"Sure, he did. Let him do it. Look, here's how to pace yourself. It's the way I was taught, and it works. You know the 'Battle Hymn of the Republic'?" Ginny hummed a few bars. "Well, you just work to that, hum it to yourself, use the way I showed you, and you'll be doing eighty next week."

"But what if they make me do ninety?"

"They can't. Y'know, you stan making mistakes when you go that fast. No, eighty is right. I always say, 'A fair day's work for a fair day's pay."

## laying Ball Without the Coach

## Peter Burrows in Dallas

The machine shop where Judy Gravely works – at a Texas Instruments Inc. factory in Dallas—used to be a quiet, detached place. "We came in and put in our 40 hours, and were taught for years not to communicate," says Gravely, who machines parts for TI's missiles and bombs. All suggestions went up the ladder to a supervisor—often not to be heard of again.

No longer. Battered by defense cutbacks and vicious competition in its other hightech markets, TI has turned to its grunts for answers on how to stay competitive. So Gravely and the other five members of her new work team now schedule their own jobs, order their own supplies, and track their own attendance. They also spend plenty of time communicating, often spotting problems before they happen. The results: The time to make a bail ring has dropped from 13.8 hours to just 5.5 hours.

Hoping to duplicate such enterprise in its other businesses, TI is adopting self-directed work teams in most parts of the company. It's difficult to quantify the collective impact on \$7.4 billion TI, but sales per employee have improved—up from \$88,300 in 1989 to \$122,820 in 1992.

Most impressively, at the \$2 billion Defense Systems & Electronics Group—where more than 80% of staffers are now on teams—profits have held steady, despite increased competition for scarce defense contracts. Fred Eintracht, team development chief for DSEG, explains that productivity gains for teams that have taken the reins range from 20% to 50%.

In part, this handing over of responsibility is an inevitable by-product of downsizing. For example, when 1,200 employees took an early-retirement package designed for only half that many, in October, 1991, DSEG executives suddenly found themselves with two fewer layers of management and more direct oversight than they could easily handle. DSEG President William "Hank" Hayes, for example, was left with 12 people reporting to him directly instead of four. "That tends to get rid of the urge to micromanage," he explains.

That's a turnabout for TI, long known for an autocratic, top-down management style. Starting in the 1980s, increased competition in its key chip markets changed that cockiness. "We've finally started taking responsibility for what this all means for management-getting out of the way," says Hayes.

Change has not come easily or quickly, however. Even in the best cases, it takes about two years for a TI work team to take on its own day-to-day management, as the work process usually has to be completely redesigned. Supervisors have to recast themselves as facilitators—or be replaced. Information systems have to be changed to

Reprinted from October 22, 1993 issue of Business Week by special permission, copyright © 1993 by McGraw-Hill, Inc.

give the team members access to product cost data. And there's the up-front financial cost: TI boosted U.S. training spending 17% last year, to \$35 million.

Still, some unexpected changes have sprung from the increased communication that has come to TI. In a move that would have been unthinkable a decade ago, for example, Hayes has already notified DSEG workers that half of them are likely to lose their jobs in coming months if new non-defense contracts aren't found. Workers don't like the news, but they appreciate the candor. Being taken seriously is the ultimate form of empowerment.



## Premeeting Preparation

- A. Read "A Fair Day's Work" and "Playing Ball Without the Coach."
- B. Then read the Topic Introduction.
- C. Answer the following questions.
- 1. Focus on an effective group to which you belong (or belonged).
  - a. List the norms (unwritten rules of conduct) of this group.
  - b. How do you think the group developed those norms?
- 2. Now think about a poorly functioning group to which you belong(ed).
  - a. List its norms.
  - b. How do you think they developed?

3. How would you go about changing the norms in a poorly functioning group?

- 4. What are the norms in your learning group or class? How do they hinder or promote learning?
- 5. What are the significant learning points from the readings?



## Topic Introduction

One of the most significant trends in business is the move towards teamwork. According to a recent study, 46% of Fortune 1000 companies are utilizing work teams. The impetus for incorporating teams into organizational structures comes from the need for speed and flexibility. Downsizing strategies have eliminated supervisors and middle managers and delegated many of their functions to self-managed or self-directed teams. When they function well, such teams allow their members to make a greater contribution at work and constitute a significant competitive advantage for the organization. Research shows that self-managed teams were rated as more effective in terms of productivity, costs, customer service, quality and safety than traditionally managed teams. In addition to these benefits for the company, members of self-managed teams reported greater growth satisfaction, social satisfaction, and trust than did the members of traditionally managed groups.<sup>2</sup>

Self-managed work teams have the following characteristics. The teams determine how they will accomplish the goals they must achieve and how they will allocate the necessary tasks. Usually they are responsible for an entire product or process. The work teams take responsibility for planning, scheduling, organizing, directing, and controlling, and evaluating their own work process. Some teams also select their own members and evaluate members' performance. Leadership varies in these teams—some have no formal leader, others elect a leader, while still others have a formal leader assigned by management.

Even though there is currently a tendency to see work groups as a panacea, they are not appropriate for every organization. In order to succeed, teams require a common purpose and specific goals. They also need a supportive context—top management, an organizational culture, and policies that all promote and support teamwork.<sup>3</sup> Furthermore, team members and supervisors must be trained in the necessary skills. It is difficult for supervisors or managers to make the transition from a "boss" to a coach or facilitator. They too need to be taught skills to ensure that teams are taken seriously and allowed to succeed.

Team members require technical, administrative, and social skills. They are often cross-trained so that they possess all the technical skills needed by the team; in some companies, people are paid more when they learn new technical skills. Team members need administrative skills to run meetings and comply with whatever administrative or data-gathering requirements the team has. Team members also need interpersonal skills, such as communication, conflict resolution, problem solving, and decision making. One of the key requirements for work teams is an understanding of the group dynamics and skills presented in this chapter.