

The Power and Illusion of Self-Organizing Teams

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Introduction

Teams and teamwork are the heart and soul of every project. This is especially true for agile teams. It is not the individual performance or accomplishment that counts but that of the team. Just like in team sports the team succeeds and fails together. The Agile Manifesto (Beedle et al 2001) puts the team at the center of interaction. It states, "The best architectures, requirements, and designs emerge from self-organizing teams." But what does "self-organizing" mean? Does "self-organizing" mean that team building is no longer necessary and that instead the teams do this by themselves? And, if teams are self-organizing why do so many teams and projects still fail.

This paper sheds light on self-organizing teams. It explains what distinguishes them from manager-led and self-governing teams. It then outlines preconditions for unleashing the power of self-organizing teams and juxtaposes these preconditions with factors that can make self-organizing teams an illusion.

It becomes evident that there is an immense promise and power of and in self-organizing teams. On the other side, there is no guarantee for self-organizing teams to develop and sustain themselves. This is particularly the case in non-agile organizations. Under those circumstances it is important to know common pitfalls of self-organizing teams and learn to overcome them. This is not an easy task. The returns, however, are multifold and worth the investment. Self-organizing teams can thus become a cornerstone of project success.

Variations of team's scope and authority

In order to understand what a self-organizing teams are it is easiest to compare them to other teams. There are at least 3 different team variations.

Manager-led teams are defined and led by someone from the outside. A manager appoints a project manager and the project manager becomes the boss of a team. The team reports to the project manager; the project manager to the project sponsor or another manager. The team does whatever the manager tells it to do. It is an extension of a linear hierarchy we still can witness in many organizations these days.

In contrast to manager-led teams are *self-governing teams*. These teams do not have exposed leaders at all. Indeed there is not even an outside manager. Teams are self-selected in the sense that team members have found each other and work on something their teams decide. The directions of such teams come from the teams themselves.

Self-organizing teams are somewhere between manager-led and self-governing teams. While the overall direction of the work of self-organizing teams may be defined from the outside, self-organizing teams decide by themselves how to execute these tasks, manage processes and monitor progress. Self-organizing teams design their own activities that cumulate in final project deliveries.

Self-organizing teams play a central role in agile environments. However, while the attribute "self-organizing" may suggest that self-organizing teams are simple to form there no such automatism exists. Instead, there need to be a number of critical preconditions in place for self-organizing teams to evolve, sustain and nourish. It is these preconditions we now turn.

Preconditions for Unleashing the Power of Self-Organizing Teams

Develop a compelling purpose and vision of and for your project and team

One of the key characteristics of projects is that they are following SMART project objectives whereas SMART stands for specific, measurable, achievable, relevant and time-boxed. While this is indeed true for most projects it is not the most important element of a successful project. As much as projects don't exist in a social vacuum, the same applies to their project objectives. If however the objectives change how can you still ensure that the

project is moving into the right direction? This is where a project vision comes in. A project vision goes beyond the SMART attributes of project objectives. As a matter of fact a project vision doesn't even have to be SMART. The secret of a good project is that it portrays a direction of the project in a way that people can relate to it. The right project vision is the foundation of every successful project and project team, especially self-organizing teams. Sharing a common project vision and goals and having the same understanding about tracking the progress toward this vision is one of the key factors in the success of a project and team.

The vision inspires your journey. It defines the purpose of your project. Prerequisite is that you and your team know why the project was started in the first place. You and your team need to be able to answer the following questions: *What is the driver behind the project endeavor? What are the issues it attempts to resolve? Who is affected by these issues and why? And, what would happen if these issues were or could not be resolved?* Understanding the purpose of a project constitutes the ground of a project vision. A project vision describes the resolution and what it means to those affected by it.

The project motivation and vision are the foundation of the project work. They form the common denominator of the complete team, structure the project and set the overall direction of the project.

Nourish passion in the value of the purpose and vision

Involving team members in developing the vision of a project allows them to gain a deeper understanding and meaning of the project motivation and vision. The key to building vision is that that every person who is actively involved or affected by the project needs to be able to relate to the vision in his daily activities. Give them the chance to identify themselves with the vision. Involve them in building this vision and participate in making it real. This helps build rapport and the necessary buy-in from those people to realize the project. Make them fans of the vision. Let it constitute their motivation and passion. Let them rave about it.

The story of a visitor who was curious about a construction site illustrates the power of a common project vision. This visitor approached a group of workers to find out more about the construction. The first worker replied that he was a bricklayer. The second worker told him that he was building a wall. Then he asked a third worker. This one explained that he and the other people in his team were building a cathedral. The interesting thing was that each worker was actually doing the same activity. Yet the motivations and their attitude differed a great deal. The third worker knew what he was devoting his time and effort to something big. His project may have been to build a wall. But it was the project vision of building a cathedral that enticed him.

Every team member has to understand what the purpose and vision of the project is. However, a mere understanding is not sufficient. Team members should be able to identify themselves with the motivation and vision. This is why they are best involved in developing the project vision at the beginning of a project.

Project leaders do not start a project without a project vision. Hence, if you and your team want to exercise leadership, you either build vision or make sure that it is in place, is crystal clear, and is mutually understood by every single person actively involved in the project. Start with a unified project vision, know where you are coming from and where you stand before and during your project. Know your environment, know your potential, and identify your limits and overcome them. Build and involve your team and nurture effective collaboration across the board.

Develop cross-functional teams

One of the characteristics of self-organizing teams is the mixture of talents and backgrounds seen in the team. Rather than gathering a group of experts, develop cross-functional teams and thus invite cognitive diversity. Often we are stuck in our own belief systems and way of doing things. Having people with different backgrounds in the team gives us the chance to learn to view things from different perspectives and take on different approaches. "When we work together with people who are not like us ... we are often able to solve problems that we wouldn't be able to solve alone" (Denning 2010, 94).

For self-organizing teams to prosper they need to be able to sustain themselves. This is difficult to do with a group of single-minded and skilled experts. Cross-functional teams consist of team members who complement each other with their different skills, experiences, insights and perspectives. The common understanding and support of the purpose and vision of the project helps form one strong team not in spite of but because of the cognitive diversity within the team.

Empower the team

Empowering the team means sharing power and knowledge, giving the team the necessary information, tools, and other resources to its work. It also means to let go. You can compare it to learning to walk. A parent can

make sure that a child has a safe environment. But it is the child that has to learn to stand up and take one step at a time until it can walk. Empowering this child involves encouraging it and removing any impediments in its way that may harm the child. It is still the child who has to take the steps and not the parent. In a team setting the person empowering the team has to ensure that an environment can emerge where it is safe to make and learn from mistakes and build on successes.

Give your team and each individual member the chance and opportunity to prove their strengths. Empowerment is the opposite of micromanagement and top-down leadership. Empowerment is about trusting your team. It calls for you to show every team member how to solve problems by themselves. Empowerment means that you teach your team how to become less reliant on you as a project leader and instead trust and show their own strengths and the power of the team.

In a nutshell, if you want to promote team performance you have to empower your team to perform. Give your team the opportunity to excel and have an active hand in project success. Empower your team through effective leadership. Help your team as a group and team members as individuals become leaders in their own roles and thus contribute to project success. Give your team the freedom to act and share the information and power necessary to do so. This is an example of agile and servant leadership.

Team responsibility and accountability

Being empowered does not mean that a team can lay back and relax and not do anything. Empowerment doesn't come for naught. It is directed toward a common goal: the successful delivery of your project. "Empowerment means you have freedom to act; it also means you are accountable for results" (Blanchard 1998, 90). Accountability is two-sided. If an individual team member is successful, so is the team; if an individual fails, so does the team.

Empowerment and responsibility go hand in hand. Empowerment requires responsibility of the individual and the team as a whole to act. Without taking on responsibility and accountability empowerment remains an empty shell and thus meaningless for it leads to nowhere.

One of the characteristics of performing self-organizing teams is that they focus on solutions and results rather than problems. As project leader you want every team member to understand how important it is to identify problems and risks. And, it is even more important that they don't despair and stop thinking and acting when facing a problem. Instead, they analyze the root of the problem or risk and take appropriate measures to solve or control it. From this perspective a problem or risk is not seen as a potential showstopper but a chance to learn and prove skills and competencies on the individual and / or group levels. The question is not what a problem is all about but how to solve it for the benefit of the project and move on. This distinguishes a problem orientation from a solution and results orientation. The latter one is forward looking toward achieving the project vision. A problem orientation on the other side holds the person accountable for solving the problem back in the past and present. As a consequence performance becomes impossible. This is why it is so important for your team to develop a solution and results orientation toward problems and risks.

Acknowledge performance, contributions and results

As much as results matter in a project and may even be one of the most important element people care about, a project and even more so a project team are not just about results. Take a high-performing sports team in volleyball or basketball. Every time a team member scores a point, manages a great pass, blocks a shot of the opponent or accomplishes something else noteworthy, team members clap each other and thus acknowledge the accomplishment. Working on a performing team is a wonderful and dynamic experience. Just don't wait until the project is over to celebrate performance. Do so throughout the project. There are at least two reasons to celebrate performance.

One, when you see the results of performance. These can be the delivery of a product, the approval of a project phase, or whatever the performance was aimed at.

Two, it is the process of performance itself you are celebrating. This is the behavior of individual team members or the team as a whole. What you want to do is to "look for behaviors that reflect the purpose and values, skill development, and team work, and reward, reward, reward those behaviors" (Blanchard 2001, 190). The reward can be formal in the form of a pay increase, a prize, or a promotion. Or it can be informal that you simply acknowledge the performance, you are enjoying the act of team performance. Things are running smoothly. Team members get a kick out of solving former insurmountable problems. They are happy to be a part of the team, the enjoy work and have a good time. The performance on the group level is very high and in return helps improve individual performance. You can observe this, for example, when you watch a performing sports team

where individual players all of a sudden play exceptionally well like they have never played before. It is because the team performance is helping unleash individual skills. This is team magic. It is highly rewarding to the team and the individual members of the team. That is, experiencing team magic is a reward by itself.

With every celebration you know there is an end. Make sure that this celebration coincides with the successful project delivery. If you and your team are not there yet, stay focused on the project purpose. Performance is great as long as it is geared into the right direction. You do not want to be over indulged with team performance, lose sight of the changing environments and circumstances and then having to find out that while the team performance was great, it did not yield the required results. Celebrating performance is great. But make sure you and your team keep your sight on the project vision and produce results.

Let it happen!

Suppose you are acting as a role model and you have created an environment supportive for a self-organizing team to evolve and prosper. What else can you do to promote performance? Simple: let it happen. Let the team do its job. By the time a soccer match starts, for example, there is not much the coach can do about the team performance. It is show time. Now the team has to prove its talents and show what it has learned.

There comes a point where you actually do *not* want to push individuals to perform. If you sense that this is still necessary at this stage, you have probably missed something at an earlier stage, say during team norming or in one-on-one meetings with your team members.

Developing a self-organizing team deals with trust. You have to trust your team, and let the team do its job. Alas, you are part of the team. You do not have time to micromanage your team members. Micromanagement is usually a sign for distrust and poor planning. It is poor leadership. When you have built a common vision, developed collaboration rules jointly with your team, there should be no need to micromanage team members in the first place. Promote performance by being a role model, creating the right environment, empowering your team – and, last but not least, trusting your team. Don't force and micromanage your own team members.

There is no room for micromanagement if you want to help build a self-organizing team. Building a self-organizing team is about enabling and empowering your team to perform and produce results.

Factors that make self-organizing teams an illusion

Self-organizing may suggest that problems are always easily resolved in such a team. As desirable as this may be, this is clearly not the case. We live in a complex and complicated world. It would be presumptuous to claim that self-organizing teams are the mantra for problem solving. They are not. It would also be false to believe that self-organizing teams can evolve in every setting. As a matter of fact corporate cultures and project environments are often anything but supportive for self-organizing teams to develop and prosper. Let's have a look at some of these impediments and see how we can master them.

Lukewarm or no management support

The CEO of an internet service provider heard about self-organizing teams and empowerment and was excited about the huge potential they could yield for his company. He set out a new corporate motto of "empowering people" and promoted the idea of "strong teams". Apparently, Thus he asked his managers to empower their people and thus achieve more. While the idea was laudable, the execution failed. Not because no one followed the new guideline. Lots of teams on the operational level did. The problem was that there were a few middle managers that did not fully understand the requirements, the implications and risks of this strategic move. They were stuck in their old way of management by directives. They were used to tell their subordinates what, how and when to do it. So, while they were officially following the new corporate directive they actually did not change their management style. The result was that those individuals who fully embraced the idea of empowered and strong teams did not enjoy the necessary backing of their own managers who intermingled with the team's activities and thus undermined team morale.

Setting out the direction of empowering people, welcoming strong and self-organized teams is one thing. Hopefully you follow this path. But make sure that the whole management team understands the motivation and vision as well as possible pitfalls and impediments of the process and supports the teams on the operational level by removing these impediments. There is no such thing as partly introducing agile and lean principle. Going agile requires a commitment from top down as well as bottom up. One company which successfully managed the transition to "agile, customer-driven, outcome-oriented, iterative management practices" (Denning 2011) was Salesforce. They decided "to go all out with change right across the whole organization" (Denning 2011). And their management was committed to make this change work. They did not blindly copy best practices but

customized agile methodologies to their particular needs and expectations. Team output received greater attention and rewards than individual productivity; cross-functional teams became the norm rather than the exception. The complete transition process was open and Salesforce invested in the necessary training and coaching. The wholehearted agile transition helped Salesforce “deliver a 41% annual return to shareholders over a sustained period of time” (Denning 2011).

Avoiding whole team responsibility

Empowering individuals and teams yield new possibilities, freedom and influence. This can be a prerequisite for self-organizing to take place. On the other side you need to be aware that not everyone is used to this level of freedom. This is especially so if they were used to being micromanaged in the past. All of a sudden they have the freedom they always longed for; but then they don't know what to do with it. They may hesitate making their own decisions, avoid risks because they are afraid that possible mistakes will be punished like they were in the past. Consequently, they take on a wait-and-see attitude and avoid responsibility.

In a situation like this it takes all of your leadership and communication skills to build teams who learn to think and act in a solution- and results-oriented way. If there is one “price” teams have to pay for freedom and room for creativity it is responsibility to perform and deliver and the accountability for their results or lack thereof.

Traditional management or the death of empowerment

As empowerment, Agile, and Lean principles are becoming increasingly popular more and more managers embrace these ideas. They claim to be honestly interested in trying them out in their organizations and teams. This is good news and a noble act. Alas, it means nothing if the manager in charge does not truly understand the underlying concept and philosophy of empowerment. It is no longer about him or her, it is about helping others become successful. This is really difficult for traditional managers. Having to let go of their old concept of power and influence. Letting go of their own “safety” net and build one for others.

So, while it is promising when managers talk about empowerment, empowering people or strong teams learn to become curious about their motivations behind it. It is always good to question what made them change their old style of managing and instead “embrace” something new. Indeed, embracing may not be the correct word. For if you truly embrace an idea you become one with it. You follow through, show your willingness to make mistakes and learn from them without giving up after the first downfall and then returning to the old school.

Empowerment is powerful. Much more powerful in its execution and its effects on people and organizations alike than any traditional approach. It unleashes hidden talents, helps promote collaboration, promotes performance and ensures results. But it doesn't fall from heaven. It takes leadership of one or more people. It is them who have to drive building common vision, nurturing collaboration, promoting performance without micromanaging their teams, cultivating validated learning and ensuring that the teams deliver results and get credit for them. There are a lot of obstacles to overcome: vanity, the lust for power and influence, insecurity – and a closed vs. *an open mindset whereas the latter is characterized by the willingness to make mistakes and the drive to help other people and organizations succeed for the better of all*. Management on the other side, maintains and sustains the status quo, executes what is dictated from above, allows micromanagement which kills motivation and creativity. This is why traditional management is the death of empowerment.

If you want to empower people and organizations you have to practice servant leadership; for it is not about you as an individual, it is about the greater good of the environment you are living in.

Distrust

Trust is a prerequisite for empowerment and thus self-organizing team. If you allow the development of self-organizing teams you have to trust your teams, you have let them go and resist the temptation to actively interfere with their day-to-day activities. If this is not possible because you distrust them, you have to find out what causes this distrust in the first place and resolve its root causes. This may be a painful and uncomfortable process. At the same time it is a wonderful chance to grow professionally and personally.

Disrespect

Similar to distrust disrespect is poison to any self-organizing team. Find out what causes disrespect and resolve its root causes. Respect should be a value practiced and supported in every project environment, regardless whether or not you are proponent of self-organizing teams or not. When you work together make sure that you follow the same cause and have the same understanding of it. If you differ on the approach to achieving it talk about it and see how you can accommodate your differences. Don't get set sidetracked by different positions; instead focus on your common goal and work with rather against your differences.

Impatience for continuous improvement

Continuous improvement is one of the key elements of self-organizing teams. But what if these improvements don't come fast enough? Well, continuous improvement does not mean that we are talking about revolutionary insights every other week. Continuous improvement is first and foremost an attitude every team member in a self-organizing team should have. It is not a call to criticize everything but to find ways and means individually and together with the team to do things more effectively and efficiently. This can be something small or something bigger. And it can take time.

Note that prerequisite for continuous improvement is reflection, i.e., the team has to take the time to review its past performance, identify any shortcomings and learn from its mistakes. A common objection and excuse is “I don't have enough time.” If this happens here is what you can do:

There may indeed be *times* when there is literally no time to lean back a little and reflect on our past doings, our accomplishments and lessons learned in our projects. But when there are *busy times* there are usually also times which are less hectic and which leave room for active learning. Use these quiet times with your team to nurture learning.

Set expectations that learning is a key part of your project and that you expect every team member to share its lessons learned, to contribute to the team knowledge, and to help each other.

Combine feedback sessions with other events team members attend or don't want to escape from such as lunch or coffee breaks.

Revisit the project schedule and find out if it is too tight, leaving no time for learning. Not having and taking sufficient time to reflect and adjust our actions may hurt us when we have to live with the consequences of potential mistakes. The longer it takes you to correct a mistake, the costlier it usually is – if you still have the chance to do so in the first place.

Lack of purpose and vision

Last but not least, the most severe poison for self-organizing teams to develop and prosper is the lack of a common project purpose and vision. The vision of the project is vague at best. It is not concrete with respect to a clear direction of the project. As such it leaves plenty of room for interpretation. Not too surprisingly, there is neither a mutual understanding nor support of the project vision and project objectives among the key stakeholders of the project or within the team. Consequently, the project objectives do not meet the SMART criteria.

As mentioned in the previous section a project motivation and vision is the foundation of project success. As such it has to be understood and supported by every single person on the team. For this purpose to involve the team in developing the project vision. The project purpose and vision serve as a compass for the project and the project team. Without them the team is directionless. A team may still be formed but it has nothing to do with the project. Unless the whole team fully supports the project purpose and vision it is unlikely that the team can organize itself effectively and deliver any sustainable results.

Conclusion

There is an immense promise and power of and in self-organizing teams. On the other side, there is no guarantee for self-organizing teams to develop and sustain themselves. This is particularly the case in non-agile organizations. Under those circumstances it is important to know common pitfalls of self-organizing teams and learn to overcome them.

This paper outlines a number of prerequisites for self-organizing teams to develop and nourish. On the other side it identifies common pitfalls. Mastering these challenges is anything but an easy task. It becomes apparent that the organizational environment and culture as well as individual leadership and last but not least the motivation of the individuals and the team as a whole contribute significantly to the successful development of self-organizing teams. It takes time and effort to secure this setting. The returns, however, are multifold and worth the investment. “If you set up the conditions right, self-organizing teams [can] normally evolve into high-performance teams” (Denning 2010, 101). This ought to be very well worth the effort.

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