



ARE GROUPS AND TEAMS THE SAME THING? AN EVALUATION FROM THE POINT OF ORGANIZATIONAL PERFORMANCE

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Abstract

Are groups and teams the same thing? What turns a group into a team? What differentiates a team from a group? These are all critical questions and understanding of them is crucial to understanding of what makes an effective team. The main purpose of this study is to examine effectiveness of groups and teams on organizational performance within a business environment. Within this scope; definitions of groups and teams, similarities and differences between groups and teams, effectiveness of team performance and effectiveness of groups are investigated in order to clarify whether groups and teams are the same. This study reveals that the effectiveness of a group or a team is dependent on which market sector the organization is in and the organizational objectives. As a result, groups and teams are very much different. However they have the ability to produce the same outcome which is successful organizational performance.

Keywords: Groups, Teams, Effectiveness, Organizational Performance.

1. Introduction

The very concept of groups and teams is not a new phenomenon. Throughout history humans have worked together to hunt and protect their families as a necessity for survival. Yet, the understanding of groups and teams in a business environment is one of continual yearly development, where knowledge and insight is ever expanding (Kozlowski & Ilgen, 2006, 83). The often conflicting and contradictory views are taken into account within this critical literature review when understanding the nature and characteristics of groups and teams.

In addition, the similarities and differences of groups and teams will be examined in order to clarify and distinguish between the two. However the question at hand can be regarded as far reaching. Therefore in order to effectively evaluate whether groups and teams are the same, the focus of this critical literature review will be concentrated toward how the two differ in producing successful organisational performance within a business environment. This will be done through assessing Tuckman's (1965, 391) theory of the transitional process from a group to a team and examining the notion that group work can also lead to successful performance. Only when all parts have been scrutinised can judgement be made as to whether groups and teams are in fact the same.

2. Literature Review

2.1 Definitions of Groups and Teams

In terms of defining groups, academia offers a number of viewpoints (Guzzo & Shea, 1992, 274). Nevertheless, common themes appear. And thus work groups can be defined as a number of individuals who observe themselves as a social entity, interconnected through common tasks and the undertaking of diverse roles. Individuals are often integrated within huge social systems such as business organisations (Alderfer, 1977, 232; Hackman, 1987, 320; Guzzo & Dickson, 1996, 309). It is therefore the encirclement of the social system that depicts group content and productivity but research has been unable to distinguish whether productivity is affected by the size of the social

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system (Levine & Moreland, 1990, 591). In addition, individuals are often connected to more than one work group within the wider social system (McGrath, 1991, 152) and groups can be a part of more than one social system (Guzzo & Dickson, 1996, 310). Therefore the fluidity and flexibility of groups in adapting to changing environments, suggests they number at substantial amount across organisations and everyday life.

Similarly academic literature is inconsistent in defining teams (Katzenbach & Smith, 1993, 23; Fisher, Hunter & Mascrosson, 1997, 234). However, a common theme is the identification of four types of teams found within business organisations (work teams, parallel teams, project teams and management teams). It is work teams that are noted to be the most common and can be defined as the “continuing work units responsible for producing goods or providing services” (Cohen & Bailey, 1997, 244). Additionally, Kozlowski and Ilgen (2006, 89) explain the several factors that contribute to the creation of work teams. These include displaying levels of group solidarity and interaction to achieve common goals and outcomes, to possessing a range of duties and responsibilities. There is a belief that in an increasingly ‘turbulent and challenging’ market, embracing the concept of a team is the best fit for success, as productivity and job satisfaction are improved (Fisher et al., 1997, 235; Stubler & York, 2007, 675). Yet, it is important to note that each work team is embedded in a panoptic organizational system.

2.2 Similarities and Differences Between Groups and Teams

With regards to groups and teams a number of similarities and differences can be established. A common connection between the two is that individuals come together to form both groups and teams via interaction (Guzzo & Dickson, 1996, 317; Kozlowski & Ilgen, 2006, 95). These formations allow certain characteristics to blossom, such as individual and joint motivation, as well as satisfaction (Guzzo & Dickson, 1996, 322). Moreover, managers within organisations have the perception that both groups and teams are ‘active, effective, energetic and flexible’ (Fisher et al., 1997, 237), suggesting that both are adaptable to differing environments and both can produce successful outcomes. Whilst Pullen-Sansfacon and Ward (2012, 1289) go as far as saying that by definition, teams are actually groups. On the other hand, Fisher et al. (1997, 238) established a number of key differences between groups and teams, which flaws the interchangeable usage of the terms in academic literature (Nemeth, 1986, 26; O’leary-Kelly, Martocchio, & Frink, 1994, 1291; Schein, 1988, 76). This is a prime example of how literature regarding groups and teams is often contradictory.

However from the very definitions of groups and teams, it is apparent that differences do exist. Guzzo and Dickson (1996, 329) express the view that groups are common throughout all social systems, whereas teams are related to social systems where a common goal is prioritised, for example; an organisational setting. Furthermore, differences can be established between the structures of groups and teams. Groups can be created at a stroke, whereas the ‘forming-storming-norming-performing’ process of team establishment is time consuming (Fisher et al., 1997, 237). Moreover groups and teams differ in their stance toward leadership, accountability and responsibility. As Katzenbach and Smith (1993, 25) point out, groups are associated with strong clearly focused leaders, and members who claim individual responsibility and accountability for their actions only. Alternatively, teams centre around a shared leadership of roles where members work together repeatedly in a focused way. This leads to mutual accountability and a collective responsibility of actions, which has the potential to enhance team performance beyond the reach of groups (Katzenbach & Smith, 1993, 25).

2.3 Effectiveness of Team Performance in a Business Context

It is difficult to effectively assess the concept that groups and teams are the same, without thoroughly examining Tuckman’s (1965, 391) team development model. It was he who first established that group’s transition into teams over a period of time, suggesting that groups and teams are very different in their structure and outcome. The model consists of four stages: orientation to task (Forming), emotional response to task demands (Storming), open exchange of relevant interpretations (Norming) and emergence of solutions (Performing) (Tuckman & Jensen, 1986, 423).



Figure 1: The Stages of Team Development Model



The processes of 'Forming' and 'Storming' start with the establishment of group orientation, and then conflict and polarisation around interpersonal issues between group members (Tuckman, 1965, 391). This is followed by the 'Norming' and 'Forming' processes, which result in the overcoming of the 'Storming' behaviours that hinder group success, coupled with introduction of new standards and roles, and interpersonal structure becomes the tool of task activities (Tuckman, 1965, 391). By this point each team member is comfortable with their roles and responsibilities, group energy is channelled into the task performance, and the team runs efficiently with little oversight (Tuckman, 1965, 392).

Tuckman's model emphasises the gradual change and evolvement of groups over time into a phenomenon that is very different from where it started; the concept of a team can therefore be regarded as an improved developed group. As a result, the collective outcome of the team, whether it is the creation of innovative ideas or the hitting of performance targets, also improves.

In addition, it can be argued that this trail of thought is supported in real life business practice, as teams perform substantially better than groups. For example, teams create a work environment that enables the exchange of information and knowledge, and development of innovations (Paulus, 2000, 244). It is therefore an environment in which the attainment of the organisations main goals is made easier. Moreover, job satisfaction, low absenteeism, cycle time, work unit productivity/sales and rating of work team effectiveness are all improved (Sivasubramaniam, Murry, Avolio, & Jung, 2002, 71). Whilst, the powerful unit of collective performance enables the development of team direction, momentum, and commitment by working together with little assistance from higher management (Katzenbach & Smith, 1993, 26). The reality of the business environment emphasises the differing effectiveness of groups and teams in producing successful organisational performance.

However it is important to acknowledge that the transition from a group to a team is not always an indicator of positive performance. As Belbin's research suggests; successful companies are constructed of teams who have a balance of the nine 'team roles', rather than those that are assembled solely on intellect and knowledge (Belbin, 2010, 39). Consequently, teams can be far from successful if they lack the correct balance. This is reinforced by the notion that team diversity (race, gender, age) is a causal factor that leads to a greater variance in ideas, creativity, and innovation (McLeod, Lobel, & Cox, 1996, 25). Thus, heterogeneity between team members creates a healthier performance. It indicates the success of a team is significantly reliant on having the correct mix of individuals. As a result groups have the ability to be just as effective as teams.

2.4 Effectiveness of Groups in a Business Context

It is evident from the literature that staying as a group can be just as beneficial in encouraging a positive performance as transitioning into a team, as both have value within their own context (Katzenbach & Smith, 1993, 61). For example, value can be created through a group by avoiding the time it can take to form a team (Fisher et al., 1997, 239). Therefore the positive characteristics of a group outweigh the negative time it takes to transition into a team. Moreover, it is these very characteristics of groups which are advantageous. Positive organisational outcomes can be achieved through individualism (Katzenbach & Smith, 1993, 61), as individual responsibility and accountability are better suited to certain work environments; for example, engineering and science (Utley, Brown, & Benfield, 2009, 417). This is also apparent within organisations. Groups are more abundant toward the higher end of the hierarchal structure where individual responsibility is greater, for example board of directors, and management committees (Hayes, 2002, 77). Therefore positive group performance is



associated with certain market sectors, and implementation at the higher hierarchal end of an organisation.

However, it can be argued the disadvantages associated with groups far outweigh the advantages. Firstly, from a business perspective teams function a lot more successfully on a micro level than groups (Rosenthal, 2015, 51). This is arguably due to the structural composition and core characteristics of groups. From a structural view point by not transitioning to a team, the group remain a loose gathering of individuals, made up from personal preference rather than ability (Hayes, 2002, 77; Price & Maier, 2007, 88). Individuality remains and unity does not occur. Incoherency in performance is therefore understandable. A lack of a common goal and purpose (Fisher et al., 1997, 240), results in an absence of ownership and responsibility of goals within groups (Katzenbach & Smith, 1993, 63). Consequently, issues such as the breakdown in communication arise, causing a reduction in innovative and creative ideas leading to poor performance (Utley et al., 2009, 418). Therefore, without the transition from a group to a team, execution of tasks becomes laboured and less effective, as there is a deficiency in the core factors and elements that result in a successful performance.

3. Conclusion

To conclude, it is clear from academia and reality that the topic of groups and teams is far reaching, contradictory and complex, as groups and teams are often used interchangeably (Rosenthal, 2015, 54). However it is apparent teams and groups may appear similar on a basic level, yet in terms of core characteristics and structure they differ considerably. Nevertheless both allow for the establishment of positive and negative performance within a business environment (Stubler & York, 2007, 689; Utley et al., 2009, 418).

Effective teams characteristically evolve out of groups, resulting in increased creativity, innovation and job satisfaction, leading to greater productivity (McLeod et al., 1996, 33; Sivasubramaniam et al., 2002, 93). Whilst the emphasis on individual responsibility and accountability in groups fuels effective performances in engineering and scientific environments (Utley et al., 2009, 419). Therefore the effectiveness of a group or a team is dependent on which market sector the organisation is in, the organizational objectives and the hierarchal level in which the group or team will be positioned. As a result, groups and teams are very much different. Yet they have the ability to produce the same outcome which is successful organizational performance.

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