DEVELOPING HIGH-PERFORMING TEAMS TO DRIVE BUSINESS PERFORMANCE AND ENGAGEMENT
FOREWORD

It’s true that well-integrated, high-performing teams are a key driver of business performance and engagement. But what is not so obvious is the formula for a successful one.

While all companies – from multinational organisations to medium and small-sized businesses – face unique challenges, there are core similarities when it comes to creating agile and high-performing teams.

In this whitepaper, we find out what those core similarities are and what companies could be doing better to increase employee engagement. From the research, we know that the process of building high-performing teams starts with recruitment. The most effective teams have a good team dynamic in terms of culture, skills and personality fit, are led with shared accountability, have clearly defined goals and objectives, and receive recognition for their good work. Conversely, poor leadership, team conflict, undefined goals and objectives and zero recognition for good work are key drivers of disengagement, dissatisfaction and underperforming teams.

In line with the research, this whitepaper also includes recommendations on how to achieve a more successful team dynamic that will boost your business performance overall. I hope you find it useful.

James Nicholson
Managing Director - ANZ

METHODOLOGY

This whitepaper is based on the findings of research undertaken by Robert Walters. To conduct this research, Robert Walters surveyed 250 hiring managers and almost 700 professionals across Australia and New Zealand. The respondents were from a range of industries and organisations, with 14% of professionals from small organisations (0-19 employees), 23% from medium organisations (20-199 employees), 48% from large organisations (200 or more employees) and 15% from the public sector.

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INTRODUCTION

This whitepaper has been created to help employers better understand high-performing teams and how they drive business performance and engagement.

Specifically this whitepaper explores:

- Use of recruitment and attraction strategies to build cohesive teams
- How roles and rewards can impact on team performance
- Leadership style and how it plays a part in high-performing teams
- The key to employee engagement
USE OF RECRUITMENT AND ATTRACTION STRATEGIES TO BUILD COHESIVE TEAMS

When applying for a new role, the majority of surveyed professionals (45%) said they would self-select out of the process if they didn’t meet all of the selection criteria. This trend was reflected in the results of surveyed hiring managers, as 63% said professionals would need to meet all of the selection criteria in order to pass through to the next stage of the application process. Only 7% of hiring managers said that applicants would pass through the application stage if they didn’t meet most of the selection criteria, but might perform well.

When asked who conducted the first-round interview for their current role, 48% of professionals said a team leader or person who works closely with the role in the business, 21% said human resources and someone who works closely with the role in the business, 20% said senior management, followed by 11% who said human resources.

| What hiring managers think candidates need to pass through the application stage |
|-------------------------------------------------|-----------------|
| Only if they meet all the selection criteria | 63% |
| If they have industry experience, but not the relevant tertiary qualifications | 28% |
| If they do not meet most of the selection criteria, but think they would perform well | 7% |
| If they have the relevant tertiary qualifications, but no relevant industry experience | 2% |

Key learning #1 – Look beyond industry experience

It’s common practice for hiring managers to hire talent from within their own industry, with the requirement that the candidate has performed a similar role in the past. However, this is not necessarily the way to source the best talent and build the best teams – increasing the scope of a talent search broadens the chance of finding complementary skill sets that are better able to adapt to a changing marketplace. This issue can be addressed by formulating selection criteria that distinguishes between essential and desirable elements, and ensuring that the length of experience required is justifiable for performance of the job and not just based on preconceived ideas or frameworks. To save resources, a recruitment agency can perform this process and create a shortlist of suitable applicants from a wide range of backgrounds.

Key learning #2 – Collaboration during the screening process

The results show that for their current role, 31% of professionals had not been screened by a team leader or someone who works closely with their role in the business, and had instead been interviewed first by either human resources or senior management.

To ensure that new hires are a good fit for the team, it’s important for human resources and team leaders to work together, with the help of a recruitment consultant, to create a healthy balance between what will fit the team and what is best from an organisational perspective. Including human resources as well as the team manager is the best way to achieve this balance and be certain that new hires will be able to integrate well from both perspectives.
Hiring managers who require professionals to meet all the selection criteria to pass through the application stage

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63% of organisations may be missing out on top talent due to inflexible selection criteria.
In order to determine how individual roles can impact on team performance, professionals were asked how well their roles are defined in their teams. Almost 60% of professionals said that their roles can sometimes overlap with another team member’s role and the majority, at 55%, also said that team functions within their wider organisations can sometimes overlap. The majority of hiring managers (60%) agreed that individual roles can sometimes overlap within teams, while 49% also felt that team functions can sometimes overlap within their organisations.

Encouragingly, the vast majority (87%) of professionals felt that their team is an integrated part of the business, working towards the same overall objectives.

When hiring managers were asked if their organisation does enough to reward high performance, half said yes and half said no. The most popular reward for high performance among hiring managers was money, followed by recognition through internal communication and opportunities for promotion.

**Do organisations do enough to reward high performance?**

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<tr>
<th>Percentage</th>
<th>Professionals say yes</th>
<th>Hiring managers say yes</th>
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**Key learning #3 – Define team objectives**

A key to employee engagement and motivation is having clearly defined objectives and goals at both an individual and team level. According to the results, most professionals experienced some overlapping of individual roles, as well as overlapping team functions within the wider organisation. Team leaders should spend time developing very clear individual and team goals, by creating suitable job descriptions and complementary day-to-day responsibilities. It’s also important to define how the performance of a position is measured as well as continually keeping teams informed of such key performance indicators in order to stop team members from becoming lost or disengaged.

**Key learning #4 – Learning the art of recognition**

A crucial factor in high-performing teams is rewarding good performers and adequately addressing poor performers. As the survey indicated, half of the hiring managers surveyed felt that their organisation doesn’t do enough to reward high performers. While the survey found that the most popular way of rewarding high performance was through monetary incentives, simple recognition can go a long way to help team members feel engaged and valued. Words of praise for effective performance – whether through team meetings, internal communications or newsletters – can ensure team members maintain a high level of motivation and wellbeing. Equally, recognising where a team member is struggling or not achieving their target and giving constructive feedback to help enhance their performance, will help encourage respect within the team.
Professionals who say their organisation does not do enough to reward high performance

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50% of hiring managers feel their organisation does not do enough to reward high performance
LEADERSHIP STYLE AND HOW IT PLAYS A PART IN HIGH-PERFORMING TEAMS

When asked about how their teams are led within the business, 43% of respondents said the method was traditional, “top-down” leadership where leaders make decisions without consulting team members. However, only 5% of professionals felt that this leadership style engages and motivates them, with the vast majority (66%) preferring shared leadership and accountability. The second most preferred leadership style among professionals was self-directing, with 29% of survey respondents believing they would be most engaged and motivated if leaders gave them a lot of freedom and let them set their own deadlines.

The survey results indicate that most hiring managers (65%) believe that more of their teams are led with shared accountability, when in actual fact the perception among professionals is that they are being led in a top-down way.

When it came to the personal qualities of team leaders, professionals rated “supports team members” as the most important in their leaders (78%). Hiring managers thought that being a “genuine and open communicator” was the most important personal quality of a team leader (83%).

When asked about the top three problems that poor leadership causes in their teams, 80% of professionals said poor leadership decreases trust and openness. This was followed by 66% of professionals who said poor leadership blocks performance, and 51% who said poor leadership prevents team alignment with organisational goals.

How professionals and hiring managers view leadership within their organisation

Traditional top-down leadership:

- 43% Professionals
- 27% Hiring managers

Shared leadership and accountability:

- 46% Professionals
- 65% Hiring managers

Self-directing:

- 11% Professionals
- 8% Hiring managers
Key learning #5 – Leaders need to be constantly communicating

The survey results revealed a disconnect between how professionals feel they are being managed versus how hiring managers believe the organisation is being run. It’s important to review leadership methods to see whether a participatory style in fact works for the organisation and its wider goals. For those organisations that have an established leadership style that is more “top-down” and this works best, we recommended hiring managers encourage leaders to communicate with the team to make decisions appear to be more consultative, which helps to boost employee morale. This is especially important when changes need to occur, as employees will be able to accept change more easily when they have clear direction and feel involved in the decision-making process.

Key learning #6 – Implement mentoring programs

The survey revealed that professionals rate “supports team members” as the most important quality in their team leaders. For those team leaders who have too many immediate reports and not enough time, we recommend implementing a mentoring program to ensure all staff are getting the support they need. A mentor can be anyone who is a role model who can share knowledge and advice to help another employee grow professionally. The benefits of mentoring include greater productivity, higher job satisfaction and a more positive working environment for both the mentor and mentee. Alternatively, reducing the number of direct reports may be a solution for team leaders who feel they do not have the time to adequately support their team members.

<table>
<thead>
<tr>
<th>Professionals who say their business is led with a traditional, top-down leadership style</th>
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THE KEY TO EMPLOYEE ENGAGEMENT

The majority of survey respondents (61%) chose varied and interesting work as the factor that keeps them most engaged in their roles. This was followed by salary and bonuses (54%), a good work/life balance (53%) and opportunities for career progression (43%). Interestingly, 45% of professionals believe that their organisation does not do enough to keep them engaged, and 44% believe that the turnover rates in their organisation are too high.

Most hiring managers said they kept employees engaged with a good work/life balance (48%), followed by varied and interesting work (45%), followed by opportunities for career progression (40%). Half of hiring managers (51%) said that their organisation does not do enough to keep employees engaged, while 32% of hiring managers think that staff turnover and retention rates are too high.

When it came to what they believed negatively impacted on their performance most, 32% of survey respondents said poor leadership. An equal number said not having clearly defined goals and objectives. Hiring managers agreed, with the majority (39%), stating that poor leadership is what impacts negatively on individual performance the most.

**Do organisations do enough to keep employees engaged?**

- 55% of professionals say yes
- 45% of professionals say no
- 49% of hiring managers say yes
- 51% of hiring managers say no

**What professionals indicated keep them most engaged at work**

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<tr>
<th>Factor</th>
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<tr>
<td>Varied and interesting work</td>
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<td>Good work/life balance</td>
<td>53%</td>
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<tr>
<td>Opportunities for career progression</td>
<td>43%</td>
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<tr>
<td>Opportunities for training and development</td>
<td>24%</td>
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<td>Team work</td>
<td>23%</td>
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<tr>
<td>Recognition and rewards</td>
<td>22%</td>
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<tr>
<td>Strong organisational culture and leadership</td>
<td>21%</td>
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**Key learning #7 – Recognising individual strengths**

According to the results, varied and interesting work is what keeps individuals and teams engaged. In order to keep work interesting, it is important to fully utilise the individual talents of team members, allowing them to play to their strengths and trade tasks that they are less suited to. This is also important to note during the recruitment process, where hiring managers can decide on what new skills would best fit the existing team. These skills should be included in the job description as well as the job advertisement and recruitment agency brief. Regular evaluation of the team’s output and effectiveness is also important to assess whether teams should be taking on more or less responsibility to stay engaged.
When asked what negatively impacts their performance most, the top response from professionals was poor leadership (32%)
Key learning #8 – Accountability

Both hiring managers and professionals agreed that poor leadership impacts on individual performance the most. But in many organisations, engagement is seen purely as the remit of the HR department. In order to prevent poor leadership from infiltrating a business, it’s important for team leaders to take on some of the accountability and work with HR to ensure all is well from both a team and an organisational perspective. Constructive ways for team leaders to address the issue include discussions with team members, setting goals and time for regular catch-ups about how the team and individuals are progressing, and by establishing an open environment to encourage team members to provide feedback at all times.

Professionals who feel their organisation does not do enough to keep them engaged

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CONCLUSION

The key to creating high-performing teams that drive business performance and engagement is therefore a combination of factors that extend from the recruitment process at the very beginning, to effective leadership and participatory internal processes, to rewarding high performers and adequately addressing poor performers.

As the survey has found, many organisations could establish better performing teams with a simple review of recruitment strategies. Strong leadership is a vital component of the high-performance formula, as was particularly evident in the section of the survey concerning leadership style. For organisations that have an established top-down leadership style, it is especially important that leaders communicate with their teams to make decisions appear to be more consultative, which helps to boost employee morale. A key learning to take away from the results has also been to include both team leaders and human resources professionals in decision-making, in order to ensure a balance of the team and organisational perspectives.

The risks of disengagement in poor performing teams is certainly reason enough to address the issue and make positive changes to team structures that will ensure high performance and growth in the long term.
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