

THE ROLE OF EFFICACY IN TEAM BASED ORGANIZATIONS USING THE HOLISTIC APPROACH: IMPACT AND IMPLICATIONS AND A CALL FOR FURTHER RESEARCH

Nadeem Cassim

Research Manager and Academic, Regent Business School, Durban, South Africa

Anis Mahomed Karodia (PhD)

Professor, Faculty Member and Senior Researcher, Regent Business School, Durban, South Africa

Reeshana Bharuth

Research Assistant, Regent Business School, Durban, South Africa

ABSTRACT

When assessing the role and efficacy of team based organizations, our group found that a holistic approach should be considered to understand the impact and implications of team based organizations and self- management in organizational development. This paper attempts to explore this issue. In addition, this approach was engaged in due to our understanding of an efficacy being an intervention to produce or achieve a goal or desired effect. Hence, if applied to organizational development, this presentation wishes to assess how and whether the implementation of team based organizations and self-management allows an organization to achieve success. However, we believe that team based organizations and self-management is inter-related terms, hence the focus would be how self-management exists in teams. Although our presentation considers a holistic perspective which include: A background and introduction; a brief definition of a team; what is meant by a team based organization; the need for team based organizations; the six stages of team based work; different types of teams; TBO in South Africa; Advantages and disadvantages of TBO, failures of TBO; and a Case Study on BMW South Africa, we have chosen to focus and elaborate on: The background and introduction; a definition of a team; what is meant by team based organizations; and the case study of team work and self-management in BMW South Africa. The emphasis of this paper is to elaborate and justify the sections of our presentation that we have engaged in. A paper of this nature cannot be all encompassing and does not pretend to capture or exhaust the subject matter to any finality.

Key Words: Efficacy, Team Based Organizations, Holistic Approach, Impact, Implications

INTRODUCTION

It has to be fully appreciated that whilst our presentation has a section dedicated to the needs for team work, it was found that a background and introduction comprising of a brief history around the notion of labor and changes that have occurred within it, in addition to changes in the economy is important to note because if we are considering TBO and self-management as organizational development interventions, it has to be understood that the problems being addressed is aimed at the need to overcome them. Hence when looking at the concept of labor, we need to look at how labor was economically rationalized which meant that people were required to leave their private spheres of work and now labor for a capitalists in return for a wage is constructed. Whilst creativity, autonomy and the use of human intervention was prevalent at the time, as capitalism matured, systems of mass

production occurred which removed the skill content of work (Gorz, 1989: 14-16). It is important to understand Fordism and how it introduced the mass production of very standardized products, specialization, monotonous work, and the removal of human intervention due to the use of technology that replaces the need for human skill (i.e. process of deskilling) (James; Jones and Roos, 1990: 37). However mass production, the division of labor, specialization, and so on worked prior to globalization because organizations were protected from foreign competition and produced for a certain threshold of consumers (Melitz and Cunat, 2005: 1).

Globalization has brought about many changes in the world of work. Countries and nations have become increasingly interconnected, and the scope of competition between organizations relied on the need for increased efficiency in order for organizations to be competitively incorporated into the economy (Drackulic, 2003: 3). Globalization poses greater uncertainty, whereby organizations have to respond to changes in the economy quickly in order to survive and be competitive in a world that is becoming increasingly interconnected (Melitz and Cunat, 2005: 2). Organizations across the globe have to partake in what we know as 'global restructuring' to respond to these uncertainties and obtain comparative and competitive advantage (Melitz and Cunat, 2005: 2). Hence to sum up, globalization entails changes in the economy which include: economic shocks; changing consumer preferences; and competition. Due to this, we now live in a knowledge economy where the skill content labour has increased, requiring workers to apply their skills into production processes. An organization that lacks the ability to do this lacks the ability to be competitive (Castells, 1996: 240). Hence via outlining the above mentioned changes, we would gain an understanding as to how TBO with the use of self-management can be a response for organizations to overcome these changes.

Additionally, besides overcoming the uncertainties of globalization, this presentation also aims to show how team based organizations and self-management is crucial in changing the attitudes and behaviors of individuals in organizations. The problem with Fordism and bureaucracies was that their management was based on control. Workers that were controlled showed forms of resistance that threaten the goals of the organizations (James; Jones & Roos, 1990: 38). Due to rationalization as we noted, there has been a separation between conception and execution of a task, and the emergence of very specialized and repetitive tasks that do not require much mental or physical input (Sites, 2004: 71-72). Due to this, workers find ways of coping with their monotonous jobs such as daydreaming and reveries. By creating daydreams and reveries, workers create relative satisfaction and an escape from their rather boring jobs (Sites, 2004: 73). When work requires little human intervention, workers find an escape by creating imaginations of places they would like to be, of things they wish to do, create internal speeches and monologues, and so on; that all occupy them through their drowning hours of work (Sites, 2004: 81). People develop and construct an imaginary 'self' and as long as the forms of work they engage in are specialized, monotonous and require little skill and human intervention, and when workers know that their contribution is a small part of the entire work process (Sitas, 2004: 86). Hence the background and introduction also emphasizes the need to assess the role of TBO and self management on the attitudes, behavior and mind shifts of workers.

Followed by the background and introduction will be a brief definition of a team, which can be applied to understand the characteristics of a TBO, or rather what is a TBO. Put briefly, a team is a unit of two or more people interacting and co-coordinating their work together in order to accomplish common goals. By applying this definition to TBO, we can understand TBO as a team based organization is an organization that manages their daily activities through self-directed work teams. It refers to the activity of a group of workers that work co-operatively to achieve common goals (DeMatteo; Eby; and Sundstrom, 1998: 147). The use of team based organizations is based on the premise that workers working in groups offer greater progress than workers working individually. Team bases organizations

recognize that the most valuable resource of organizations is people due to their ability to think, create, communicate, and use their judgment (Eppler and Sukowski, 2000: 335). Employees are given direct access to information that allows them to plan, control and improve their operations. In short, employees that comprise work teams manage themselves (DeMatteo; Eby; and Sundstrom, 1998: 147). Employees working in teams are also required to use their skills, creativity, decision making and problem solving capabilities to allow organizations to survive and be competitive in an increasingly globalizing world, by allowing them to carry out the functions of management such as: planning, controlling, organizing, improving working methods and leading the production process (DeMatteo; Eby and Sundstrom, 1998: 147-148)

In addition to this, it is important to outline the changes that TBO have on the organizational structure. In order for TBO to be implemented, it requires a restructuring of the entire organization, such as the shift from vertical hierarchies to horizontal co-operation as the most significant one. Workers, due to self-management, take on the tasks of management (i.e. functions formerly performed by supervisors and managers) (Politis, 2003: 58). Hence by co-coordinating their own activities, they are not supervised and do not need to consult management before doing a task, because TBO is also about workers taking risk. This allows managers to teach, coach, develop and facilitate rather than simply direct and control (Politis, 2003: 58).

DISCUSSION

By outlining the characteristics of TBO, the researchers also wanted to show how the use of synergy comes into play. By working in groups, workers are able to accomplish than they would if they worked individually. In correlation to synergy, teams undergo a constant process of learning because by working with other people, you are learning from them, and learning new methods of doing things, through the sharing of employee knowledge in their teams (Eppler and Sukowski, 2000: 336). Additionally, TBO uplifts the attitudes of workers by creating autonomy. By allowing workers to control their own processes and use their skill, organizations are actually trying to produce solidarity, autonomy, and an organizational culture in order to improve the labor inputs of workers (Eppler and Sukowski, 2000: 336).

Many individuals feel that an organization can either use flexibility in their processes, or they can go the TBO route. Another purpose of outlining a definition of TBO was to elaborate that TBO does require the use of flexibility. However, the flexibility that it requires is not the flexibility that we know to downsize and reduce the cost of labour. Hence it was important to distinguish static flexibility from dynamic flexibility, in addition to distinguishing direct participation from indirect participation. Via doing so, we come to know that TBO and flexibility correlate, however TBO utilizes dynamic flexibility with more direct forms of participation (Masondo, 2005: 153).

Lastly, the researchers personally believed that providing a theoretical perspective of the concepts of team based organizations and self-management are inadequate because in organizational development, an idea may seem innovative, but once it is applied to an organization it fails. Hence the researchers thought that it would be relevant to emphasize the importance of team based organizations and self management via showing how it was advantageous when applied to BMW's plants in organization. When assessing organizational development strategies of BMW South Africa, it was found that the organization made use of an 'Associate Model,' which emphasized team work and self management. Employees were put into teams of 24 and were given equal decision making capabilities as management (Masondo, 2005: 160). They, along with their teams, partook in organizational processes

through many institutions such as: The Joint Committee; Suggestions Schemes; and Quality Circles. By using the TBO and self-management, the BMW plant in South Africa experienced a rapid increase in the quality of products and profits (Masondo, 2005: 159-161). By allowing employees to work in teams that are self-managed, the company saved over R 3 million over a period of 5 years, for example. In addition workers: dealt with bottle necks in the production process; gained trust in management; created organizational solidarity; eradicated boredom by multi-skilling; gained skills from other workers; and improved the companies profits and quality of products (Masondo, 2005: 162-164).

CONCLUSION

In conclusion, the purpose of this paper was to elaborate on the sections of the presentation that we as researchers have engaged in.

1. The purpose of the background and introduction was to outline a brief need for the implementation of team based organizations and self- management.
2. By looking at changes in the economy and failures of previous production models, we are able to gather the ability to critically analyze whether TBO and self-management can be a response to these problems.
3. A brief definition of a team allows us to understand the basic underlying structure of a team, and the purpose of defining a team-based organization was to show that it comprises of characteristics of giving organization the ability of overcoming changes in the economy due to globalization and achieve success.
4. Finally, the purpose of providing a case study on South Africa was to emphasize a practical example, of how TBO and self-management can not only allow for an organization to be competitive and achieve success, but can do so in a South African organization (in fact one of the most prominent South African organizations).

It is hoped that this paper will assist the reader within the work environment to consider the issues discussed in this short paper. By the same token, it is hoped that more research will be undertaken by others in understanding the complexities of teams within organizations for purposes of increasing efficacy, efficiency and productivity.

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