

## REFORMING TEAMS AFTER LAYOFFS, REORGANIZATIONS OR EVEN HIRING SOMEONE NEW

The one constant thing in the world is change, especially in the world of work. But too many people ignore this basic fact. They act as if things will just stay the same. Or when a change does occur, they don't take the basic steps required to address the change. The need to adapt to change only increases during tough economic times like a recession. The companies that succeed during tough economic times are those that can adapt and come out stronger.

While there are many types of changes you and your bank might face during a recession, there is one type I want to highlight: changes to a team. No matter if it is good times or bad times, your bank's teams will have to adapt to change. Sometimes it is for good reasons, like a team member being promoted to another part of the bank or hiring a new employee to join the team. Other times it is for more challenging reasons, like someone quitting, teams getting merged together, or even layoffs.

No matter the reason, when a change occurs to a team, we need to do something about it. We cannot just hope that the team will quickly transition into healthy and high performance. We need to help new teams improve their collaboration and performance, even if the rest of the team has worked together for years. When one new person joins a team, we need to go back to the beginning stages of high performing teams.

### The Five Stages of High-Performing Teams

While there are many different team effectiveness models, one of the most practical is the Forming-Storming-Norming-Performing model created by Bruce Tuckman in 1965. Tuckman's model was compiled by comparing the results from 50 different research studies on small team development. There are five main stages that every team goes through or re-goes through in the case of adding a new member to the team. They are:

- **Forming** - The first stage is when the team is initially coming together (or when a new member joins). In this stage, team members can range from positive excitement to anxious energy. During this first stage, team members are learning more about each other and about what the team is meant to accomplish. The team spends a great deal of time discussing the different tasks at hand, how to approach them, and what roadblocks they might face. In order to move to the second stage, team members will need to trust each other enough in order to challenge each other's ideas and have healthy conflict.
- **Storming** - The second stage of a high performing team occurs after the team has aligned around the basics (who we are, what we are doing, etc.), and instead focuses on voicing opinions and debating ideas. We call this stage 'Storming' because this is the first time where disagreements and personality clashes start to emerge. During the Forming stage everyone is on their best behavior, but in the Storming stage people start being more honest with their thoughts and feelings. The risk of this stage is that some teams can get stuck in a storming mindset. They never resolve their differences, and, ultimately, the team's performance suffers.
- **Norming** - If a team is able to resolve its differences and trust continues to be built, then a team can enter the third stage, Norming. At this stage, the team moves past the individual competition amongst the team members and instead aligns around the common team goals. Team members accept each other (differences included), and a normal way of working together starts to emerge.
- **Performing** - After group norms are established and the team is aligned around common goals, the team can start to reach high performance levels. At this stage, the team members are motivated, excited to be working with the team, and working collaboratively. And since there are high levels of trust, the team freely challenges each other's ideas and works together to make sure the best idea wins.
- **Adjourning** - The final stage of any team is when the team is coming to a close. Maybe that is because the team has completed its tasks and the project team is disbanding. Or maybe it's because a member of the team is leaving the team. But no matter why the team is coming to an end, it is important to recognize and celebrate the team.

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## The Critical Components of the Re-Forming Stage

First off, one of the most critical ideas to understand is that Re-Forming teams is very different than just Forming a team. The difficulty in Re-Forming teams (for instance, after a layoff) is that you are not working with a blank slate. Maybe you are merging two existing teams or moving some people into an already existing team. Either way, there is history and emotional baggage that you have to address when Re-Forming teams. By comparison, Forming a team of new people is relatively easy.

The Re-Forming stage (especially after layoffs) tends to generate a great deal of energy and emotion within a team: anxiety about job insecurity, sadness for lost colleagues, or confusion about job responsibilities. At the same time, not everyone will see this change as a negative. Some teammates could be excited about new opportunities or happy to see some colleagues leave the company.

The truth is that a team in the Re-Forming stage could be experiencing a variety of different emotions. As a leader, it is your responsibility to help this new team by focusing on two key aspects of the change.

1) **Rebuilding Trust in the Team** - A team can only succeed when its members feel included in the team, Trust each other and feel safe to share their opinions.

a) **Making sure all new members feel included** - High performance requires participation and contribution from all members of the team. Therefore, it is critical that the team has a culture of inclusiveness and togetherness, especially when it comes to decision making. If only members of the original team were part of the decision-making process, then the rest of the team might pull back and disengage from the team.

b) **Building relationships with new teammates** - In order for team members to set aside their personal goals, they need to trust their colleagues to do the same. This is even more critical with new teammates. So, in this Re-Forming stage, team members need to get to know each other and start laying the foundation of trust. It might seem silly to do team building activities when the majority of the team knows each other already, but for the sake of the one new person, we should start from the beginning.

c) **Ensuring everyone feels psychologically safe** - When a massive reorganization or layoffs occur, members of the team might feel psychologically unsafe within the team. They become worried that they might be next, so they stop sharing their true opinions. They might see a huge mistake in the team's idea, but stay silent, leading to an increased likelihood of failure. Or there may be conflict within the team, but no one works to address it. These hidden problems only cause the team to struggle even more, and lower performance is all but guaranteed.

2) **Providing Clarity** - Re-Forming teams can create significant confusion within the team, but sustainable high-performance is only achievable if everyone knows what they need to do.

a) **Aligning around a purpose** - Depending on the reason for Re-Forming the team, the purpose of the team may have changed. For example, if you merged together two teams, there might be confusion on what that new team is meant to achieve. But even if you are just dealing with one new joiner, the team should align around its purpose. What are the main objectives of the team? How do these objectives translate into clear tasks or projects? What kind of KPIs or metrics does the team use to determine success or failure? This kind of information helps the team understand what it needs to accomplish.

b) **Clarifying roles and responsibilities** - Once the team has built some foundations of trust and has aligned around the team's purpose, you can start to map out how you will work together. Collaboration is not something that should be automatically assumed. It is something that the team needs to focus on and provide clarity as to who is doing what and who needs to be involved in what.

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## Exercises and Tools That Will Help Re-Forming Your Team

There are many different tools that you can use to build team effectiveness during the Re-Forming stage. Here are my top recommendations:

**1) Conducting Inclusive Meetings** - In newly Re-Formed teams, overlooking the input of colleagues can occur rather easily. Here are some tips that will help you hold more inclusive meetings:

- a) Make sure everyone knows the purpose of the meeting in advance. This way people can come prepared to the meeting.
- b) Lay some ground rules, like “no talking over anyone else” and “be present - no checking emails, texts, etc.” Ideally, you and the team should come up with your own rules.
- c) If some of the people are in the meeting virtually, ask everyone to switch to virtual. It is too easy for people meeting in person to ‘forget’ about their virtual teammates, and not include them to the same level.

**2) Coat of Arms** - This exercise is great at relationship building and laying the foundations of trust amongst new colleagues. Basically, a coat of arms is a picture of a shield that is split between different sections. Within each section, there is a question that the person needs to draw their answers to. Example questions could be: What do I think are my biggest contributions to the team? Are there any challenges that I am facing at the moment? What do I want to accomplish this year? Each colleague creates their own personal Coat of Arms and shares it with the team.

**3) Building Psychological Safety** - Psychological safety is not something that just pops up overnight. It is something that teams need to build by having open and honest conversations. While there are many ways to build psychological safety, we found the easiest method was to discuss (as a team) these four questions:

- a) What are the strengths the team can count on you for?
- b) Are there some strengths you have that are currently underutilized by the team?
- c) What is a recent mistake that you made, but that you also learned a lot from?
- d) What skills or areas of improvement are you trying to develop?

**4) Elevator Pitch** - An Elevator Pitch is basically a concise explanation of why something exists, or should exist. The reason it is called an Elevator Pitch is that it should be so straightforward and clear that you could explain it during the course of an elevator ride. When it comes to the Re-Forming stage, I like the team to create an elevator pitch describing the purpose of the team. Every member of the team should be able to explain why this team exists, why it adds value to your organization, and your main deliverables.

**5) DACI** - The DACI tool is a great way to identify roles and responsibilities for different projects and tasks within your team. DACI is an acronym for:

- a) D = Driver - The Driver is the one person responsible for the task or project. It is their job to gather all the information needed to make a decision and make sure the project / task continues to meet its deadlines.
- b) A = Approver - The Approver is the one person with final say on the task or project. This is the person that will make the decision, and ultimately be held accountable.
- c) C = Contributors - There are often many contributors on a project / task. They might have critical knowledge or expertise. Contributors participate in the decision-making process by voicing their opinions, but ultimately do not have the decision-making power.
- d) I = Informed - There are often a lot of people that need to be Informed of a decision. Maybe these are customers / other teams dependent on your team’s outputs, or just other parts of the business that need to know.

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### **Don't Skip the Re-Forming Stage**

When done correctly, Re-Forming doesn't have to take that much time. Unfortunately, too many teams try to skip this work altogether. This is especially true for teams that have just added a new joiner. The original members of the team might roll their eyes at 'getting to know you' exercises or wonder why they are spending time talking about the team objectives. For them this is old news. But this is where you need to remind them that this is all new for the new joiner.

Personally, I have coached too many teams that have sped past this stage, only to find themselves with poor team trust or misalignment down the road. This is the stage where everyone processes the emotions caused during this Re-Forming of the team. This stage will be the foundation of your team's performance going on, and that means you need to make sure it is rock solid.

So, the next time you have someone new join your team, or facing some massive changes, don't just rush into business as usual. Take some time to truly Re-Form the team.

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