

Self-Directed Work Teams: Basics and Success Factors

Nick Carter

Self-directed work teams are making their mark in an increasing number of manufacturing companies. Variations of this competition-killing concept have been practiced for decades by both service and manufacturing companies, with mixed results. Attendees at a recent AME seminar in Irvine, CA had an opportunity to hear from self-directed team veterans representing eight North American companies about factors that make a difference between success and second-best.

This report will explain what a self-directed work team is, why companies decide to implement such teams, what makes them successful, challenges, and results achieved by presenting companies.

What is a Self-Directed Work Team?

John Puckett, vice president of manufacturing for XEL Communications, described a self-directed work team as a vehicle to move employees of companies from participation to empowerment. Team members learn to understand what a team is and how to play as members, said Dennis Fiehn, plant manager, Motorola Automotive Industrial Electronics Group. They help to set team goals for achieving excellence, and they are willing to lead or be led as the situation dictates. When problems occur, the team pulls together to solve them.

Why Adopt Self-Directed Work Teams?

American companies are beginning to

recognize the need to continuously improve to survive in the world marketplace. Companies such as 3M and Motorola found that by tapping the whole organization's creativity, they can change not only customer satisfaction, but also cost, quality, dependability, and innovation.

Northern Telecom's self-managed teams brought added payoffs. These benefits include greater employee involvement, higher job satisfaction, and an entrepreneurial spirit that permeates their work force.

Is There a Formula for Successful Teams?

Northern Telecom's effective approach is based on this definition of self-directed work

Self-Managed Work Teams Star Model

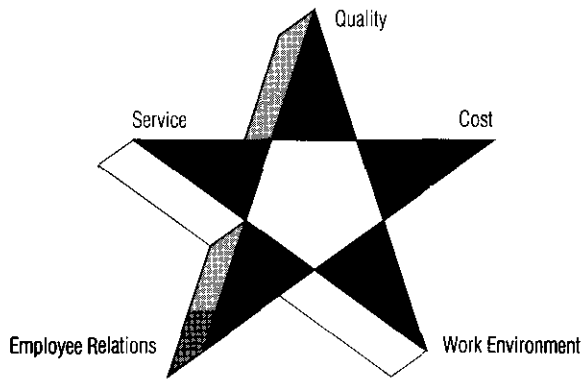


Figure 1. Northern Telecom Public Networks Calgary team members share responsibility for several areas of responsibility, or legs of the star.

Self-Managed Work Teams Progress and Objectives

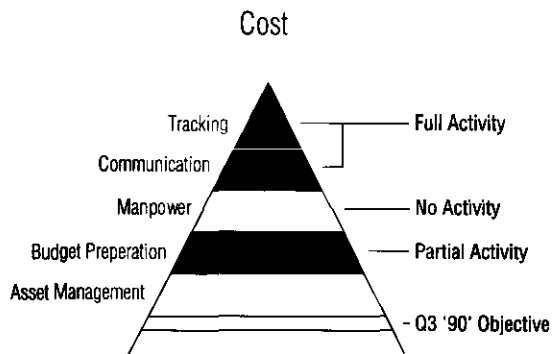


Figure 2. In the cost leg of the star shown in Figure 1, teams move from the tip toward the center in progressive levels of sophistication. The group may begin by tracking costs of the product produced in their area. The next level: communicating that information to others in the organization. The mastered level is shaded in as the group moves toward the center of the star, easily marking a work group's progress toward self direction. The levels do not have to be mastered in exact order, as shown here.

Process Improvements at Hughes Aircraft, Ground Systems Group

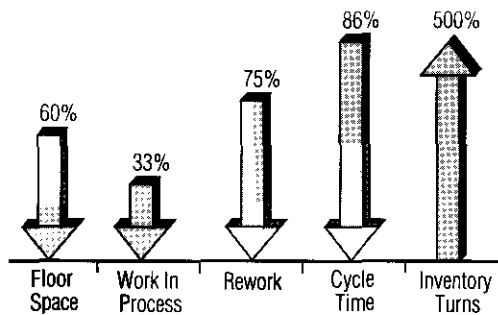


Figure 3. Hughes Aircraft, Ground Systems Group improvements from January 1987 when self-directed work teams began through January 1990.

teams: In a culture of fairness, openness, trust, and participation, an evolutionary process by which teams of employees are proactively trained to progressively accept increasingly higher levels of responsibility to eventually function as a business unit. The company translated this definition to a "Star Model" (Figure 1), showing where a work group is and the goal it is working toward.

Individuals in every work group are responsible for each of several legs of the star. Taking the cost leg as an example (Figure 2), moving from the tip of the star toward the center are progressive levels of awareness and ownership of the process.

What Other Factors Increase Team Effectiveness?

Leadership, training, recognition, and rewards are integral parts of self-directed work team success. Puckett from XEL Communications sees managers' role moving from management to leadership. Leaders are concerned with 1.) providing clear direction, 2.) communicating the vision, 3.) energizing the work force, and 4.) inspiring and challenging people to rise to the desired level of excellence demanded by the dream. Leaders must not wait for results to happen.

Training is a critical factor. Hughes Aircraft, Ground Systems Group (GSG) allotted two hours of training per employee per week for a year as they worked to get their self-directed work team pilot program off the ground. To get their new employees up to speed, Northern Telecom invested 15 hours of training within the first three months of an employee's hire date. Organizing for and educating self-directed teams also was discussed by William H. Cluck of Weyerhaeuser Company, Pulp Division.

Three types of recognition are practiced by Tennant Company, according to Rita Maehling. First, day-to-day recognition is personalized and one-on-one. It is specific, frequent, and timely. Next, informal recognition includes parties, outings, and give-away items (mugs, T-shirts) — "whatever fits, works." Finally, formal recognition is a nomination followed by committee evaluation and a recog-

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nition event and/or a tangible commemorative, such as a plaque.

Rewards are another important building block, said John Somatican, director of compensation and benefits for Acushnet Company, makers of Titleist golf balls and Foot-joy accessories. Gainsharing plans foster an environment where everyone works together for competitive advantage — and participates in the resulting economic successes, he said.

What Are the Results?

Jim Gorman and his team from Hughes Aircraft GSG nicknamed “The Garage” noted fantastic results in reduced floor space, work in process, rework, and cycle time, and an increase in inventory turns (see Figure 3). Northern Telecom reported higher morale and job satisfaction, business understanding, and overall employee commitment, along with better service levels, quality improvement, and

1990 company-wide cost savings of \$2.2 million.

Self-directed work teams can be another weapon in manufacturing's competitive arsenal. Are you ready to put them to work for you?

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