



EAGLE HILL
unconventional consulting

Reinventing Change Management

THE CHANGE AGENTS HIDING IN PLAIN SIGHT: **WORKFORCE TEAMS**

A new Eagle Hill Consulting survey shows that according to employees, optimizing change is a weak link in workplace teams. Only 21 percent strongly agree that their teams respond enthusiastically to change.

With disruption exploding, technology advancing and business models evolving, an organization's capacity to change is a competitive advantage. While S&P 500 companies used to stay on the Index for decades, the average tenure is expected to plummet to just 12 years by 2027, according to **Innosight**. Companies are falling off the Index so quickly because they stand still while competitors, markets and consumers change.

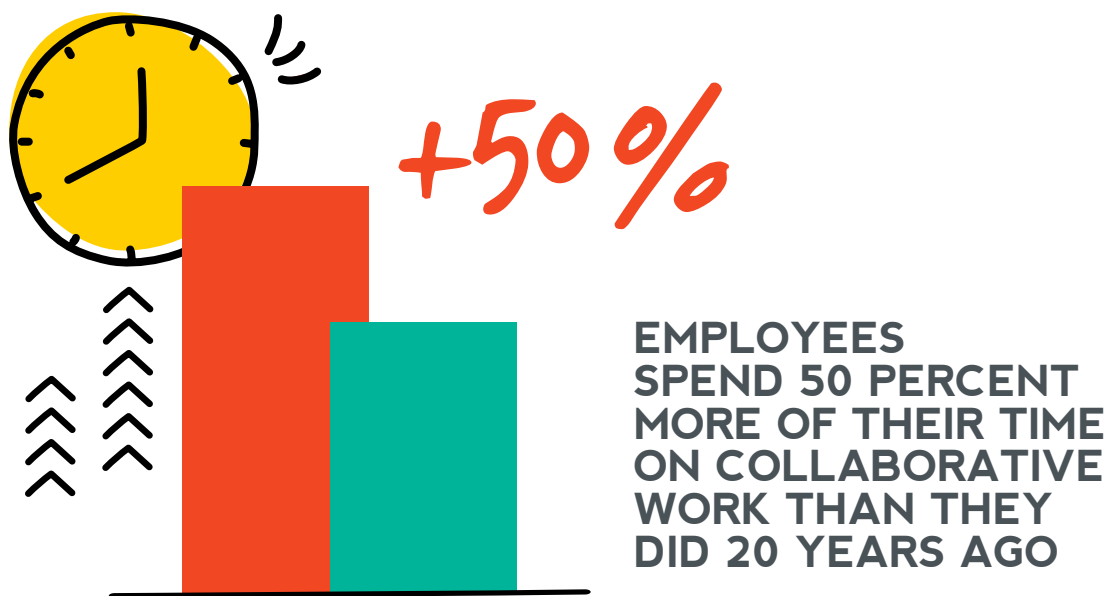


In this environment, leaders know they need an adaptive organization to move the business forward, and they are investing in traditional top-down and bottom-up change management initiatives to cultivate this capability. But these approaches do not always work. Seventy percent of transformation efforts fail, according to **Harvard Business Review**.

One reason for these failures is that linear, role-based approaches to change that focus solely on individual adoption do not align with how people work today—in teams. More and more, companies are betting on the “collective intelligence” of multi-disciplinary teams to tackle more complex tasks, unleash creativity and innovate faster with more agility. In fact, **Harvard Business Review** reports that employees spend 50 percent more of their time on collaborative work than they did 20 years ago.

Companies must address this disconnect between business-as-usual change models and new ways of working to build their organization’s all-important capacity for change. Put simply, optimizing an organization for change means optimizing teams for change. It is about rethinking change management so that it is more networked, outcome-focused and team-based.

This dynamic between teams and change plays out in the sports world every day. In team sports, athletes and coaches are part of something bigger than themselves. Their job is in service of the team. The team is the tribe and the touchstone. Sports teams continuously change, and at the same time, they help ground athletes through change. Just like workplace teams must do. Because when work happens in teams, they become the de facto nerve center of where change happens—or where it does not.



TEAMS IN SPORTS, TEAMS AT WORK: **ABILITY TO CHANGE** A CRITICAL SUCCESS FACTOR

With teams so critical to how companies face down change—and ultimately, to how they compete in changing environments—we wanted to understand how well workplace teams are functioning today.

Our survey of US part-time and full-time employees measures three critical elements of high-functioning teams: cohesion, performance, and continuous growth and change. As Figure 1 shows, each element, which is made up of key factors, is essential on its own. Together, they set the foundation for a team’s success.

Figure 1: High functioning teams have cohesion, performance and continuous growth and change.



Source: The Eagle Hill Consulting Workplace Teams Survey 2019

Winning sports teams have these things in abundance. However, the survey results reveal this is not true for teams in the workplace—and that there is significant room for improvement:



COHESION: STACKING HANDS

Cohesion is team unity, an ethos grounded in the spirit of “all for one, and one for all.” According to Carron, Brawley, and Widmeyer (1998), team cohesion is “a dynamic process” and multidimensional. One dimension of team cohesion is the tangible fundamentals or rules that underpin how the team functions as a single unit. This includes alignment around goals, roles and operating agreements. While a clearly defined purpose is key, only 28 percent of employees strongly agree their team has one.

The other dimension of cohesion is the intangibles, the interpersonal and social factors that bind the team together. This area needs improvement. Just 29 percent of employees strongly agree that they trust their teammates. Only 27 percent strongly agree their teammates are committed to the team’s success. And a mere 24 percent strongly agree that their teammates are highly committed to the team’s work.

Companies cannot dismiss the importance of team cohesion. It is not just about whether people work well together or if they like each other. Cohesion affects team performance and ability to change. Sports fans know this. They have watched dream teams of elite athletes fall and cohesive teams with less talented athletes triumph. **Research** published in *Sport Sciences for Health* confirms a correlation between team cohesion and team performance. More cohesive teams are likely to perform well, and in term, higher-performing teams are likely to be more cohesive.



PERFORMANCE: SHOOTING FOR THE GOAL

Strong performance is an obvious aspect of an effective team. But team performance is not about a collection of individual performances. It is a coordinated collection of performances where the whole is greater than the sum of the parts. It is also about the strength of the support structures that individual teammates and entire teams have behind them.

On sports teams, coaches are responsible for orchestrating these supports to get optimal performance from teams. Not surprisingly, the relationship between the athlete and the coach is a fundamental one in team sports, one that impacts performance.

Team leads are the coaches of workplace teams. Only about three in ten employees strongly agree that their team lead sets clear expectations (30 percent), addresses performance issues as they arise (25 percent), and recognizes outstanding performance (28 percent). Only 21 percent of employees strongly agree that their team lead helps them get better. Equally troubling, team leads are not contributing to “wins” at work. Only 21 percent of employees strongly agree that their team consistently meets its goals.

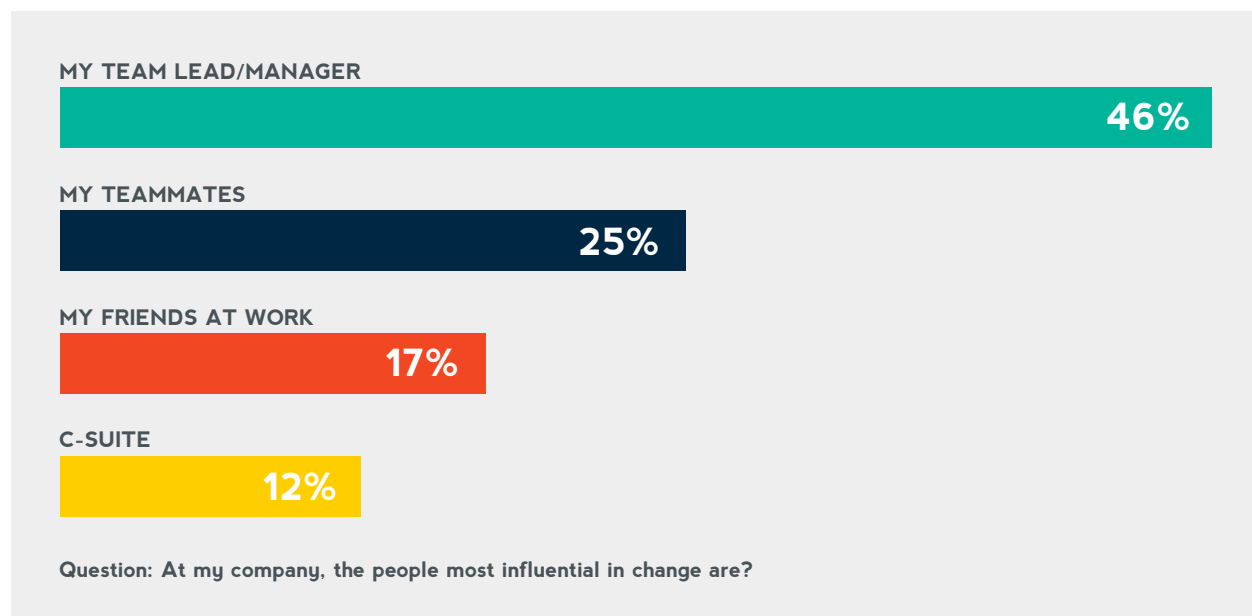


CHANGE: BEING A CHAMPION

There is no definitive answer for why workplace teams are not effectively delivering change. However, the survey suggests a trend around a lack of change-readiness and continuous improvement. Of all the factors surveyed, employees are least likely to agree that their teams enthusiastically respond to change, and only 21 percent strongly agree. Just 24 percent strongly agree that their team constantly learns and gets better. Ironically, teams' weakest link is essentially what companies need the most to compete today.

When asked who in the company is most influential in change, employees overwhelmingly point to their team lead over teammates, work friends and the C-suite, as shown in Figure 2. Yet of all the factors that team leads foster for their teams, embracing change and continuous growth rank last, which suggests that the recognized change champion is not prioritizing change.

Figure 2: Employees view team leads as the most important influencers of change at the workplace.



Source: The Eagle Hill Consulting Workplace Teams Survey 2019

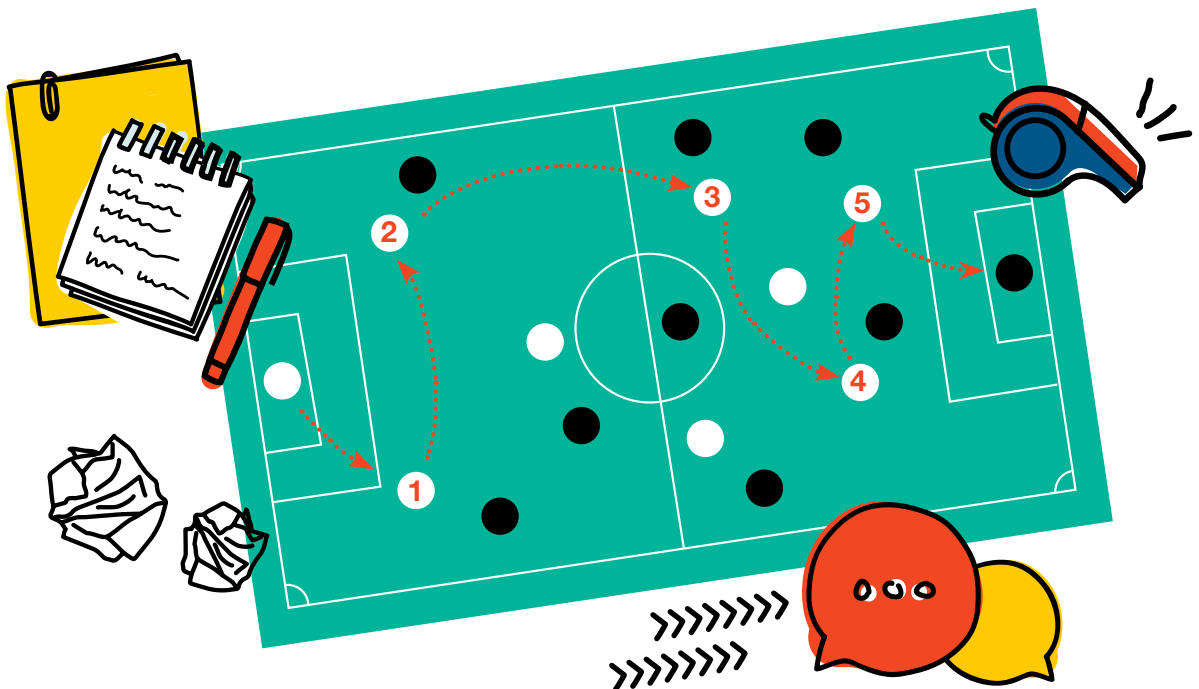
This would not fly on a sports team. They have to get better, change and learn all the time. This drive to improve powers every great sports dynasty from the New York Yankees to the New England Patriots to the US Women's National Soccer Team. In an article in **Fast Company**, Tony DiCicco, who coached the women's soccer team in the 1990s, recalls what he told them when he retired. He reminded them of several memorable moments where the team experienced both extraordinary highs and crushing lows. "Remember all three situations, because each offers incredible motivation'." He understood that champions do not, and cannot, stand still.

PLAYBOOK FOR TEAM-BASED CHANGE

Companies need a new playbook to improve workplace teams and how they embrace change. The traditional playbook involves identifying stakeholders, doing a current and future state analysis, identifying the gaps, and developing a strategy to mitigate them. All this is done on a role basis, not on a team basis. As this approach becomes less relevant given the team orientation of work today, the new playbook should include these building blocks:

1 CULTURE: CREATE A CULTURE OF CHANGE

The companies pushing traditional players off the S&P Index have a culture of change. Agility is threaded through their business models, an intrinsic part of their organizational DNA. All companies today need this kind of culture where change is a core value and is consistently manifested in little and big ways, in everything from day-to-day decision-making to performance management. This core value will naturally become a part of workplace team cultures, which model corporate cultures. Evolving the culture is so critical because change-readiness is not a one-and-done project, it is a continuous mindset.



2 LEADERS: LOOK IN UNEXPECTED PLACES

Companies look to the obvious places for team leads, to supervisors and managers. But they are not always the best people for the role on today's teams. Historically, most managers have been trained to aggregate, analyze and distribute information. To push out decisions. Today's team leads need tremendous flexibility. They need a true coaching mentality that engages team members, continually checks in with them, rewards strong performance and welcomes change in a team dynamic where leadership is expected of everyone. Finding this skillset means being open to nontraditional team leads who did not come up in the management track. Companies should also be open to the fact that in this new dynamic, employees will move between team lead and team member roles depending on the project.

3 SUPPORT: PROVIDE A SAFETY NET

The old adage that change is hard is true. This is why companies must support their teams through change, but in new ways. Change management can no longer be project or event specific, something that lives only in the change management office. It should be a competency that is cultivated and spread across the organization at all levels with ongoing, team-based training initiatives. Another way to prepare teams for significant change is to create an environment where micro-changes are the norm. This conditions teams and builds their muscle for when they encounter more significant change.

4 RECRUITMENT: GET THE PEOPLE MIX RIGHT

Companies need people who are hard-wired for change and flexibility, which means rethinking both how they hire and how they compose teams. The approach should be to recruit for competencies and core values in addition to capabilities. As companies rely more on multidisciplinary teams, it will be important to have a bench of diverse thinkers who can play different roles within the team—from coming up with the big ideas to managing the details. Creative people with a natural curiosity for learning and improvement who like collaborative work are anchors for teams that successfully absorb change.

5 INCENTIVES: REWARD TEAMS

Team-based work demands team-based rewards. Yet only 34 percent of employees say they are rewarded for team performance. Closing the gap between desired team-based orientation and traditional incentive models is key to gain employee buy-in and change their behaviors. In developing incentive programs, companies should shift from essentially paying for the productivity of individuals to paying for team performance by establishing and applying team-based metrics and attaching cross-team incentives for achieving them.

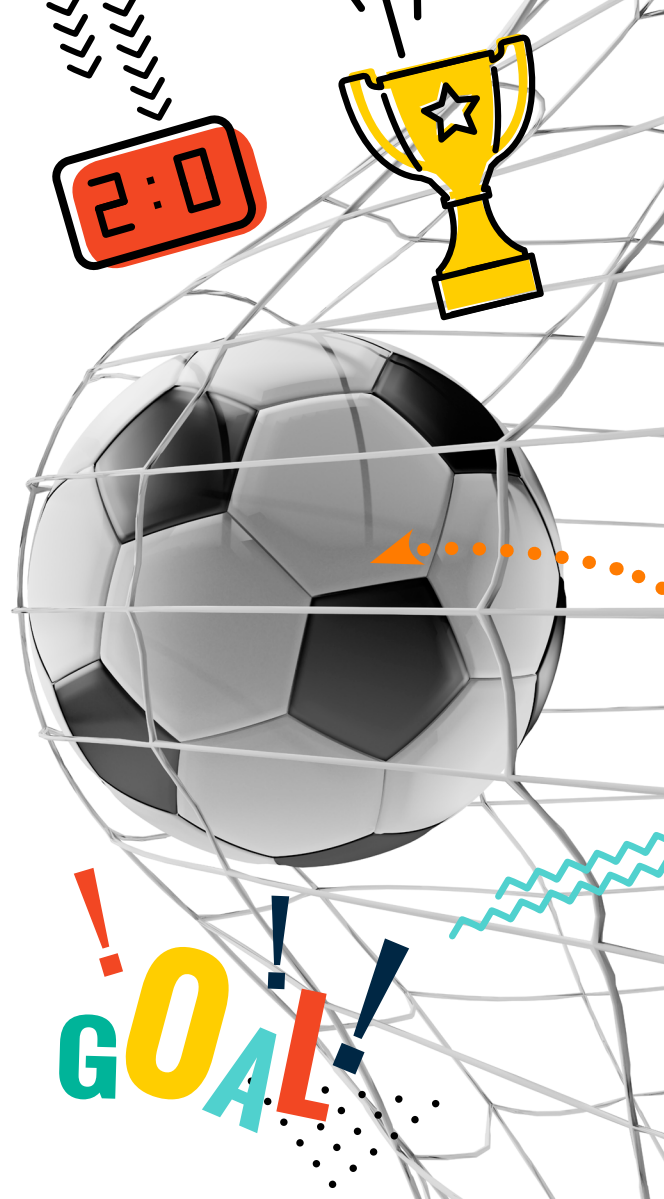
WINNING AT CHANGE

To win in dynamic business environments, companies need the capacity for continuous change. The place to start is with change management grounded in workplace teams. Because new ways of working demand new ways of teaming rooted in a mindset that sees change as an opportunity, not an obstacle.

Sources:

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METHODOLOGY

The Eagle Hill Consulting Workplace Teams Survey 2019 was conducted online by Ipsos in April, 2019. The online survey included 1,037 respondents from a random sample of American adults who are employed either full-time or part-time across the United States. The survey polled respondents on aspects of teamwork and change in their respective workplaces.

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