

Building high performance teams

Industry
Banking & Financial Services

Environment
'Back Office' Support Centres

Number of separate locations
6

Diagnostic Tool
LSI

Total Staff
900

Introduction

Changes in the Banking Industry in the early 1990's led to the creation of 'Back Office' Support Centres. With the worldwide shift towards more customer-oriented banking and the need for banks to be more efficient (due to falling interest margins), a common strategy was to remove all 'back office' functions from the branches and create large processing facilities. These then serviced the branches in terms of account administration, lending administration, account maintenance, customer support and telephone banking services.

The Challenge

For most banks, the shift from managing branches - where the average branch (with the exception of the major metropolitans) is a fairly small team, to managing large 'production' units with an array of specialised and often repetitive jobs, was quite a challenge.

Managers were appointed, teams were formed, the new structure became established and key performance indicators were put in place.

Key Issues

After two years and the typical settling down issues associated with what effectively was a 'start-up' business, the bank again went through a major restructuring. The introduction of new technology and increasing specialisation in functions within Operations Support had put considerable pressure on performance and management within the centres.

Key issues at this point were the need to:

- Improve service to branches
- Reduce expenditure
- Increase staff numbers
- Improve productivity

The critical issue here was the need to take on more staff to meet increasing volumes, but at the same time reduce expenditure. The two were clearly not entirely compatible unless something changed in the way the operations were managed. Put bluntly, there needed to be a profound increase in productivity.

Process

Such an increase in productivity could only be achieved through changes in the way the centres were managed and how staff were 'motivated'. As detailed over the page, strategies focused on building expertise at the managerial level and self-managing teams at the operational level.

Outcomes

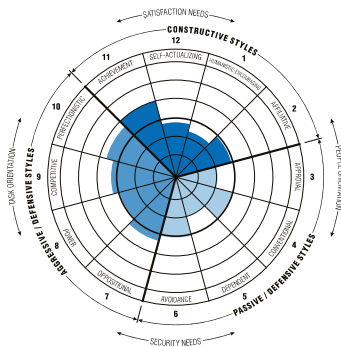
After 18 months, the results were quite extraordinary:

- 18% growth in services provided
- 13% increase in staff numbers with
- 11% reduction in expenditure

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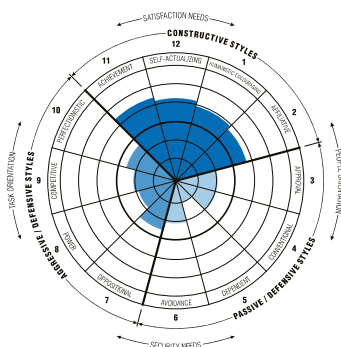
Management & Leadership Styles

Figure 1: Managers year 1



These profiles represent the combined behaviours (as reported by their staff) of the individual managers

Figure 2: Managers year 2



The Human Synergetics Life Styles Inventory System (LSI 1 & LSI 2) was used to measure and feedback the managers' own thinking and behaviours and the implications these have for management and leadership.

At the beginning of the management development programme the combined profiles of the managers (Figure 1) showed a strong task orientation, with the primary style being Achievement.

Whilst they were fairly traditional 'task-oriented' managers, the high Achievement level indicated that they were capable of strong cause and effect thinking and as such, would quickly identify the benefits possible from adopting a different management style if they could see how such a change would produce positive results.

After careful analysis of the current culture and a review of managerial practices and trends within fast-paced, production-oriented environments, a broad strategy around implementing 'self-managing' teams was developed.

With the overall aim of developing a culture of collective achievement, the focus became 'empowerment', 'personal responsibility' and 'team decision making'. Overarching this was a clearly defined set of 'core values', designed to guide everyone's behaviour. These were: integrity, participation, teamwork, continuous innovation and personal development.

Into the second year of the programme, the combined managers' profiles (Figure 2) showed a strongly Constructive orientation, combining effective task and people management and leadership.

Organisational Culture

The Human Synergetics Organisational Culture Inventory was used to measure culture within the six centres. This provided both a baseline description and the capability to re-measure and assess the efficacy of the change strategies.

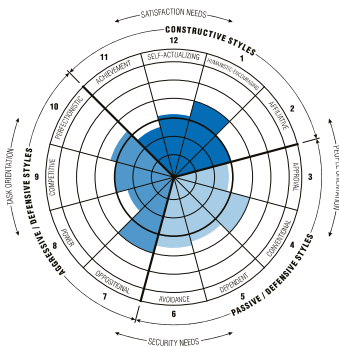
At the outset of the programmes, the combined cultures of the centres (Figure 3) showed a tendency to Passive/Defensive behavioural norms as a way of dealing with the strong task related demands placed upon them (typical of a fast-paced production oriented environment).

Whilst the cultures were slightly different in each Centre, there were some very strong similarities. Each essentially looked like the overall profile, it was simply a matter of differing intensities of the dominant styles.

The particularly high Humanistic-Encouraging Style in the profile indicated a genuine expectation that people were to be supportive, encouraging and co-operative. This provided the foundation upon which the change strategy could be built - self-managing teams.

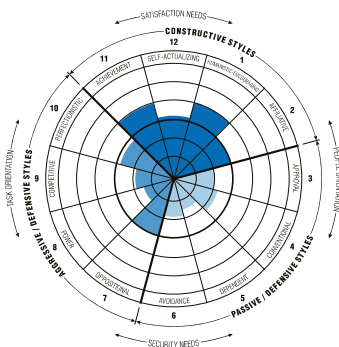
Led by a Team Leader (they were self-managing, not leaderless), each team became responsible for planning, goal setting, problem solving and innovation. Measures of teamwork (The Human Synergetics Team Development Inventory) were used to assess progress and involve the team in the whole process of team management. At the same time, performance targets were negotiated and constantly measured to assess achievement levels.

Figure 3: Culture year 1



These profiles represent the combined Centre cultures

Figure 4: Culture year 2



Throughout the first year, considerable effort was put into training the Team Leaders. They too participated in the LSI 1 & 2 process, and received training in:

- Goal setting
- Problem solving
- Coaching
- Performance management
- Team meeting facilitation
- Job design (motivational factors)
- Achievement thinking
- Achievement motivation
- Work flow management and task scheduling
- Team development
- Time management
- Communication
- Customer service
- Inter-team relationships

For team members, their development came through the Team Development Inventory process and then individually through the Personal Development Review System. Emphasis was on personal responsibility at either the team or individual level, with the Team Leader facilitating both processes.

Communication throughout this time became paramount. People had to see that their personal (team and individual) effort could and did make a difference. Personal and team achievements were celebrated and 'rewarded', innovation was encouraged and all members were kept fully informed at all times on progress towards the goals.

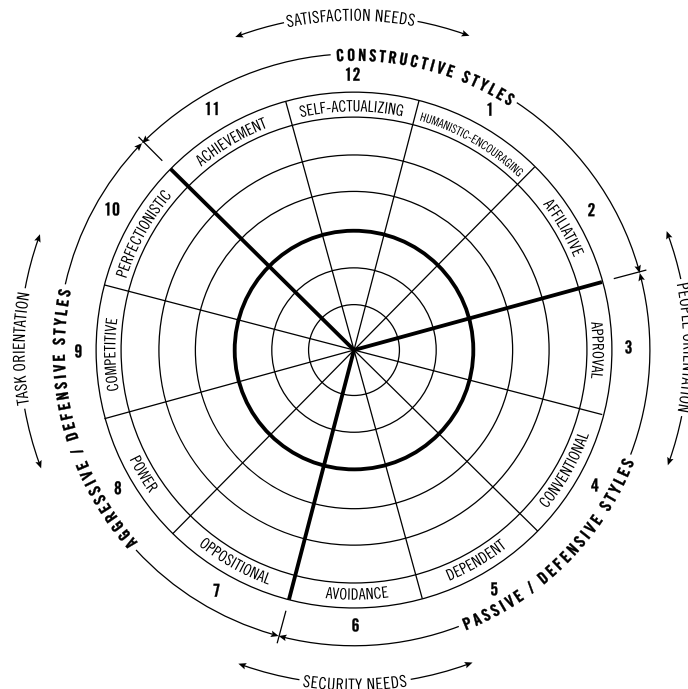
The results in measurable terms were outstanding. During a time of real growth in staff numbers, total expenditure was reduced. This meant considerable gains in productivity in terms of both increased output per person and reduced cost per person, and at the same time customer service levels showed significant improvements.

As for the culture, after 12 to 18 months, the culture profile (Figure 4) showed high scores in the behavioural norms associated with achieving results (Achievement), working collaboratively (Humanistic-Encouraging), and taking personal responsibility (reduced Passive Defensive Styles) for their work effort.

Re-measures of both the LSI (individual Managers) and the OCI (entire organisation) continued over the next 3 years. The considerable extensions in the Constructive Cluster in both managerial/leadership behaviours (LSI) and behavioural norms and expectations amongst organisational members (OCI) remained consistent throughout this time. Performance continued to improve and every Manager and Team Leader who moved on elsewhere within the organisation carried with him or her the ethos learned from this experience. In fact, from a recruiting perspective, these individuals became very sought after people both within and outside of the organisation.

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About the Circumplex



Research & Development by Robert A Cooke, Ph D and J Clayton Lafferty, Ph D. © Human Synergistics Int.

Humanistic-Encouraging (1 o'clock):

People are expected to be supportive, constructive, and open to influence in their dealings with one another.

Affiliative (2 o'clock):

People are expected to be friendly, cooperative, and sensitive to the satisfaction of their work group.

Approval (3 o'clock):

People are expected to agree with, gain the approval of, and be liked by others.

Conventional (4 o'clock):

People are expected to conform, follow the rules, and make a good impression.

Dependent (5 o'clock):

People are expected to do what they're told and clear all decisions with superiors.

Avoidance (6 o'clock):

People are expected to shift responsibilities to others and avoid any possibility for being blamed for mistakes.

Oppositional (7 o'clock):

People are expected to be critical, oppose the ideas of others, and make safe (but ineffectual) decisions.

Power (8 o'clock):

People are expected to take charge, control subordinates, and yield to the demands of superiors.

Competitive (9 o'clock):

People are expected to operate in a "win-lose" framework and work against (rather than with) their peers.

Perfectionistic (10 o'clock):

People are expected to avoid mistakes, keep track of everything, and work long hours to attain narrowly-defined objectives.

Achievement (11 o'clock):

People are expected to set challenging but realistic goals, establish plans to reach those goals, and pursue them with enthusiasm.

Self-Actualising (12 o'clock):

People are expected to enjoy their work, develop themselves, and take on new and interesting activities.



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