

MOVING THE DYSFUNCTIONAL TEAM TO THE IDEAL TEAM

Over the last few months we've been focusing on building teamwork within community banks. Teamwork has been a recurring theme for *The Findley Reports* and the "Directors' Compass" for many years, and the Findleys have worked with boards and managements to build teamwork within their banks for over 30 years. One of our core companies, Human Capital, LLC, focuses on building the board and employee side of banks through teamwork and shared vision.

No bank can rest solely on the efforts of one person, but success is a collaboration of the efforts of all. In several of the recent retreats we've conducted for boards and managements, building an effective and efficient team was a major goal. It's how you get work done and also stay relevant. It's how you make a difference.

Patrick Lencioni is one of my favorite authors and has written two books that focus on teamwork. His first book, *The Five Dysfunctions of a Team*, printed by Jossey-Bass, 2002, focuses on teamwork. Last year he wrote a follow up book, *The Ideal Team Player*, printed by Jossey-Bass, 2016. We encourage boards and managements to read both of these books and recognize the various steps needed to have an effective and functional team. We also encourage boards and managements to read several of the past articles from Cary Bailey-Findley on Human Capital that can be found on our website. The most successful banks are those who have the best teamwork, not just on the employee side, but throughout the board and management.

Over the last two months we have focused on *The Five Dysfunctions of a Team* and how to be the most effective team, which is critical for community banking institutions

going forward. We have taken several boards and managements through this exercise over the last few years.

These dysfunctions are built on the basis of a triangle, which is as follows:



Lencioni writes, "to achieve results on a consistent ongoing basis, a team must overcome five dysfunctions." These dysfunctions are described as follows:

Dysfunction #1 - Absence of Trust

Members of great teams trust one another on a fundamental emotional level and they are comfortable being vulnerable with each other about their weaknesses, mistakes, fears and behaviors.

Dysfunction #2 - Fear of Conflict

Teams that trust one another are not afraid to engage in passionate dialogue around issues and decisions that are key to the organization's success. They do not hesitate to disagree with and challenge one another all in the spirit of finding the best answers, discovering the truth and making great decisions.

Dysfunction #3 - Lack of Commitment

Teams that engage in unfiltered conflict are able to achieve genuine and important decisions even when various members of the team initially disagree. That's because they ensure all opinions and ideas are put on the table and considered ... leaving no stone unturned.

Dysfunction #4 - Avoidance of Accountability

Teams do not hesitate to hold one another accountable for adhering to the decisions made by the team. Teams do not rely on a team leader as the primary source of accountability; they go directly to their peers.

Dysfunction #5 - Inattention to Results

Teams that trust one another, engage in conflict, commit to decisions and hold one another accountable are very likely to set aside their individual needs and agendas and focus almost exclusively on what is best for the team. Team success is what is important.

We encourage boards and managements to look at their teams very closely and ask themselves four important questions: "Are we an effective team?" "Are we committed to being a more effective team?" "How can we become the most effective team for an exceptional bank?" and "How can we embed this model into your bank's organizational culture?"

Lencioni has moved beyond the dysfunctional analyses in his book, *The Ideal Team Player*, to focus on the three virtues of Humble, Hungry and Smart that are critical in building the best team possible to achieve desired performance.

Cary Bailey-Findley, in several of his articles over the past few years dealing with Human Capital, has

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focused on these and other characteristics and virtues which are critical to embed into the culture of your banking institution in order to build success.

This month we will focus on: what does Humble, Hungry and Smart really mean and how does it apply to your banking institution? Next month we will focus on the application of these three critical characteristics in the five dysfunctions discussed above.

We recognize that the concepts of Humble, Hungry and Smart may not work for all banking institutions. However, we do think there are appropriate lessons to be learned by both boards and managements as to how to build the best bank possible. Employees (the right employees) are a very valuable asset of your bank, and not having the right team members often leads to the difference between *Premier Performance* and mediocre performance. We recognize that the desire is to have consistent top performance, and it starts with having high level-performing team players.

In reviewing these three virtues, Lencioni emphasizes, "For organizations seriously committed to making teamwork a cultural reality, I'm convinced that "the right people" are the ones that have the three virtues in common: humility, hunger and people smarts. I refer to these as virtues because the word virtue is a synonym for the nouns *quality* and *assets*, but it also connotes the idea of integrity and morality. Humility is the most important of the three, is certainly a virtue in the deepest sense of the word. Hunger and people smarts fall into the quality of asset category so the word *virtue* best captures them all."

Humble

Lencioni believes that humility is the single greatest and most indispensable attribute of being a team player. Great team players lack excessive ego or concerns about status. They are quick to point out the contributions of others and slow to seek attention for their own. They share the credit, emphasize team over self and define success collectively rather than individually. It is no surprise then that humility is the single greatest and most indispensable attribute of being a team player.

I have often defined humility as "freedom from pride and a modest estimate of one's own worth." In theology, it means having a consciousness of your own defects.

How often do we look at a board or a management team and see self-centered individuals who possess excessive skill but don't get along with others. The possession of desired skills by an employee doesn't necessarily make them the best employee. Those individuals who may possess the right skillset but are arrogant and self-centered end up having a negative performance on the overall team. One person can sink the ship, while another can inspire through their humility. This happens in all kinds of team ventures.

Lencioni emphasizes that there are two basic types of people who lack humility, and it's important, even critical, to understand both since they look quite different from one another and can impact the team differently. The most obvious kind is the over-arrogant person who make everything about them. They're easy to identify because they tend to boast and soak up attention. For basketball fans, we have seen a lot of this with a father and three sons who happen to

play basketball. Who there is a real team player?

The second type is actually more dangerous. The individuals who lack self-confidence but are generous and positive with others. They tend to discount their own talents and contributions, and so we often mistakenly see them as humble, but that is not humility. They are certainly not arrogant but their lack of understanding of their own worth is also a violation of humility. "Truly humble people do not see themselves as greater than they are, but neither do they discount their talents and contributions".

C.S. Lewis addressed this misunderstanding of humility when he said, "Humility isn't thinking less of yourself, but thinking of yourself less." Good words to live by!

A person who has a disproportionately deflated sense of self-worth often hurts teams by not advocating for their own ideas or by failing to call attention to problems that they see. While this kind of lack of humility is less obtrusive and obvious than the other, it detracts from optimal team performance, none the less. What both of these types of issues have in common is insecurity. Insecurity makes some people project over confidence and others discount their own talents. While these types are not equal, when it comes to creating problems on a team, they each diminish performance.

Hungry

I really like this term since it means self-drive. Hungry people almost never have to be pushed by a manager to work harder because they are self-motivated and diligent. They are always looking for more: more to do; more to learn; and more responsibility to take on.

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We all know these type of individuals in your bank. They are all taking on more responsibility and accepting the accountability. They think of this as a challenge and become stronger by taking on the challenge. They are constantly thinking about the next steps and the next opportunities, and they loathe the idea that they might be perceived as slackers.

While it's great to have hungry people on your team, it's important to realize that some types of hunger are not good for a team and are even unhealthy. With some people, hunger can be directed in a selfish way that is not good for the team, and, in some instances, hunger can be taken to an extreme where work becomes too important, consuming the identity of an employee and dominating their life. Balance is critical!

What Lencioni is emphasizing is hunger from a healthy side. "A manageable and sustainable commitment to do a job well and going above and beyond what is truly required." It is important to distinguish those that actually are hungry and committed to doing more and learning more from those who falsely project a sense of hunger. With those individuals, you often spend time motivating, punishing or dismissing once they are on board. This negatively impacts others. The goal is having those who are self-motivated and directed to take the right steps forward.

Smart

Smart simply refers to a person's common sense about people. We all know of intelligent people, but smart in the ideal team player is not about intellectual capacity. "It has everything to do with the ability to be interpersonally appro-

priate and aware. Smart people tend to know what is happening in a group situation and how to deal with other in the most effective way. They ask good questions, listen to what others are saying and stay engaged in conversations intently." Many refer to this as emotional intelligence, but maybe that is too complex. It basically boils down to understanding others and also having the courage and patience to listen to others and interact in a positive manner with others. Maybe this is a form of caring.

Lencioni emphasizes that smart people have good judgment, as well as intuition about the subtleties of group dynamics and the impact of their words and actions. As a result, they don't say and do things, or fail to say or do things, without knowing the likely response of their colleagues. We've all been in situations where individuals in a group are unaware of the feelings where others are in the room.

Lencioni also emphasizes that smart people can also use their talents for good or ill purposes. In fact, some of the most dangerous people in history have been noted for being interpersonally smart, trying to manipulate others. Smart, in this situation, is not the manipulation of others, but being able to understand others and being able to communicate effectively.

In evaluating directors and employees, we always see various different directors and employees with one, two or three of these virtues. The ideal situation is to have the three virtues combined. What makes humble, hungry and smart powerful and unique is not the individual attributes themselves but, rather, the required combination of all three. If one is missing in a

director or employee, the team's work becomes significantly more difficult and sometimes not possible. It's important that you recognize and assess your people from the standpoint of these particular virtues.

An interesting question for directors and employees. "Is where do you see yourself on these three virtues?" Often we can be most critical of ourselves, but we also know there are those who are blind to their shortcomings.

Next month we will focus more on how to work out the processes and how to look at the application of these three virtues, and what it means to your bank. Humble, Hungry and Smart can make a difference. We've seen various instances throughout our banking career where individual team members possess these types of qualities and their performance has always been exceptional.

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