Self-managed teams

What is a self-managed team?

What functions does a self-managed team perform?

Is your team ready and able to be self-managing?

In the BS2 session *Working in teams* you were introduced to the idea of self-managed teams. In this session we will look at what they mean in practice. Self-managed teams can be thought of as teams that take on most of the responsibilities of *organising*, *planning*, *co-ordinating*, *controlling* and *commanding* the team and its work. Why these five activities? Because they are the five classic *functions* of management. (A function is a role or set of tasks.) In this session we will use these five functions to understand what it is that self-managed teams do.

In the BS2 session *What is leadership?* you learnt about the twin ideas of *positional power* and *personal power*. Positional power is the power you are given by the organisation. Personal power is the power you are able to develop through your own behaviour as a leader. In self-managed teams the team have a lot of the *positional power* that the team leader and the manager have in ordinary teams. You will need to rely far more on your personal power. The team may manage itself, but it still needs to be led. As it moves more and more towards being self-managing, you should be developing yourself to provide that leadership.
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Understanding the management functions

What do ‘organising, planning, co-ordinating, controlling and commanding’ mean? Here are some definitions, based on what the Concise Oxford Dictionary says:

Organise: To give an orderly structure to, to set up and use systems and procedures to get things done.

Plan: A design, scheme or method by which something is to be done, and the intention to do something.

Co-ordinate: To bring different elements together in a way that ensures effective operation.

Control: To regulate something, to make sure that it is done in the way that it should be done.

Command: Having responsibility for something or authority over it.

So ‘managing’ anything means deciding how and what things should be done, making sure that all that’s required for the task is in place, making sure that it’s actually done properly, and accepting responsibility and authority for it. That’s what self-managing teams do. You met the 10 stages of team formation (below) in the BS2 session Working in teams, showing how teams progress towards being self-managing. Let’s look at it again

Rover’s 10 stages of team formation

<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Step 1</td>
<td>Groups are formed, with a team leader and a structure</td>
</tr>
<tr>
<td>Step 2</td>
<td>Group members have their own development plans (to raise skills levels) and have clear team roles</td>
</tr>
<tr>
<td>Step 3</td>
<td>Teams develop their own rules and start to take responsibility for their own tools and equipment</td>
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<tr>
<td>Step 4</td>
<td>Teams start to liaise with customers and suppliers, and have further responsibility for their tools and equipment</td>
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<tr>
<td>Step 5</td>
<td>Teams start to plan their work and have full responsibility for their tools and equipment</td>
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<tr>
<td>Step 6</td>
<td>Teams are working with customers and suppliers, and reviewing their own performance, to improve processes</td>
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<tr>
<td>Step 7</td>
<td>Teams are able to handle internal conflicts and appraise their manager</td>
</tr>
<tr>
<td>Step 8</td>
<td>Teams set their own targets and plan and control costs</td>
</tr>
<tr>
<td>Step 9</td>
<td>Teams are fully skilled and recruit and induct new members</td>
</tr>
<tr>
<td>Step 10</td>
<td>Teams are self-managed</td>
</tr>
</tbody>
</table>
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Exercise

Rover’s 10 stages towards self-managed teams shows how teams gradually take on the functions performed by managers. Using the five functions, see if you can identify the stage at which the team starts to take on these functions.

- **Function**       | **Stage**
- Organising        | ______
- Planning          | ______
- Co-ordinating     | ______
- Controlling       | ______
- Commanding        | ______

Are any functions not taken on by the team?

Now think about your own team. Look at these five functions again and assess its progress towards being self-managing. Remember that you are part of the team, and you may do some of these things, but ask yourself ‘To what extent is the whole team involved?’.

<table>
<thead>
<tr>
<th>The team have:</th>
<th>No responsibility</th>
<th>A little responsibility</th>
<th>Quite a lot of responsibility</th>
<th>Full responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organising</td>
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<tr>
<td>Planning</td>
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<tr>
<td>Co-ordinating</td>
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<td>Controlling</td>
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<tr>
<td>Commanding</td>
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</table>
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There's no exactly right answer to the first part of the Exercise, because it depends what you understand the five functions to mean in practice. However, here is our assessment:

**Organising**

Around Step 3 the teams start to 'develop their own rules' which implies that they have some say over how they work. This suggests they are organising themselves.

**Planning**

At Step 5 the teams start to ‘plan their own work’.

**Co-ordinating**

At Step 4 teams start to ‘liaise with customers and suppliers, and have further responsibility for their tools and equipment’. This suggests that they are co-ordinating the different components of their work tasks - supply of components, tools and equipment, and customer requirements.

**Controlling**

This is a gradual process. It is certainly in place by Step 8 (‘Teams set their own targets and plan and control costs’) but they start to take control from Step 3.

**Commanding**

By Step 9 teams ‘recruit and induct new members’, which must mean that they are in command of their work.

How about your own team? Were you able to identify how far it has progressed towards being self-managing? However, before you can help them to become self-managing, your organisation and your manager must be willing to let them be self-managing. This is critical, without the willingness of the organisation and the support of your manager, the team can make little progress.

Self-management is all about **delegation** of responsibility. Delegation means that the team is given both **responsibility** and **authority**. Responsibility means the team are allowed to do things without getting approval from others. Authority means that they have the power to make decisions that other people will accept. Responsibility without power means that people may make decisions but other people can ignore them or over-ride them, if they want to. As we saw, responsibility and authority are what is meant by 'command'. As more responsibility and more authority is delegated, so teams start to take command. Full command comes when they have full responsibility and full authority. The Case Study about Semco on page 8 shows how this can end up.
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Organising your team’s work

The first function of self-managed teams is ‘organisation’. Organisation means giving an orderly structure to the way that work is done, by setting up and using systems and procedures.

- A **system** is the way a whole task is organised. It includes identifying what **resources** are needed, such as materials or components are needed, what people have to do (their **role**), and the **equipment** they need. These are all called the **inputs**. What the system produces as a result is called the **output**.

- A **procedure** is how the tasks are actually performed.

For example, a **system** for processing customer’s orders involves a sales assistant entering the order into the sales management system on a computer (the **role**). The sales assistant needs a computer and the appropriate computer programme (**equipment** and **resources**). The **output** is the computer record of the order. The output of this system then becomes the **input** of other systems (the delivery system, the accounts system, the customer relationship management system).

The sales assistant needs to learn how to enter the order. This will involve finding the right product codes, checking that the items are in stock, and opening up the customer’s account. If the customer is new, a new account will have to be opened, information about the customer entered, and a credit check done before the order can be processed. This is the **procedure**.

For teams to be able to set up systems and procedures they need to be highly skilled in the jobs they do. Ideally they should be **multi-skilled**. Multi-skilled means that people have the skills to do a range of different jobs. Being multi-skilled enables team members to understand how tasks need to be done and so they can organise their work better. This is how systems and procedures get improved.

**Exercise**

- How ready and able is your team to take more responsibility for **organising** its work tasks? This includes being able to use existing systems and procedures fully. It also means being able to identify ways of improving them.

You may want to discuss this with your team and your manager.
Self-managed teams

Planning your team’s work

The second function of management is planning. This is ‘producing a scheme or method by which something is to be done, and the intention to do something’. In other words, planning means that your team is responsible for deciding what is done, by whom and when.

Organisations that are willing to let teams take on responsibility for planning agree with the team what is required but leave it to the team to decide the details. Managers are told by the team what it is going to produce, and when, instead of managers telling the team.

Exercise

- How ready and able is your team to take more responsibility for planning its work tasks? This includes deciding what is going to be produced, when and by whom.

You may want to discuss this with your team and your manager.

Co-ordinating your team’s work

Co-ordination is all about bringing the ‘different elements together in a way that ensures effective operation’ (our definition on page 2). The ‘elements’ are the people, the resources and the equipment you use (the different inputs - or parts - of the system). If you think back, we saw that organising is about deciding how you will do things and planning is deciding what is done, when it is done and by whom it is done. Co-ordinating is actually making it happen.

Co-ordination is the practical task of making sure that things are working properly. Having the right skills is one part of this. Another is making sure that the team is producing what the customer requires. In some cases, this can mean dealing directly with customers (either internal or external customers) to agree their specific requirements. The Case Study on the next page illustrates this.

One important part of co-ordination is making sure that people have the right knowledge and skills to perform their roles effectively. This is where one of the team can take on the specific responsibility (a team role) for making sure that people have development plans to improve their skills, and that these are being followed. They can also make sure that only those people with the right skills are performing specific tasks.
Controlling work is all about ‘making sure that it (work) is done in the way that it should be done’ (definition on page 2). Controlling work is about making sure that quality standards are being met, that the team is working as efficiently as possible and that output targets (how much should be produced or sold) are being met. Co-ordinating is about getting the work done; **controlling** is about getting the right work done, and doing it right.

It often helps to have people taking on some other specialist team roles to ensure that the work is under control. For example, the **quality champion** can help agree quality standards and monitor that they are being met. The **health & safety champion** can help identify hazards and risks and make sure that these are eliminated or minimised, and that people follow safety procedures. These are all about control. These 'champions' will take specific responsibility for ensuring that systems and procedures for these areas are being followed.

If the team has organised, planned and co-ordinated its own work, controlling it is a lot easier. People will know what they have to do and will feel personally responsible for doing it right. That’s what makes the self-managing team so effective. Because they know best how to organise, plan and co-ordinate their own work, they can make sure that they get things right.
Exercise

- How ready and able is your team to take more responsibility for co-ordinating its work tasks? This includes making sure that all elements of the process (the people, the resources, etc) are available and working together effectively.

- How ready and able is your team to take more responsibility for controlling its work tasks? This involves making sure that tasks are performed properly and that output meets the standards (of quality) and volumes (of production, deliveries or sales) required.

You may want to discuss this with your team and your manager.

Being in command of your team's work

Being in command means being in charge. It is all about ‘having responsibility for work tasks or authority over it’. So self-managing teams are charge of themselves, and their work tasks, and have responsibility for what they do and the authority to make changes without having to get permission to do so.

Whereas the organising, planning, co-ordinating and controlling are all about what team members actually do, command is about being answerable for your actions. Being in command when you are the only people to command means that team members have to impose their own discipline. There’s nobody to make them do their work properly, only themselves. Of course, as team leader, will still need to monitor the team’s performance, but the first people you should warn if work performance is not up to standard is the team, not your manager. The whole team is responsible for the work of each member.

Your manager will still want to know if things are going wrong. It is your responsibility to work with the team to find ways of resolving problems before your manager has to get involved. You and the team should present your manager with solutions not problems. Only if the problem is too big for you and the team to solve should you alert your manager. As a team leader, you need to know what the team can deal with and what is too big for it. This may be if the problem is likely to involve disciplinary or legal issues, or if it involves other teams departments, or people outside the organisation that your manager will need to negotiate with.
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Case Study

Semco is a very unusual Brazilian company. It is run by a man called Ricardo Semler and his family founded the business many years ago. He has described (in a book called *Maverick!*) how he took over running the company in a very traditional way, but then decided to completely alter how it operates and how he managed it.

In 1985 he introduced an organisational system whereby teams of six to ten workers were placed in charge of particular tasks. They were given a sense of ownership and had some financial responsibility for the success of their area of activity. This proved to be very successful, leading to higher productivity (more being produced with less) and lower costs.

During the 1990s, when the Brazilian economy was in serious trouble, Semco survived. The teams managed to cut down dramatically on the amount of money tied up in stocks of raw materials and finished goods. They speeded up production and cut defects, becoming more efficient and more effective. Over 21 years, from 1982 to 2003, its turnover has increased from US$4 million to $212m, and its workforce has grown from 90 to 3,000. It has achieved this with far fewer managers. Instead, the teams responsible for activities largely manage themselves and their own work.

Exercise

- How ready and able is your team to take more **command** of its work tasks? This includes being responsible for meeting goals and team members also having authority over themselves and their work.

You may want to discuss this with your team and your manager.

Leading a self-managing team

Self-managing teams are not leaderless. In fact, the role of the leader in self-managing teams becomes much more important, because the team has much more responsibility. Because the team has to organise, plan, co-ordinate, control and take command of its work, it needs a leader who is able to create and support a team able to do all this.

You need to ensure that your team understands its role, has the right mix of people and skills to undertake the role, and knows what is expected of it.
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You need to help your team learn how to perform the various tasks they now have responsibility for, and make sure that they achieve the goals they have agreed.

A key part of the team leader's role in self-managing teams is to ensure that team members:

- are involved in the team and get high levels of satisfaction from their work
- meet the performance goals agreed, in terms of quality, quantity (of output) and productivity.

These two areas are looked at in more detail in the BS2 session Developing a self-managed team. Another aspect of the team leader's role is all about helping the team deal with any problems they may encounter. This aspect is dealt with in more detail in the BS2 session Creative, team-based problem solving.
Comprehension Check

Complete the following exercises. Refer back to the session if necessary.

A. This session has looked in some detail at the five functions of management. The definitions of these five functions are listed below. Write the name of the function after each definition.

1. To bring different elements together in a way that ensures effective operation.
   
2. A design, scheme or method by which something is to be done, and the intention to do something.
   
3. Having responsibility for something or authority over it.
   
4. To give an orderly structure to, to set up and use systems and procedures to get things done.
   
5. To regulate something, to make sure that it is done in the way that it should be done.

B. Complete these two statements:

1. A _____________ is the way a whole task is organised.

2. A _____________ is how the task is actually performed.
Throughout this session you have been asked to think about how far your team has gone down the road towards being a self-managing team and what it could do to move further. In Making Connections you are encouraged to plan what you can do to help the team move further down the road.

Working through the five functions, write down what actions you might take to help your team take on the extra responsibilities you have already identified they could take on.

<table>
<thead>
<tr>
<th>What should I do?</th>
<th>Who’s help do I need?</th>
<th>When can I do this by?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Organise</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Plan</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Co-ordinate</strong></td>
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<tr>
<td><strong>Control</strong></td>
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</tr>
<tr>
<td><strong>Command</strong></td>
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</tbody>
</table>
## Think and Apply

How well do you use the skills in this session?

- Can you recognise how a self-managed team differs from an ordinary work team?
- Can you identify how far down the road your team has progressed towards becoming self-managed?

<table>
<thead>
<tr>
<th>Skills</th>
<th>strengths &lt;-&gt; weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>I'm good at this</td>
<td>I'm quite good at this</td>
</tr>
<tr>
<td>supporting the team in organising their work</td>
<td>☐</td>
</tr>
<tr>
<td>supporting the team in planning their work</td>
<td>☐</td>
</tr>
<tr>
<td>supporting the team in coordinating their work</td>
<td>☐</td>
</tr>
<tr>
<td>supporting the team in controlling their work</td>
<td>☐</td>
</tr>
<tr>
<td>supporting the team in taking command of their work</td>
<td>☐</td>
</tr>
</tbody>
</table>

2. Do you want to improve any of these skills?

3. How do you plan to improve the skills you listed in question 2?
   (You might want to discuss this with your line manager or your tutor/mentor/coach.)