective team shares:

- common purpose and goals;
- clear roles and responsibilities;
- shared leadership;
- ground rules for interactions and meetings; and
- trust and openness.

While many team leaders recognize the need to pay attention to these components, most are underutilized. Rarely do project teams set up ground rules for interactions and meetings. Teams often fail to agree about how information should be shared (meetings, conference calls, emails, etc.), with what frequency and with whom. To make meetings effective, all stakeholders

should agree, or at least understand, the meeting's purposes, frequency and agenda formation.

By establishing ground rules for interactions and meetings, people get a clear picture of how to behave and participate. Ground rules should cover how decisions will be made, how disagreements will be managed and how change orders will be addressed -- consistently one of the most contentious project relationship issues. In the absence of these pillars for team success, decisions lack commitment, meetings become unproductive and waste valuable time, and conflicts fester or are poorly reconciled.

Companies that learn how to effectively initiate and lead either intact or temporary teams will almost certainly achieve better project and operating results, completing projects in a more timely and profitable way. And, by introducing teamwork for the right reasons and paying attention to the components of effective teamwork, they also will avoid contributing to this decade's potential fad.