

Rewarding Teams

Lessons from the Trenches

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PREFACE

The bookshelves of American businesses spill over with works on how to build, train, coach, and sustain teams, and on the nature of virtual teams, self-directed teams, global teams, and dysfunctional teams. That's not surprising; the potential of efficient teamwork is boundless. But creating good teams is a vexing challenge, especially in the United States. How can you get employees in the world's most individualistic culture to sacrifice and pull together for the common good?

To the abundance of books on teamwork, however, we add one more. And for good reason: how to best reward and recognize the work of business teams-of whatever kind-is still neglected territory.

Certainly there are good books for compensation professionals (see the Bibliography: McAdams, 1996; Belcher, 1995; Lawler, 1990; Wilson, 1999) on the technical aspects of designing incentive plans for teams, and handbooks that offer creative laundry lists of recognition ideas for individual contributors. But there are few sources for people on the firing line looking for practical advice coupled with real-life examples of how to design reward and recognition systems for teams, not individuals.

This book provides practical advice and detailed examples of effective organizational unit (group) incentives, project team incentives, and recognition plans. It is for managers in organizations that have made a commitment to a collaborative culture and who want to create effective reward systems for teams. The "team of the month" award won't do: you need incentives that are fair, motivational, and properly linked to desired behaviors and results and that reflect the unique aspects of your business and its structure, systems, and culture.

We suspect that many leaders in business, government, and nonprofits want real-world advice on such issues as these:

- Determining what works, what doesn't, and why, according to those who have used various reward plans
- Rewarding individual excellence on teams
- Making recognition plans work
- Deciding when and how to use cash rather than noncash awards
- Dealing with team members who don't pull their weight but still receive team incentives or recognition
- Understanding the organization's payoff from good team reward plans
- Knowing how to combine plans, such as recognition and organizational unit incentives, for maximum impact
- Ensuring that everyone in the plan understands it
- Knowing how the design process differs between large and small organizations
- Using incentive plans to build business literacy in the workforce

At the heart of this book are case studies of reward plans in companies large and small, in many industries, and of many cultures. For every Chase Manhattan or Rockwell, we have included a Markem Corp. or a nonprofit such as the Texas Guaranteed Student Loan Corporation.

Whenever organizations try to make teamwork the norm, many supporters become frustrated because the usual reward-and-recognition programs don't support it. In this book, the fictional BIZCOM Corporation and its managers show how frustration about teams can turn into success. BIZCOM's trials and tribulations are based on the authors' years of experience working with organizations.

The numerous sidebars, graphs, and the like that you will see are simply parenthetical discussions that draw out lessons learned and offer advice in using reward and recognition tactics to spur teams to new heights.

WHO SHOULD READ THIS BOOK?

To put it simply: executives and managers looking to implement a strategy that has teamwork and collaboration as a central tenet; team champions, sponsors, and leaders who need to understand the critical role and implications of team rewards and recognition; human resource professionals called upon to advise teams on the options and issues associated with rewards and recognition; and compensation experts who are asked to add to their expertise and understanding to new team reward and recognition plans.

- If you are an executive or manager, this book explains how to create a successful team-based organization. It describes the key role of reward and recognition systems in supporting the transition to effective teams, gives cases and examples you can adapt to your company's environment, and explains how management must reinforce rewards and recognition for teams so as to achieve strategic goals.
- If you're a team champion, sponsor, or leader, you'll come to understand that even well-intentioned efforts to build and nurture effective teams may fail without meaningful reward and recognition practices. You'll learn what it means to "hit the wall" and, most importantly, how to get beyond it.
- If you're a human resources professional, you may have seen promising teams become derailed even when the track seemed clear and well maintained. Even with your successful coaching, facilitation, and training efforts, you've seen some of the best teams bog down or fail to reach their potential. This book should help you understand how critical it is
- in team-based cultures to link rewards and recognition to other organizational systems. We provide examples and advice to use as a framework for driving needed changes in your rewards and recognition systems.
- If you're a compensation professional or consultant, the case examples and accompanying analyses may be useful. The "warts-and-all" approach helps highlight and bring to life the challenges of designing and implementing team systems in the often messy real world.

HOW THIS BOOK CAME TO BE WRITTEN

The three authors bring distinct but overlapping skill sets to this book. Glenn Parker's books and surveys on teams and teamwork are a staple in the field. Jerry McAdams has led much of the research on reward and recognition systems in North America. Dave Zielinski has covered the human resources, organizational development, and business

management fields as a journalist for more than ten years.

The book is primarily based on the friendship of Parker and McAdams, which began when they appeared separately at human resources conferences around the country but compared notes over dinner. The friendship eventually became a professional collaboration. As the team revolution took hold in the early 1990s, McAdams focused more and more on the reinforcement of teams, and Parker on the connection between team development and team rewards.

Enter Zielinski. He used his knowledge of human resources and organizational development, and his uncanny ability to translate technicalities into readable text, to create this book.

OVERVIEW OF CONTENTS

Chapter One describes BIZCOM, a fictitious company that wants to use a team approach to address a critical business problem. It delineates the natural history of teams and includes a discussion of team and organizational development issues such as vision, sponsorship, membership, stakeholders, launches, training, coaching, management style, and organizational support.

In Chapter Two, BIZCOM's leadership takes a hard look at environmental barriers to team success and develops a road map for creating a team-based organization. Building reward and recognition systems for teams is explored at length, including detailed explanations of how best to use group incentives, team recognition plans, and project team incentives.

Chapters Three through Five detail more than two dozen case studies of recognition plans, project incentives, and organizational unit incentives that encourage and reward team performance. Each explores why the organization launched one or more teamwork reward plans, how the plans work, what units or teams the plans cover, obstacles encountered in design or implementation, lessons learned, and how each plan is measured for success.

Chapter Six brings it all together. It summarizes the cases and advises you on how to apply your new knowledge to your unique work environment. And we take a last look at BIZCOM for some final lessons.

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