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AUTONOMOUS TEAMS

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2015



ABOUT ACE

ACE – Allied Consultants Europe – is a strategic partnership of 10 leading European management consulting firms. We are experts in the fields of strategy, organisation change and business performance, and have been working together – as one – since 1992.

In 18 offices all over Europe, more than 350 consultants offer local know-how and international expertise to our clients, in both the public and private sectors. ACE regularly publishes reports and conducts European surveys on a wide range of business issues.

This year's online survey reflects 165 CEOs, managers and HR directors' view points from 10 countries across Europe. Furthermore, we conducted 37 face-to-face interviews with our business partners. We would like to thank all our clients and business contacts for providing valuable insights on the strength and weaknesses of "Autonomous Teams" in their organisation. We hope you enjoy the read and that the following pages will inspire you for more autonomy in your business.

The ACE Report team:

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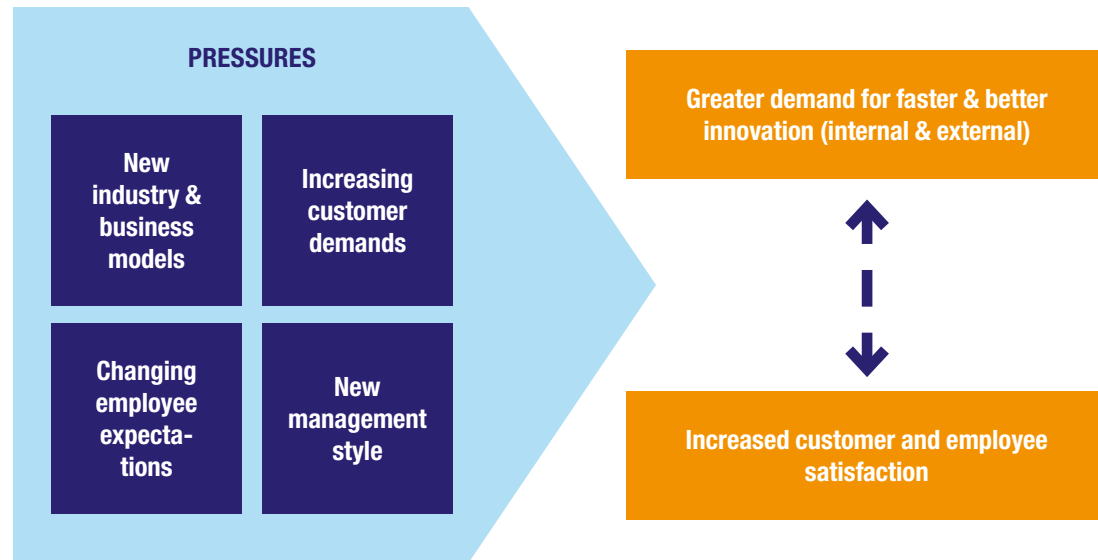
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PREFACE

Organisations today face multiple pressures, external and internal, forcing them to adapt quickly. These pressures are challenging traditional management wisdom and business models. Furthermore, customers have become increasingly fickle and demanding. As a result, more traditional companies have to keep up by adapting to these changing market conditions with improved or more innovative services/products, which in turn is forcing them to work in a more agile and cross-functional way.



FIGURE 1
DISRUPTION TO THE OLD ORDER –
HIGHER AUTONOMY PART OF THE NEW RESPONSES



One way that businesses are trying to achieve this is through granting more autonomy to their teams. Over the last few years, we have witnessed many clients returning to the old idea of autonomous teams (ATs) in a bid to become more agile, and increase performance, for example, through agility¹, lean and/or scrum², not only in their operations and production processes, but also in the services they provide. To deliver this, can demand changes to a company’s culture and leadership style³. They are aware that more autonomy can significantly increase their performance. But in reality, many ATs face significant barriers that actually prevent them from achieving desired results. These client difficulties prompted us to explore ‘**Autonomous Teams**’ as the topic of ACE’s research this year.

WHAT DO WE MEAN BY AUTONOMOUS TEAMS (ATs)?

An autonomous team is a group of individuals working together within a defined framework and agreed goals, with minimal or no interference from management. They are usually given the freedom to decide for themselves how the work should be carried out and distributed amongst the team members. Management support is available, only if and when they need it.

In this report, when we talk about ‘the manager’, we refer to the person in the hierarchy that oversees the AT, but is not necessarily involved in the team’s activities. The autonomy of the team comes from the framework set by the manager overseeing the team.

¹ see ACE Report on Agility 2010
² Scrum: “a flexible, holistic product development strategy where a development team works as a unit to reach a common goal”, challenges assumptions of the “traditional, sequential approach” to product development, and enables teams to self-organise by encouraging physical co-location or close online collaboration of all team members. (Source: Wikipedia.com)
³ see ACE Reports on Lean Production (2008) and Lean Services (2011)

AT advantages have already been discussed by academics and well-known management advisors, such as Gary Hamel⁴. However, we wanted to take a different approach, by focusing on how greater team autonomy can help organisations thrive in today’s challenging conditions. We acquired insights into how companies view ATs today, but also learnt just how important they are to an organisation’s success, discovered the kind of challenges they face in making them work, and how they overcome them. Real client cases throughout the report also illustrate successes and failures when granting more autonomy to teams.

So we conducted a detailed research study to investigate this topic. We carried out an on-line survey of 165 CEOs, HR Directors and managers, as well as interviewing senior executives from 37 organisations – employing between 200 to 200,000 staff, in 10 countries across Europe – about their AT strengths and weaknesses. (See Appendix for more details on the survey).

Thanks to the responses from the survey and the in-depth interviews, we have been able to provide not only statistics about the current state of ATs, but a detailed analysis of our findings together with our expert insights on the topic, offering you:

- **A reality check:** The real story behind ATs in European organisations: Do they matter and why?
- **Success/failure:** An analysis of the factors that create a successful AT and the barriers which prevent organisations and managers from granting higher autonomy to their teams.
- **Now what?** Concluding advice on how to best deal with the need for granting higher autonomy to teams.

⁴ Gary Hamel: “What matters now” (2012)

EXECUTIVE SUMMARY

WHY AUTONOMOUS TEAMS (ATs) ARE STILL OF GREAT IMPORTANCE TO EUROPEAN ORGANISATIONS

Greater autonomy in teams is often already part of, or a direct result of, performance enhancing methodologies such as 'lean', 'scrum' or 'agility', which organisations have been implementing for years now. Nonetheless, they still struggle when faced with the need for higher autonomy in their teams as it questions traditional hierarchy and structures within the organisation.



EXECUTIVE SUMMARY OF AT REPORT
GARY ASHTON



Sluggish markets following the financial crisis coupled with a high degree of unpredictability are not helping today's businesses either. In fact, small, new start-up companies that are operating within completely different business models are disrupting entire industries and business models. Furthermore, today's increasingly digital and more empowered consumers are demanding better products and services.

These challenges, including the simple need to survive and thrive in these conditions, have resulted in organisations resorting to AT initiatives. Those that didn't have ATs are now creating them, and those that already do, are further increasing the level of autonomy within those teams. But such initiatives are unlikely to be successful in a control-based, top-down company culture.

Over the last few years, our consultants have been increasingly called on by clients, to help deal with the many tricky challenges associated with granting greater autonomy within their teams. So, we conducted a detailed study through an on-line survey of 165 respondents, as well as interviewing senior executives from 37 organisations in 10 countries across Europe, to better understand where organisations are today when it comes to ATs. The findings outlined in this report, together with real client case studies illustrating different levels of autonomy, look at the success factors and barriers when it comes to implementing and managing ATs.

REALITY CHECK: THE REAL STORY BEHIND ATs IN EUROPEAN ORGANISATIONS: DO THEY MATTER AND WHY?

Our research reveals that ATs continue to play an important role in helping firms become more agile and perform better. Approximately, 80% of businesses believe higher autonomy in teams to be an important management issue today; with 70% of managers saying that they have increased the level of AT within their organisations over the last two years.

Why? Our findings show that more than 63% businesses cite engaging and motivating employees as the top reason for implementing ATs, followed by cross-functional collaboration (48%) and developing closer customer relations (41%). The 'people' factor is therefore perceived to be vital for business success.

SUCCESS AND FAILURE OF ATs

Managers granting higher autonomy to their teams need, of course, to focus on the team, its readiness and development. But eventually, the AT itself is responsible for its performance and maturing as a collective brain. Instead, the organisation and its management need to ensure the right environment, such as culture and space for collaboration, for the AT to thrive in.

Based on our research, the success (or failure) of an AT, can be found in one or more of the following areas:

- **Managing relationships:** We look at the importance of relationships that ATs have with the organisation, the hierarchy and other teams. ATs need a strong link with the organisation's purpose, values and strategy; secondly, the relationship between team and hierarchy needs to be managed carefully to avoid non-productive interference; and finally, 'autonomy' does not mean independence as ATs cannot function alone and need to cooperate with other teams to achieve the organisation's goals. Our study reveals that ATs need a proper framework with clear goals to succeed.
- **Collaborative context:** We also look at the role of the organisational environment; the work climate and ultimately the company culture, processes and systems, and space in which the AT is operating. Our research demonstrates that creating the right work environment and culture significantly improves AT success. Being in the right space (physical and emotional) with the right amount of facilitation allows individual team members to explore more, which ultimately stimulates creativity and innovation within ATs.
- **Challenging management:** Control versus freedom Our findings reveal there is an apparent manager's dilemma: on the one hand he/she must define the playground and framework in which the AT will ultimately be measured, but on the other hand, he/she needs to trust the team and give it the freedom to decide on how to achieve these goals. We also elaborate on how to become a better leader for ATs to thrive.
- **Maturing as an AT and thinking like a manager:** Finally, we explore the internal workings of an AT. As well as requiring the same

skills that high-performing teams need, they especially need the capability to drive the development of these skills themselves in an iterative way to develop a much higher level of collective maturity.

NOW WHAT? CONCLUDING NOTES

Creating an effective AT is not a new topic for organisations; however, it takes on a new sense of urgency in view of modern business dynamics. Autonomy is something that many organisations are struggling with. We recommend three actions organisations can take to improve AT success:

Management needs to adopt a more holistic view of ATs

Often, when granting more autonomy to their teams, organisations concentrate on the team itself, and on the manager of the AT. These are the most obvious levers an organisation can immediately use to improve and facilitate AT success. But in reality, successful ATs require a more holistic approach, which takes into account the whole eco-system in which the AT operates (such as the organisation, its culture, the hierarchy, the work environment and leadership style).

Approval from the top and tackling the hierarchy challenges

If top management does not buy into the concept of ATs, they are likely to fail. The organisation needs to be committed to higher autonomy in teams by granting authority to the AT and, if necessary, protect them from hierarchical tensions.

These are inevitable as ATs generally push managers to question their authority, leadership style and, of course, their very reason for being. Although ATs don't spell the end of hierarchy, they do require a new form of collaboration between the AT and management around the following aspects:

- **A trust-based relationship**, which allows the AT to get on with the job, without unnecessary interference from management. Hierarchical interference is the reason for failure in 50% of ATs.
- A good **framework** with clear **goals** that defines and establishes the relationship between the AT and hierarchy. The absence of such a framework with no clear remit usually results in the failure of the AT.
- **A supportive, coaching leadership style** is key to mentoring and guiding the AT to mature successfully over time. Managers may help the team when asked, but they should not interfere. The right leadership style will contribute to a positive work environment where the AT can flourish.

Maturing as a collective brain and thinking like a manager

ATs need to learn over time that part of their more autonomous working style is to take over the manager's responsibilities, such as the decision-making process, coordination and facilitation amongst team members, relationships between hierarchy, and so on. In effect, it is the team operating as the 'collective brain' of the manager. However, it requires maturity on the part of the AT, as well as its manager who needs to be prepared to relinquish the more traditional leadership approach. Without this change in mind-set, you will end up with a dysfunctional AT.

1 REALITY CHECK

WHERE ARE COMPANIES TODAY WITH ATs?

CHAPTER HIGHLIGHTS

- » ATs are a growing management issue
- » Top reasons for implementing ATs
- » Challenges ATs are facing today

1.1 ATs ARE A GROWING MANAGEMENT ISSUE

From our research investigation and consulting experience, we conclude that ATs play an increasingly important role in helping firms become more agile and perform better. Our survey results reveal that almost 80% of businesses believe ATs to be an important management issue today, with 36% specifically desiring teams to act with greater autonomy. In fact, 70% of organisations have increased AT activity over the last two years (Figure 2). Furthermore, 19% reveal that AT is already part of their organisation's DNA. Only a tiny 2% say it's irrelevant to their business.

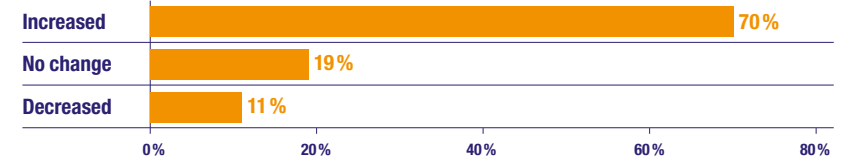
But where do you find ATs?

Our clients confirm that they grant the most autonomy to teams in the following functions:

- » Research and development (54%)
- » Project management (50%)
- » Operations (36%)
- » Marketing (13%) and Sales (21%)

FIGURE 2

CHANGING LEVELS OF AT OVER THE PAST 2 YEARS WITHIN AN ORGANISATION

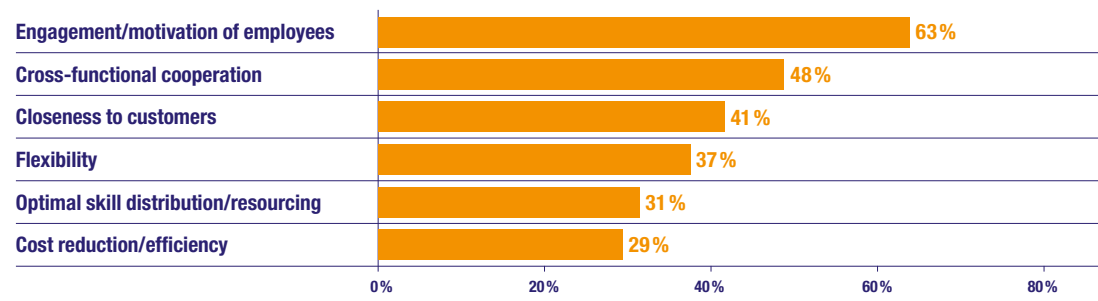


1.2 THE TOP THREE REASONS FOR ATs

Our research highlighted the following three reasons for the need to implement ATs within organisations.

Engagement and motivation: More than 63% businesses cite engaging and motivating employees as the top reason for implementing ATs. Successful ATs tend to thrive more in a collaborative leadership style, as opposed to the traditional, command and control approach, which generally generates more motivation and engagement. This results in more fulfilled employees, which is increasingly important to retain talent, especially within the younger digital generation, which values freedom, openness, transparency and sharing.

FIGURE 3
TOP REASONS FOR IMPLEMENTING AUTONOMOUS TEAMS



Cross-functional collaboration: The second most mentioned reason for autonomous teams is cross-functional collaboration (48%). As one director of a UK high-tech firm creatively illustrated: “Our teams can be seen as a bunch of bubbles that occasionally merge. This fosters collaboration and cross-fertilisation of ideas.” We believe greater autonomy like this ultimately allows teams and the overall organisation to respond quicker when having to adapt to more agile and open innovation processes.

Customer relations: Developing closer customer relations was cited by 41% as the third most important reason for ATs. Disruptive and less predictable markets increase the focus on the customer, pushing for more innovative products and services. Customer-centricity is key, transforming any customer contact in the virtual and real world into a crucial touch point. Therefore in order to successfully reach out to the customer, the role of hierarchy, and the relevance of processes and

decision-making mechanisms need to be carefully considered, so they support performance, and not hinder it.

Companies with a successful AT track record confirmed through our interviews that they managed to achieve these very results. According to one manager of a global high-tech company: “Thanks to successful ATs, employee motivation and engagement at our firm have been rising, with the additional benefit of having an improved team spirit. The team focus is now much more on the customer’s criteria; they have learnt to set the right priorities and plan realistically from the outset. Almost all projects achieve much better results now.”

We asked one manager of a German software company about the reason behind the high levels of autonomy in almost the entire firm’s ATs. His response: “It’s the only way to keep up with the fast changes we are facing in our business. Autonomous teams are faster than hierarchical organisations and can react better to changing customer needs. As a result, we experience less friction and fewer conflicts between our teams, which leads to less frustration. Our employees are very motivated because they feel they have influence, and can clearly see their contribution to the company’s overall success.”

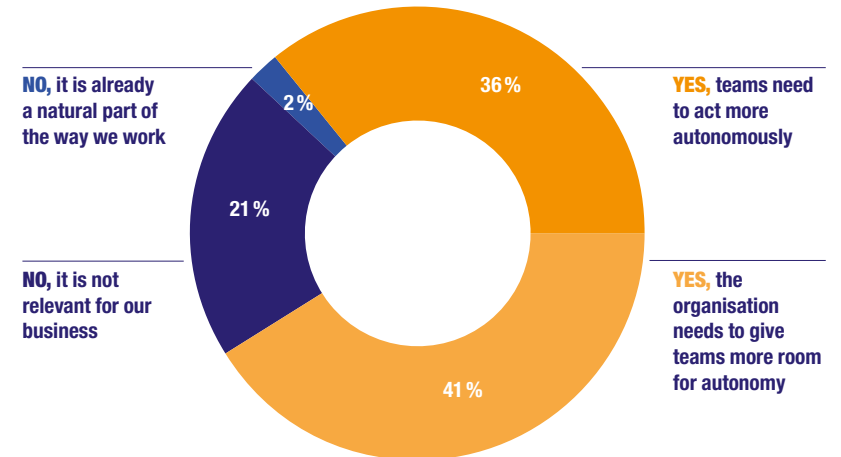
1.3 AUTONOMOUS TEAMS PRESENT A CHALLENGE TO ORGANISATIONS

As well as the advantages, however, our research also reveals that greater autonomy inevitably creates more challenges for the organisation that affect leaders, teams and individuals. Three of the most common challenges, include:

- **Organisational context** – the values of the organisation, its workplace hierarchy, and the structures and processes implemented – can actually hinder autonomy, instead of supporting it. Therefore management needs to consider the overall company culture before granting more autonomy. So before implementing AT, it is vital to assess your firm's readiness for increased levels of autonomy. (See Chapters 2, 3 and 7).
- **Leadership** needs to provide a balance between giving the AT a framework with clear goals, and offering the trust and support it needs to get on with the job, with minimal interference. But that can be challenging for leaders who find it difficult to cope with ambiguity, as their traditional leadership tools cease to become effective. They therefore have to shift towards a more collaborative and transparent leadership approach in order to succeed. (See Chapter 4).
- **Maturity** – how much autonomy can your organisation handle? One major challenge that our research findings reveal is that the team itself may not be ready for more autonomy – found in 36% of cases (see Figure 4 opposite). And although managers and the senior leaders embrace the concept of ATs, they can still fail to grant higher levels of autonomy (41%). In both cases, both teams and organisations need to mature, reaching a point where the AT is able to cope with

FIGURE 4

AT IS A MANAGEMENT ISSUE FOR THE MAJORITY OF ORGANISATIONS



greater autonomy and the organisation is ready to relinquish control and able to hand over more autonomy to its teams. Reaching this level of maturity is tough, however, necessary to achieve effective results. (See Chapter 5).

1.4 ARE WE THERE YET?

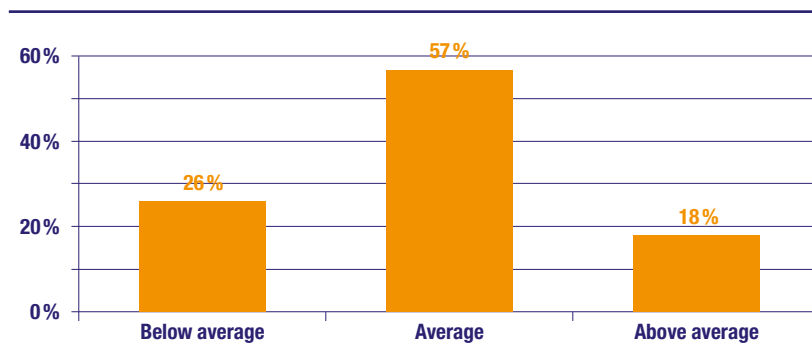
Having discovered that most organisations desire more ATs, we also compared the level of autonomy in teams of an organisation against its industry (Figure 5). Interestingly, only 18% regard themselves as having above industry average ATs. Approximately 57% believe their level of AT is industry average, with almost 26% indicating below industry average.

Again, this finding backs our belief that when it comes to ATs, organisations are just not there yet as the majority of our respondents clearly state AT is an issue, either for the whole organisation or their teams (Figure 4, previous page); and that they have already increased their

level of AT over the past two years; and yet they feel they are just industry average or even below average. So, we conclude there's plenty of scope for improvement.

So, if you fall into one of the 83% of companies that needs to 'up' its game, this report will help you to fine-tune your firm's AT effectiveness.

FIGURE 5
TOP REASONS FOR IMPLEMENTING
AUTONOMOUS TEAMS





CREATING AUTONOMOUS R&D TEAMS

Context

Back in 2007, senior management at a Swedish high-tech company decided to embark on an ‘operation excellence initiative’ to improve the firm’s efficiency. It wanted to create ‘high performing teams’ through the scrum methodology that originated in software development back in the ‘80s, and over the years had developed a strong reputation for creating agile and flexible teams; thanks to its focus on self-management and higher autonomy, teams using this methodology are capable of responding quicker to changing client needs.

This was exactly what this Swedish firm was aiming for, so it started its improvement initiative in the R&D function for software development using the scrum methodology. “We began with this function, because

it’s a young industry with individuals that have the competencies that successful autonomous teams require, such as, working with open source – where they collaborate easily with external partners to create new products – through knowledge-sharing. They are also highly committed to the task given to them and have a respectful approach to each other and different view points,” explained the director. “Our goal was to create a ‘collective brain’ in R&D – where these team members could work autonomously to create better products for our clients.”

Creating a ‘collective brain’ through coaching

The firm’s management wanted to support the R&D teams to achieve the required change in mind-set to help them become more autonomous. “We invested in creating a coaching culture, so that the teams



could gradually learn to self-co-ordinate, without the interference of a manager. Of course, granting more autonomy to the teams, and the ability for the team to deal with more responsibility, takes time, so it was a gradual process. But bit by bit, we introduced a coaching culture within the teams, to help them become more autonomous without a team leader, and managed by learning goals to achieve a common goal,” added the director.

So how was this achieved? ‘Coaches’ (two chosen team members from the actual R&D function) enabled the R&D teams to talk about how they worked and related to each other, what expectations they had from one another and what they could achieve together. This type of dialogue led to a better understanding of what was required from each member, which in turn generated team commitment and accountability. This also helped the teams to understand that the manager’s role was simply

to encourage them to become more autonomous, and that the team members needed to coach each other too. As a result team members now only approach management if and when they need help.

Results

It’s still an ongoing project, but the self-management part of the scrum methodology has certainly paid off, as the R&D teams are now much more autonomous, and as a result, they successfully achieved their team goals. In fact, many of the R&D teams have been so successful, that they have inspired other functions within the firm, like marketing and sales, to follow suite. The most interesting part of this case study is, that it’s actually the original team members that successfully coached the R&D teams, who are now providing coaching to their colleagues in the other functions, to help them in their quest to create high-performing autonomous teams – not HR.

2

MANAGING RELATIONSHIPS

CHAPTER HIGHLIGHTS

- » ATs need a strong link with the organisation's purpose, values and strategy
- » ATs need a framework – autonomy is not independency
- » The relationship between ATs and hierarchy needs to be managed
- » ATs need to be connected to others teams



AT – IMPORTANCE OF MANAGING RELATIONSHIPS
MICHAEL MURRAY



“The team has to be able to think like a manager.”

Relationships play a huge role in the success of ATs. In fact, it was one of the most mentioned issues during our research. Respondents clearly stated that managing relationships are critical to AT success.

Our research identifies three levels of relationships that directly impact the effectiveness of an AT:

- Relationships with the organisation;
- Relationships with the hierarchy;
- Relationships with other teams and departments within the organisation.

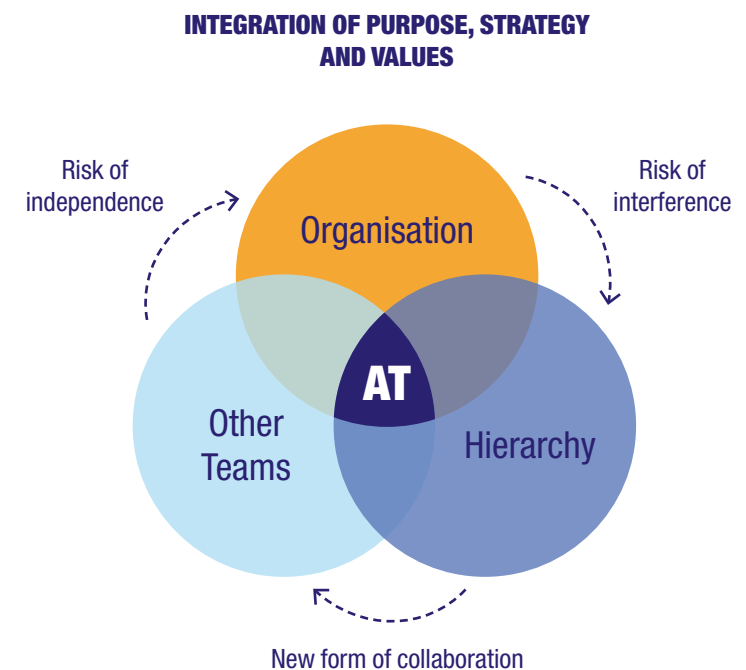
2.1 THE INDISPENSABLE RELATIONSHIP WITH THE ORGANISATION

For ATs to flourish, they need to be wholly endorsed by the organisation with a clear mandate coming directly from the top. By organisation we refer to its purpose, values and strategy. The AT particularly requires clear support and approval from the leaders representing the organisation to be able to proceed with autonomy. Without this ‘stamp of approval’, the team becomes less effective, or even powerless as one failed UK service business experience revealed: “Because we didn’t inform the other directors of the change, the AT had no new authority.”

Many of the interviewees highlighted the importance of setting out and maintaining a clear link between the AT and the purpose, values and strategic objectives of the organisation. As one manager pointed out: “The team has to be able to think like a manager.” More generally speaking this means ATs have to think and act collectively at a higher level of analysis and decision making than specified in the team’s in-

FIGURE 6

ATs NEED TO SUCCESSFULLY MANAGE RELATIONSHIPS



dividual job profiles. This implies growing beyond the responsibilities of a classical team, and striving to understand the values and strategy of the organisation, and the team’s contribution to it, in the same way as a manager.

Not only do AT members need to understand the strategy, but they also need to identify how they fit into the decision-making process. In the case of high-level project teams, the project leader may need to participate in strategic decision making. In other cases, the AT needs to clearly understand how to participate in the strategic decision-making process, and how it can be used to further its goals. This raises the question of establishing the right relationship between ATs and top management. As one project manager of a European machine manufacturer discovered: “At the beginning, the team did not have access

to strategic meetings, and as a result our decision making was too late and often inappropriate.”

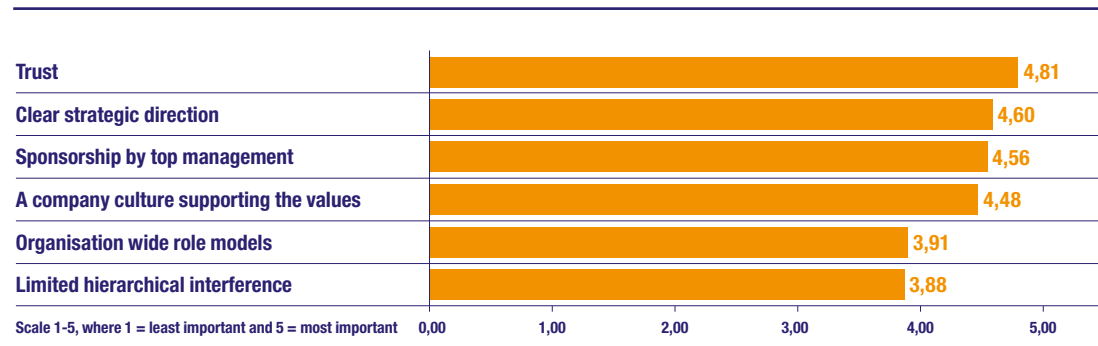
Maintaining a good relationship between ATs and the organisation is therefore a must. Many interviews hinted at the specific nature of this relationship – a connection, which could be described as a mutual pact between both parties, with a:

- High degree of responsibility and commitment from the team.
- High levels of trust from top management. As one manager of a technology company pointed out: “When trust disappears, fear enters.” This means the organisation and its managers risk falling back into a control-based, traditional leadership style.

The chart opposite (Figure 7) illustrates the importance that organisations give to ‘trust’ and the above mentioned factors in creating a solid relationship between the AT and the organisation.

FIGURE 7

KEY SUCCESS FACTORS FOR ORGANISATIONS TO MOVE TOWARDS GREATER AUTONOMY IN TEAMS



2.2 THE UNEASY RELATIONSHIP WITH HIERARCHY

As well as developing a special link between the AT and the organisation, it’s also important to maintain a good relationship between the team and the hierarchical managers. By ‘hierarchy’ we are referring to managers appointed by the organisation to ‘manage’ departments, functions and processes. We are also referring to the hierarchical, command/control traditional mind-set. Here we explore, how managers with their hierarchical mind-set interact with ATs and the challenges that this poses for managers.

“Almost one out of two organisations indicates that interference of hierarchy is a top difficulty when developing autonomous teams.”

ATs are wary of the hierarchical mind-set and behaviours. As one manager of a French R&D department revealed: “Team performance is very sensitive to behaviour and actions from hierarchy, either through interference, a lack of clear vision or a change in orientation.” This subject tends to become a barrier to autonomy when it is not raised and clarified in a deliberate manner.

In fact, hierarchical interference in ATs is a huge problem, and often sets back results, according to 47% of the organisations interviewed. Our research reveals the following types of hierarchy interference being most counterproductive to ATs:

- controlling authoritarian approach
- micro-management
- bureaucracy/rigid approval procedures

A new form of collaboration between ATs and hierarchy

Our research does not suggest any fundamental incompatibility between those representing the hierarchy and ATs. However, it's vital that hierarchical presence is relevant and adds value to the work of ATs, as testified by a manager at a European automotive manufacturer: “As head of product range management, I represent the hierarchy on the

platform. The project leader reports to me. Beyond that, the team gets on with it, with minimum interference from hierarchy.”

Or as another German high-tech organisation leader mentioned: “Hierarchy exists, but does not interfere with daily business... no micro-management. The manager can give an indication on the ‘what’ but must be careful not to interfere on the ‘how’.”

2.3 BUILDING RELATIONSHIPS WITH OTHER TEAMS IN THE ORGANISATION

Our research also stresses the necessary relationships that ATs need to forge with other teams within the organisation. A team is never self-sufficient to the point it can achieve its mission without interacting with other functions or departments. For a UK high-tech company, cross-functional exchange is seen as vital and they put networking at the heart of their induction programme: “Managers must put people on different projects for the first six months. There is a corporate plan to make this happen. It is part of the culture.”

Conversely, there is an inherent risk of ATs isolating themselves from the rest of the business. So, to ensure the team remains connected to the overall organisation, another British company deliberately integrates its ATs into meetings with other functions and departments. According to this firm's leader: “The trick is to ensure that autonomous thinking doesn't lead the teams to lose sight of the company goals.”

2.4 AUTONOMY REQUIRES WORKING WITHIN A FRAMEWORK

Beyond the question of organisations or hierarchical permission, our research shows that ATs require a framework in order to work in an effective manner. The notion of ‘framework’ includes one or more of the following three items:

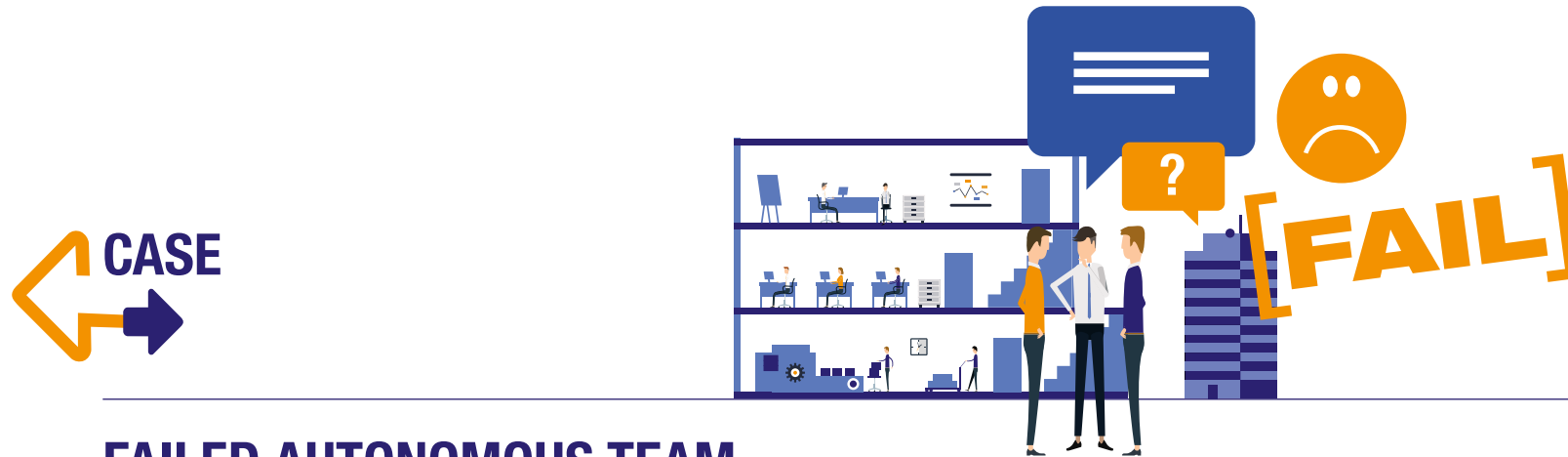
- The overall goal to be achieved
- An indication of time and budget constraints
- The methodology to be used

In establishing these, a clear framework also helps the AT to define and establish the relationship with the organisation and hierarchy levels, and facilitates subsequent exchanges with (top) management as challenges occur. For example, in most project organisations, once the framework is set, the team can then challenge it, especially when the given constraints become incompatible with the project goals. Although the framework imposes limits, it nevertheless serves as a necessary support system for the team to function as a ‘collective brain’. By this concept we refer to the capability – and necessity – of the AT to develop a collective approach to their task, which is different to the traditional team approach; ATs need to move to operating as one brain, which, figuratively speaking means assuming the thinking of the manager in decision-making, setting of priorities, and developing the effectiveness of the team. Another aspect of the ‘collective brain’ of an AT reflects the fact that the AT as a whole, functions better than the sum of its individual members – which is a superior alternative to the traditional team and the single brain of the manager. Paradoxically, by imposing

limits and constraints, the framework frees up energy within the AT to concentrate on working towards the common goal. Conversely, without the framework, as the HR manager of one private medical clinic in France discovered: “It is difficult to manage medical professionals who work inherently with strong autonomy, as there is often confusion between independence and autonomy, when individuals can lose sight of the overall goals of the business.”

FIGURE 8
MAIN DIFFICULTIES ENCOUNTERED BY THE ORGANISATION WHEN DEVELOPING ATs





FAILED AUTONOMOUS TEAM

A Director of a corporate function was given an additional part of the business to run, and so decided to set up the existing functional direct reports to operate as an AT for 18 months. But it failed. On reflection, the following reasons for the failure were cited:

Reason 1: No practice of autonomous team-working existed within the business, so there was no common understanding of how it would work. Additionally, the director did not have a business reason for creating the AT other than the director having less time to focus on her function. In the end, this was not a good enough a reason for the creation of the AT.

Reason 2: On setting up the team to be autonomous, the director created a too-narrow governance framework for the team to operate within

that was purely operational. However, the team also needed to deal with more strategic issues. Consequently, the team got stuck, and was unable to move forward on some key issues it was trying to tackle, and had to wait to engage with their director, who was not always available.

Reason 3: The establishment of the AT was not communicated to other directors, so there was no buy-in from the directors' peers, who therefore kept on referring to the director, rather than interacting with the team.

The AT took nine months to establish its 'rules of the game', and so was late in self-critiquing its performance. Instead it was too afraid to admit failure and so carried on without flagging up the issue(s) to the director.

3 ORGANISATION CONTEXT

CHAPTER HIGHLIGHTS

THERE ARE EXTERNAL FACTORS WHICH MAY IMPACT ON THE SUCCESS OR FAILURE OF ATs

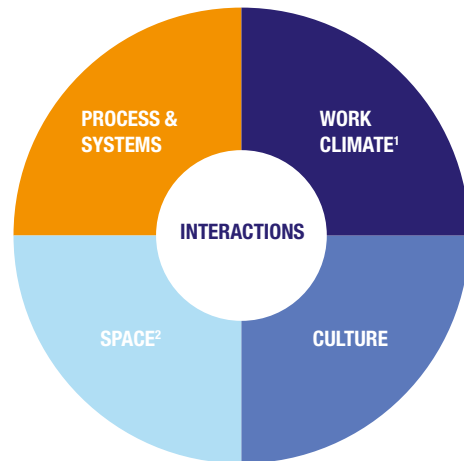
- » A safe and supportive work climate
- » The 'space', in which the AT is working
- » The processes and systems based on trust
- » Company culture is implicitly part of the above



AT – COLLABORATIVE CONTEXT
MARK NIJSSEN



FIGURE 9
EXTERNAL FACTORS
IMPACTING ATs



Having explored how relationships with the hierarchy and management impact the effectiveness of ATs, our research also reveals that there are underlying mechanisms that reinforce this success. It's not enough to just have the right people interacting with each other in the right way. Our findings demonstrate that the organisational context also plays a vital role in AT success.

¹ Work climate: We refer to the employees' shared perception of the types of behaviour that is required in an AT or the 'preferred way of working'. It serves as a basis for interpreting workplace situations, and it directs employees' activities (based on Pritchard and Karasick, 1973, The effects of organisational climate on managerial job performance and job satisfaction. Organisational Behaviour and Human Decision Processes 9(1): 126–146. Unlike culture, which is a long term and more abstract phenomenon, the work climate refers to the 'here and now'.

² Space: We are inspired by the concept of 'Ba' by Prof. Nonaka (2000) in relation to knowledge sharing. In short, 'Ba' refers to the space (physical, virtual or mental), which gives energy, quality and room for the required interactions.

3.1 PROVIDING A WORK CLIMATE OF 'JUST DO IT – WE SUPPORT YOU!'

As Figure 10 below demonstrates, three of the top five key success factors for employees to successfully operate in an AT are directly related to the work environment and the way employees interact with each other:

- Working together effectively
- Communication and coordination
- Not being afraid to make mistakes or speak up

FIGURE 10
WHAT EMPLOYEES NEED TO BETTER HANDLE GREATER AUTONOMY IN THEIR TEAMS



We found that all of these factors basically relate to a ‘mutual’ trust factor, which tells the individual team members to “go ahead; as we’ll cover each other’s back”. It refers to the quality of the work climate including team members, but also management.

Companies make a distinction with regards to the development phase the AT is in. When the team is new and still finding its way, there is less room for experimentation or acceptance of making mistakes. When the team is well underway, this room for acceptance of mistakes increases.

3.2 SPACE – LET’S MEET!

The environment plays an important role in enabling ATs to perform effectively. Having the right ‘space’ – both physical and emotional – for the AT to connect and interact is crucial to success. Being in the right space with the right amount of facilitation, allows individual team members to explore more, which ultimately stimulates creativity and innovation within ATs. Especially since an AT can – depending on the level of autonomy given to the team – rely far less on a traditional manager to coordinate daily activities or combine the expertise of individual members. An AT needs ‘space’ to work effectively, in the following ways:

- In the physical sense to meet regularly and informally.
- In the intellectual sense to have room for exchange of ideas.
- In the temporal sense to take time to explore, meet and coordinate.
- In the emotional sense to really get to know one another.

The success factor of ‘space’ in this broader sense for ATs is not simply about having a shared office and regular, traditional meetings. It’s about meeting each other on a continuous basis over coffee or in the virtual workspace, as part of the daily routine. But it is also a meeting of minds. The space is created by using innovative office work spaces, digital platforms and deliberate actions to meet and get to know each other. This reinforces a work climate with increased quality of coordination and co-creativity.

3.3 PROCESSES AND SYSTEMS BASED ON TRUST

Organisations and managers alike, struggle to change their organisational set-up from a control-based to a trust-based management system – the latter being one of the most important factors when granting more autonomy, as our study clearly demonstrates (see Figure 6, Chapter 2.3).

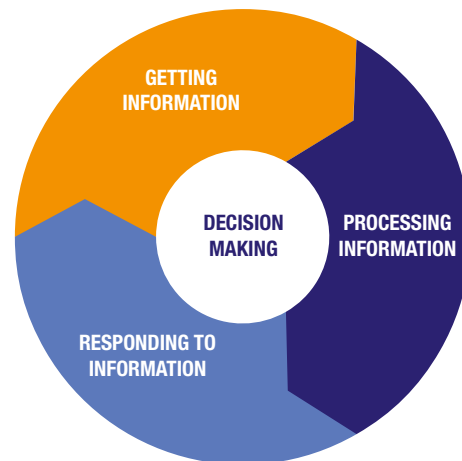
But what does this ‘trust’ exactly entail? In general, it refers to trusting the team to make the right decisions and deliver the required results. The decision-making process generally consists of getting the information, processing it and determining an appropriate response to that information.

The availability and quality of information for the team is essential to ATs. Much of the information is gathered by the team itself. But it is also provided by the organisation’s information systems. This information usually requires a high level of commitment and support from top

management. If they do not share all the required information and only allow filtered data to get to the AT, there will obviously be a lack of information for the AT to make the best decisions. As a consequence, the success of the AT is jeopardised due to potential poor decision-making.

FIGURE 11

DIFFERENT PHASES OF THE DECISION-MAKING PROCESS



3.4 CULTURE CLASHES WITH AT

The above-mentioned underlying mechanisms are all shaped by the culture, as well as the building blocks of ATs (which will be discussed in the following chapters). We have seen that ‘culture’ is an issue in every interview, albeit a very broad and rather undefined concept. This makes it very hard to distinguish it as a separate topic for building ATs. Generally ATs succeed if autonomy is actively promoted and embedded within the culture of the organisation – either from the very beginning of its foundation or (re-) added over the course of time.

This process inevitably takes time and also requires patience as tensions may arise, as the experience of the following French engineering company demonstrates: “Although autonomy was part of the foundation of this organisation, it somehow got lost in the process of its life cycle. But it can be rekindled when necessary. The organisation had become quite rigid as it grew, but now in order to respond to dynamic markets and international growth, there is a new emphasis on creating greater autonomy. But it’s an evolving process, and can feel a bit contradictory at times.”



THE PROJECT PLATFORM EXPERIENCE

Context

Projections for a creating a new engine by a European machine manufacturer, didn't look good. "Initial estimates meant the new engine would be way over budget and too late for market," said the product range director, who was considering killing off the project.

In the past, the organisation had been quite agile and cost efficient, but world market growth led to the firm now being structured by technical expertise, which meant that it wasn't as responsive to changes as in the past. However, a colleague suggested that organising a project team – via the 'platform concept' might provide the solution – and help to launch the new engine within budget and on time.

The basic concept

The director decided to implement an AT, organising the team around four basic principles:

- Confinement in one physical area, leading to direct communication and problem solving.
- The size of team was reduced to 70 people by increasing individual tasks.
- Task interdependence to maximise on the group dynamic.
- Maximum autonomy was given to the team.

When he approached senior management with this proposition, they validated it and let him get on with it.



“We achieved 10 % saving and managed to be on time.”

How the platform experience evolved

Only one managerial choice was made. The head of product range represented hierarchy on the platform and only the project leader reported to him. The different skills units worked under the project leader, but operated with a lot of free interaction between them. As the project unfolded a series of unofficial roles emerged that proved to be of value, including: mediators, animators, tutors, etc. Team rituals emerged, including informal meetings, events to celebrate progress and Swedish style ‘FIKA’ (coffee get-together); although the hierarchical representative had to accept the fact that he would not always be invited. Of course, it wasn’t without challenges. One major weakness was the AT connection to the strategic level. “Team members hadn’t sufficiently integrated the strategic stakes of the project, which inevitably led to

conflictual debates on priorities,” said the product range director. “Also, because top management trusted the team and didn’t want to interfere, this actually led to a gap between both levels. Decision making suffered, and as a result response was too slow.”

Conclusions

Despite the challenges, which were ironed out over time, the AT was a success. According to the project range director, “The platform was successful beyond what I had imagined.” From an economic viewpoint, he estimates they made a 10% saving on original projections, and within the required timeframe. However, the major achievement was in terms of ‘man’ management: “We benefited from a better team spirit and staff felt as though they were entrusted with responsibility – a great motivator. Client-focus improved beyond technical considerations too,” he added. In short, the AT was a success, and as a result the concept has been deployed in other parts of the organisation.

4

MANAGEMENT CHALLENGE

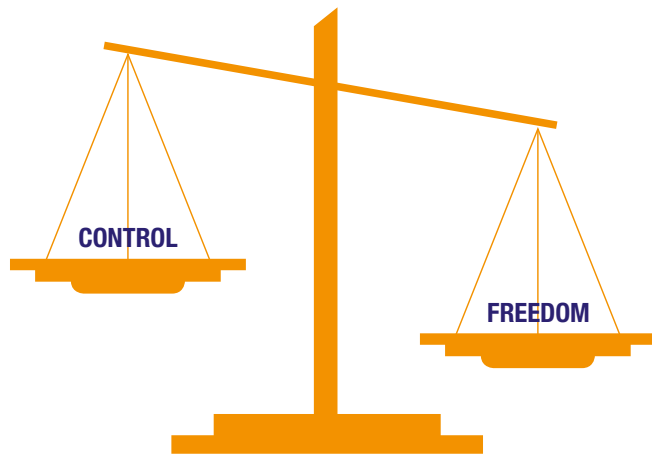
CHAPTER HIGHLIGHTS

- » How managers jeopardise the success of ATs
- » How to become a better AT leader



FIGURE 12

ATs MAY PROVOKE MANAGEMENT DILEMMAS



Our research highlighted the apparent manager’s dilemma: on the one hand he/she must define the playground and framework in which the AT will ultimately be measured, and on the other hand, he/she needs to trust the team, by giving it the freedom to decide on how it will achieve these goals.

4.1 WHAT AN AT NEEDS FROM ITS MANAGERS

Trust the team: The most important success factor for creating successful ATs is to trust the team – Figure 13 – trusting them to get on with their job, to successfully reach the goals set by the manager and agreed with the team; trusting they will truly manage themselves in an autonomous way without jeopardizing these goals. “One of the most difficult aspects for managers is to get used to not knowing exactly what is going on,” confessed several interviewees during our research. In this respect, ATs can create a cultural and managerial challenge within the organisation.

Framework and clear goals: As explained in Chapter 2.4 a clear framework provided to the AT is another key success factor. This may initially appear to be contradictory to the notion of giving autonomy and a high degree of trust, but the lack of a clear framework and unclear goals are two of the top three inhibitors to successfully developing ATs as our research reveals (see Chapter 2.3, Figure 6). This means a manager must be able to define the playground for the team, agree on goals and guide autonomy, in order to avoid being misunderstood and becoming detached from the organisation.

Right balance of both: The managerial challenge is to balance this clear need for a framework, with the team’s expectation to be trusted to have the freedom and autonomy to make its own decisions and get on with the job to achieve those predefined goals. Our experience and in-depth interviews reveal some straightforward ways that managers can enhance the performance of the AT, without having to fully give up their

leadership role. It's about adapting and growing as a manager with the AT along the journey, as we now explore in the following paragraphs.

As ATs learn and mature over time, the right balance between setting the framework and trusting the team – by giving them more freedom to act – changes. A team that is not yet used to handling autonomy needs more support and direction from the manager, whereas a mature AT will just need a broad framework and will only approach its leader for support as and when necessary.

FIGURE 13
WEIGHTED % OF TOP SUCCESS FACTORS FOR MANAGERS WHEN GRANTING MORE AUTONOMY TO THEIR TEAMS



4.2 MANAGERS GAIN LEGITIMACY BY SUPPORTING AND COACHING

Managers should be able to create an engaging and inclusive environment, and encourage and help individuals in the AT to focus on the organisation's overall goals. Coaching and mentoring is the leadership style to enable and support team autonomy. One Swedish manager that we spoke to admitted that the reason behind the failure of an AT she was managing, was a direct result of “not switching to a more coaching style of leadership.” She recognised afterwards that she was still managing in the traditional style whenever she was approached by team members. For this Swedish company and its managers the biggest challenge with the AT was to really let go of direct leadership and allow the team to be the driver. They did this eventually by changing their management approach to one of ‘coaching the team’ and allowing the team to take over responsibility. The team now solves the majority of issues itself, and only approaches the manager when it needs help. Even then, the manager simply supports the team through the challenge, and allows the team to find its own solutions to resolve any issues. As a result, the responsibility within the team increased, and creativity and innovation improved.

As this Swedish example shows, shifting from a traditional, hierarchical leadership style to a coaching style is not only a question of management methodology, but it also requires a different attitude. Getting used to having less information and the feeling of losing control is a particularly difficult challenge for managers relinquishing control and

“A leader must have the desire to help others grow.”

changing their leadership style, therefore they too must be supported through this phase.

We also found that senior managers often contradict themselves regarding the promotion of ATs: “On the one hand, the CEO promotes greater autonomy (even funding training actions), yet at the same time implements rigid requirements in terms of reporting, demands that standardised methods are respected and cuts resources – all of which send out the opposite message,” quoted one manager. Such inconsistencies can be particularly damaging given that sponsorship by top management is rated as the second highest success factor for increasing autonomy in ATs effectively. See Chapter 2.1, Figure 5.

In this context, hierarchical leaders and managers have less direct impact or legitimacy to manage the team, hence he/she must gain acceptance by the AT through coaching and supporting the team.

4.3 BEING SUPPORTIVE AND ENGAGED

ATs are often composed of highly skilled and diverse team members, where the team set-up may also limit or risk its own success (see Chapter 5.2). Hidden team dynamics can potentially cause tension and conflicts. A supportive and intelligent manager would deliberately act on levers that foster collective thinking. In fact, managing the re-

lationship system also means allowing the team members to organise themselves: “Each team works under a project leader with a lot of free interaction between teams. Also, unofficial roles emerge, such as mediators, animators and tutors – that have added value,” according to the manager of a French automotive producer.

Unlike managing normal teams, the manager’s role towards ATs is less about decision making, and more about “ensuring that the collective decision process is respected, that each individual has been able to express himself, and that everyone is effectively engaged in problem solving,” according to one director of a heating systems company. In a nutshell, a coaching and supporting leadership style for an AT means that the manager:

- Gives the team direction only as and when needed
- Provides the team with necessary information
- Helps the team and its members to solve problems themselves by asking questions rather than offering a possible solution
- Facilitates in cases of friction/conflict within the team
- Explains clearly in which situations he/she expects to be involved/consulted (e.g. critical delays or going over budget)
- Accepts ‘loss of control’ and takes pride in the team NOT needing him/her
- Accepts occasional inefficiency or redundancy as the price for flexibility and speed
- Thinks long term, thus giving the team the security needed to concentrate on the tasks
- Covers the team’s back when the organisation’s hierarchy and/or other teams want to interfere

5 AUTONOMOUS TEAMS

CHAPTER HIGHLIGHTS

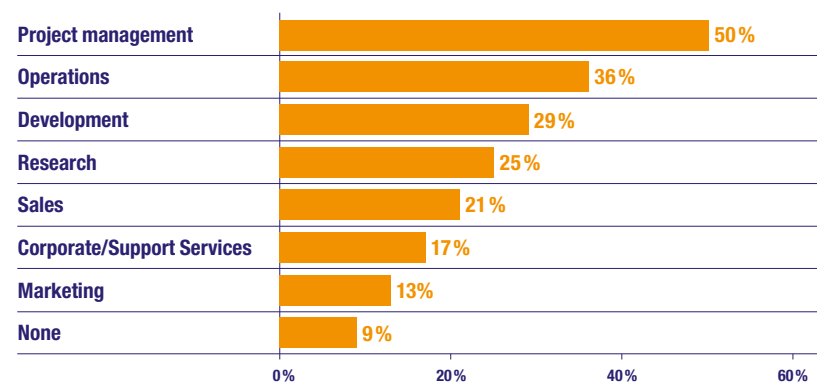
- » In which areas do ATs work today?
- » Why the AT needs to take responsibility for its own success
- » How to improve as a team



5.1 COMMON AREAS OF AUTONOMY

Autonomy is usually granted in the tasks as outlined in Figure 14 below. It tends to be closely linked to practical (project) management tasks, such as planning of their work, setting priorities and how to achieve them. Our experience confirms that companies tend to grant more autonomy at less strategic levels. This may be due to a lack of trust by the manager and/or organisation to allow the AT to take over more (important) responsibilities. Or it could be due to the fact that the team itself is not (yet) capable of dealing with more autonomy. One of the top difficulties in developing ATs for 44% of organisations is because their teams are not mature enough to handle autonomy. So what exactly do we mean by ‘maturity’ and how can it be improved?

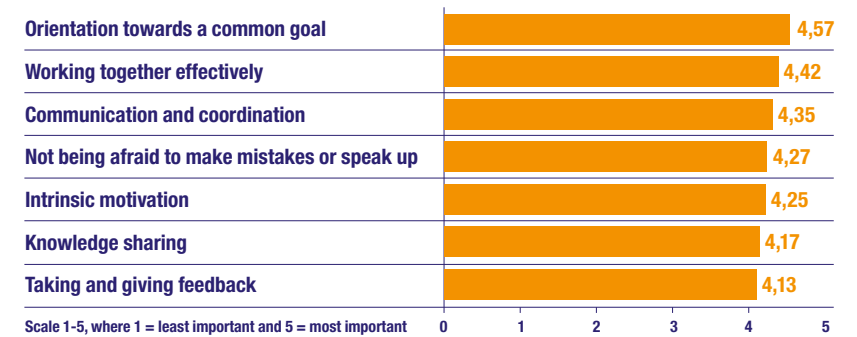
FIGURE 14
TASKS WHERE TEAMS ARE USUALLY GRANTED HIGHER AUTONOMY



5.2 COLLABORATION AT THE HIGHEST LEVELS

Our research suggests that the motivation to collaborate within the AT is one of the most important factors for an employee when dealing with greater autonomy. See Figure 15 below.

FIGURE 15
TOP SUCCESS FACTORS FOR EMPLOYEES TO HELP THEM DEAL WITH GREATER AUTONOMY IN TEAMS



In traditional teams, the manager can partly compensate for the collective inadequacies of his/her team through interventions, such as providing information to the team, giving feedback about team members’ performance or helping to resolve conflicts. ATs, on the other hand, have to fulfil many of these managerial tasks themselves – because if daily business issues were referred to a manager on a regular basis, its autonomy would diminish. The quality of teamwork in ATs does not differ from traditional teams, but it has to be more evolved and more

mature because the AT has to manage its own team dynamics and take collective responsibility for its own team's development.

5.3 DIVERSITY AND INTER-DEPENDENCE

Many companies are working hard to increase diversity in teams. The reason for having individuals with different background, experiences, skills and competencies is to enable skilful conversation, leading to broader perspectives and avoid getting stuck in a rut.

We found that it's about finding the right blend – combining both skills and personalities – in team compositions where, notably, task inter-dependence and diversity are seen as two major contributing factors. As one manager discovered: “People need to perceive they need each other to succeed. It is often useful to bring together diverse skills to avoid rivalry.” So learning to use diversity and differences within a team becomes a lever for collective intelligence when properly managed. Another leader of an organisation that we interviewed is striving to develop a culture in which multi-skilled teams are assembled to solve problems and create projects based on collective competencies, which include:

- Cohesion and focus on a commonly accepted goal/mission
- Maturity to deal with different, sometimes opposing viewpoints

So, ATs require an individual and collective ability to take on board a number of variables that enhance collective thinking and cooperation. And to achieve that, it needs the basic, and most cited factor of ‘building

trust’. Many companies put a lot of emphasis on developing actions to “build trust amongst members to be part of the team and serve a common goal,” confirmed a manager at a Swedish multinational organisation.

Trust leads to an openness and respect for each other, where team members appreciate how other members of the team think, relate and communicate. This is required in order to be able to share ideas, experiences and thoughts within the team. It's about ‘developing a common language’ where team members understand the meaning behind the words spoken.

5.4 CHANGE OF MIND-SET AND NEW BEHAVIOURS REQUIRED

To mature as an AT requires the team to develop a changed mind-set in order to deal with different – sometimes opposing – viewpoints within the team, and to collectively focus on a common goal.

Serving a common goal: According to the leaders of the organisations that we interviewed “moving towards the common goal of the team” is the most important attitude required from team members in ATs. In an environment with minimal control, it is vital that the team members have high intrinsic motivation to serve the common task and contribute to the team's performance. ATs need team members with a strong hands-on approach. In other words, team members who show initiative to get things done and strive to deliver results.

“We look for people with a strong desire to ‘serve’ on projects”, said one leader of a French pharmaceutical organisation. “But individuals that seek personal recognition in ATs can damage the team’s success and spirit.” When recruiting employees, especially for ATs, companies should have high-level requirements, seeking profiles that fit into their workplace and culture. Hiring the right person with the right mind-set is therefore a must.

Collective before the individual: Another contributing factor to AT performance is the degree to which members accept to work beyond the strict parameter of their individual tasks, so that cross-functional agreements and decision making can happen. This is why organisations have devised reward systems for the team rather than individual performance. After all, the team is collectively responsible for results. One manager at a Dutch insurance company, is setting out a reward system based on team success, combining individual development, with the requirement that the system be transparent and fair to achieve this very aim.

Innovation: Another important topic for ATs is ‘innovation’. Organisations often establish ATs in project management, research and development activities. But also in operations, ATs occasionally become unofficial innovation departments. This might often start with a focus on continuous improvement, and – at best – grow into innovative initiatives. This focus on innovation is further enhanced by the willingness to make mistakes. Autonomy represents a mental challenge for people who are afraid to make mistakes or to speak up and address problems. We learn from a very early age that mistakes have to be avoided, so

it’s probably one of the most difficult changes to achieve in both the individual and organisational mind-set, and therefore requires time and patience.



INNOVATION AND COLLABORATION CHANGE PROJECT

Context

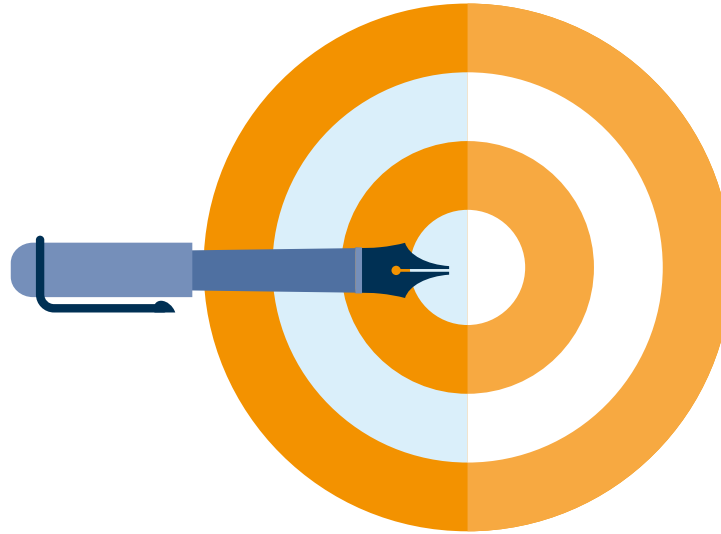
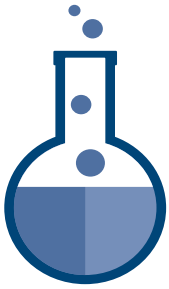
Since the establishment of a French industrial equipment manufacturer, back in 1965, there was no centralised management at this firm, which employed approximately 700 workers, because each unit was autonomous. International growth, however, led to a centralised approach, and it initially produced results thanks to the firm's leadership position in the market.

Over time clients became more demanding and the competition started to catch up. The CEO realised (in 2012) that the firm's pure focus on technical excellence had reached its limits, and there was a strategic need to develop 'out-of-the-box' thinking so that the time to market could be halved.

The change project

A project management training programme to improve cross-functional cooperation produced little effect. Hierarchical managers continued to wield power over the project leaders who didn't dare to challenge their position, and team members continued to behave with a traditional, functional mind-set, which focuses on their own department. So, in 2013, the CEO took a bold decision to put "project leaders and their teams at the heart of the system". A 'cultural change' seminar was designed, not to train people, but to challenge existing mind-sets, and help:

- Project leaders and teams to create a new common language, and way of working.
- Hierarchical managers to evolve and 'support' its teams.



Although the seminars brought some awareness for change, everyone initially remained ‘frozen’, not sure who should make the first move. It was up to the project leaders/teams to take the initiative. To help them grow and mature, monthly workshops were set up to help teams deal with autonomy and learn to be more affirmative with hierarchy. And coaching sessions for project leaders helped them to grow in confidence. In hindsight, the key to change was getting the teams to realise that their mission was to serve the goals of the organisation, and not those of specific functions. Hierarchical managers continued to struggle with this perceived ‘loss of authority’, but coaching helped them to achieve the switch in mind-set.

Current situation

Change is finally happening. Teams are working better together, deadlines are being met, and managers are making the mind-set switch. However, new issues have come to the surface. One project leader decided to step down, as he was unable to handle the level of autonomy required. But the most interesting realisation for the CEO was that he himself and top management had yet to demonstrate the same level of change that they required of their teams. “Actually, we are a schizophrenic organisation; we demand autonomy from the teams but we keep them in a hierarchical structure relying on traditional leadership styles. This kind of change requires full embracement from the top.”

6

CONCLUSIONS

Creating an effective AT is not a new topic for organisations; however it's one that many are still struggling to achieve. Our research reveals that it's certainly an area that management would like to be better at, as they clearly recognise ATs to be an enabler for achieving their goals. But creating a successful AT is no easy feat as there are tensions and resistance, both individual and organisational, to overcome; however, it's certainly one worth pursuing.



Management need to adopt a more holistic view of ATs

When implementing ATs, we see that many organisations have a tendency to focus strongly on the team, and (to a lesser extent) on the leader or direct manager. However, the organisation needs to consider the whole system in which the team operates. The organisation should invest in the teams, building ATs through both the ‘bottom-up’, and ‘top-down’ approach. This also means assessing and developing the organisation and hierarchy as an enabler and the work environment as a facilitator.

ATs are a means to an end

Embarking on a journey for higher autonomy in teams requires specific engineering from the organisation’s leadership, plus time and patience. ATs, as such, are not the goal themselves, or even actively implemented by organisations with the clear objective to give more autonomy to teams. Managers, over time, will discover that granting higher autonomy to their teams ultimately helps to achieve company goals. So, it is the whole picture that matters with its positive impact on the organisation and not the individual piece about having more autonomy.

ATs are redefining hierarchy

Having ATs within an organisation inevitably provoke tensions with hierarchy. We don’t consider it will be the end of hierarchy, but ATs do push managers and their understanding of hierarchy to new limits, questioning traditional leadership styles and demanding new ways of collaboration between the AT and the organisation’s managers. In many cases, the ‘hierarchy/AT’ relationship is redefined, by developing:

- An organisational set-up that is trust-based, not control-based – where top management trusts the AT to just get on with the job, without unnecessary interference, once the framework has been established. Our research reveals that 50% of organisations cite leadership interference as a major challenge for ATs. So, any interference needs to be minimal, relevant and add value to the work of ATs.
- A good framework with clear goals for the AT that defines and establishes the relationship between the team and hierarchy, facilitating the exchange between management and ATs as challenges occur. Our research reveals that these are amongst the top three inhibitors to successfully developing ATs. Although a framework and measurable goals do impose certain limits, they are necessary for the AT to properly function as they set the direction in which the team is heading.
- A supportive, coaching leadership style, which supports ATs through mentoring is therefore vital, as the old traditional command/control management approach is counterproductive for ATs. Our research reveals that AT members generally respond better to a facilitative approach as opposed to a traditional one. As a consequence, ATs will be able to work in a positive and open team environment. Creating a good work climate is therefore a must to develop mutual trust between the managers and the AT so the focus is on the job/goals, not problems.

Building a collective brain

By this concept we refer to the capability – and necessity – of the AT to develop a collective approach to their task. There is a clear difference between a traditional team approach and an AT, as the latter needs

to operate as a 'collective brain', which figuratively speaking means, acting as the brain of the manager in decision making, setting priorities, and developing the effectiveness of the team.

Another aspect of the 'collective brain' reflects the fact that the AT 'as a whole' is better than the sum of its individual members. And when set up in the right way – a superior alternative to the traditional manager's (one) brain only approach.

Being able to successfully handle this 'collective brain' as a manager means his/her role over time will change. Achieving this, however, is tough, and presents several challenges for HR and management. The main challenge is the changing role of the manager, and supporting him/her through this transition. This obviously requires collaborative leadership and mutual trust between the AT and the manager as mentioned earlier. But it also involves supporting the AT to develop its maturity as a team and earn the right for more autonomy over time. Without this change in mind-shift at management level, you will end up with a dysfunctional AT.

Again, this will not be achieved overnight. By overcoming some of the above challenges, such as, developing a collaborative AT relationship with hierarchy, and new behaviours that promote its effectiveness, the AT will mature. Signs that the AT is maturing include: acceptance that it's the team's responsibility to deliver results, the ability to make more senior decisions, and taking collective responsibility for its team members' development.

Developing an effective AT is not easy, but with some patience and an open mind, organisations will ultimately succeed in creating better ATs. We trust you find this report useful, whatever stage you are at with your AT initiatives. Hopefully, it will provide plenty food for thought, and advice on how to grant more autonomy, make improvements and fine-tune your AT to help your organisation perform better.

For more information, please contact our AT experts in your country or as indicated on page 45.

APPENDIX

The research: In-depths personal interviews

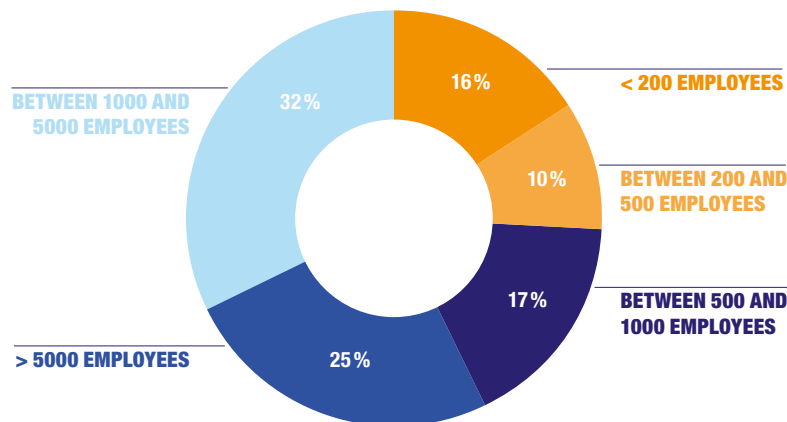
Over the period of June-September 2014, we conducted in total 37 personal and in-depth interviews with our clients and business contacts on the topic of ATs. These interviews are relatively evenly spread amongst the six core countries of our research: France, Germany, Holland, UK, Sweden and Spain.



The research: Web-based survey

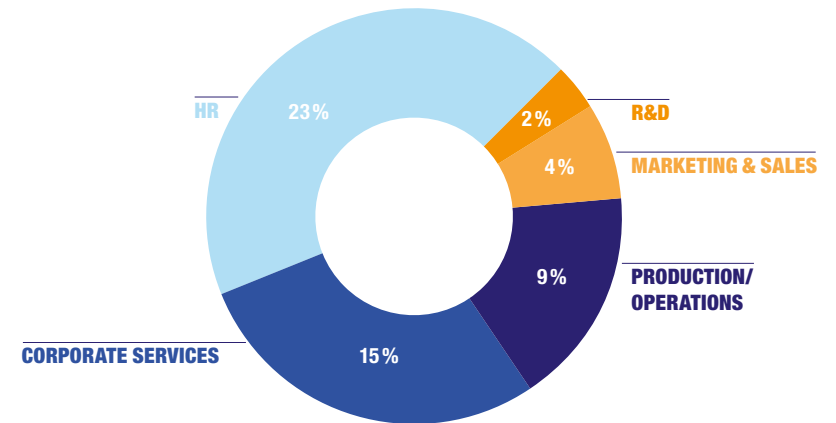
ACE, Allied Consultants Europe, regularly conducts web-based surveys within its 10 European partner countries. The 2014 online survey was conducted during October-December 2014. In total, we received 163 responses from organisations across Europe, of which France, The Netherlands, Great Britain, Scandinavia, Spain and the German speaking regions (D-A-CH) represent 88% of all respondents. One third of all respondents work in organisations with more than 5000 employees, whereas 16% belong to companies with less than 200 employees. The survey participants are mainly top (33%) to senior management (20%) as Figure 16 below illustrates.

FIGURE 16
SURVEY PARTICIPANTS BY SIZE OF ORGANISATION



Almost a quarter of respondents work within the field of human resources (HR), followed by representatives of corporate services. A rather classical environment for ATs is the field of research and development (R&D), representing only 2% of our total responses.

FIGURE 17
SURVEY PARTICIPANTS BY ORGANISATIONAL POSITION



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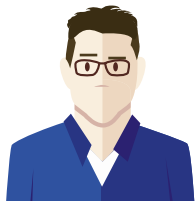
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