

A

Teams

In some (but not all) situations, tasks can be achieved more easily by **teams** with a **common purpose** rather than by **individuals**. Of course, it's important to develop **teamwork** through **team building** so as to get the best from the team. The level of **engagement** and **commitment** is the degree to which team members feel involved with the team.

Here are some frequent combinations with 'team':



team	leader	the person in charge of the team
	effort	the work done together by the team
	performance	the results that the team produces
	dynamics	the way the team works together
	effectiveness	the degree to which the team produces results
	learning	when people learn in teams rather than individually

B

Team players

Meredith Belbin* has identified these types of team members or **Team Roles**:

- a The **Implementer** converts the team's plan into something achievable.
- b The **Coordinator** is a confident member who sets objectives and defines team members' roles.
- c The **Shaper** defines issues, shapes ideas and leads the action.
- d The **Plant** is a creative and imaginative person who supplies original ideas and solves problems.
- e The **Resource Investigator** communicates with the outside world and explores opportunities.
- f The **Monitor Evaluator** sees all the possibilities, evaluates situations objectively and sees what is realistically achievable.
- g The **Team Worker** builds the team, supports others and reduces conflict.
- h The **Completer Finisher** meets deadlines, corrects mistakes and makes sure nothing is forgotten.

C

Stages of team life

The typical team goes through a series of stages:

- a **Forming** The group is anxious and feels dependent on a leader. The group tries to discover how it is going to operate and what the 'normal' ways of working will be.
- b **Storming** The atmosphere may be one of conflict between members, who may resist control from any one person. There may be the feeling that the task cannot be achieved.
- c **Norming** At this stage, members of the group feel closer together and the conflicts are forgotten. Members of the group will start to support each other. There is increasingly the feeling that it is possible to achieve the task.
- d **Performing** The group is carrying out the task for which it was formed. Members feel safe enough to express differences of opinion in relation to others.
- e **Mourning** The group's work is finished, and its members begin to have pleasant memories of their activities and achievements.

**Management Teams: Why They Succeed or Fail*, Butterworth-Heinemann, 1996.

9.1 Look at A opposite. Then read the article and answer the questions.

In many manufacturing industries, a daily meeting is used to keep the plant running smoothly; but this level of daily communication is seldom employed in knowledge work or administration. Sarah manages a team of nurses. Sitting together in the morning and building positive emotion, energy, and shared tasks for the day helps build their focus on the work of the whole unit. Shared knowledge helps limit mistakes and keep people engaged in learning. And knowing who may need help distributes the work of the unit across the formal team structures. The practice of daily meeting and discussion of tasks is another crucial way in which Sarah builds engagement.

Sarah's transparency in terms of performance requirements is another leadership practice that reinforces engagement. Once a month, Sarah shares information with the group that shows the unit's overall productivity numbers and their clinic-by-clinic performance. This monthly meeting, to discuss the unit's performance and the breakdown of each team's performance, creates performance pressure for all members of the team.

- 1 What is Sarah's job?
- 2 Two types of meeting are mentioned. How often does each of them happen?
- 3 How are knowledge work and administration different from manufacturing?
- 4 What are the advantages of regular meetings?
- 5 What negative things can regular meetings prevent?
- 6 What is the advantage of the monthly meetings?

9.2 Look at the types of team members in B opposite and say if these statements are true or false.

- 1 Implementers are not interested in final results.
- 2 Coordinators tend to take a leading, organizing role.
- 3 Shapers tend to follow what other people say.
- 4 Plants can be useful in providing new ideas when the team has run out of steam.
- 5 Some Resource Investigators probably need to use the internet.
- 6 Monitor Evaluators are not good at seeing all sides of a problem.
- 7 Team Workers may help to defuse arguments between members.
- 8 Completer Finishers are bad at finishing things on time.

9.3 Members of a team brought together to work on a design project said the following things. Match what they said (1–5) with the stages (a–e) in C opposite.

- 1 We had such a great time working together.
- 2 We need to appoint a leader.
- 3 We're beginning to get to know each other better.
- 4 Who does Ana think she is, taking over and behaving like she's in charge?
- 5 We're really making progress now and we get on so well together.

Over to you

- What teams have you worked in or are you working in?
- Do you recognize the types in B opposite in your team?
- What role do you usually play?

A

Incurring risks

Businesses **take, run, confront** or, more formally, **incur risks** of different kinds. They have to **deal with uncertainty**, not knowing what is going to happen in the future. Experts in **risk analysis** try to **calculate** the **probability**, the **likelihood** or, more informally, the **odds** of different events happening in the future.

Business managers have to think about these kinds of risk for their organization.

- a **economic** – the state of the economy as a whole might affect its performance
- b **financial** – it might suffer from bad business decisions, and/or from unwillingness of investors and lenders to continue funding it
- c **human** – its employees or managers might make a harmful mistake
- d **regulatory** – its activities might be restricted in new ways, or become illegal
- e **environmental** – its activities might damage rivers, the atmosphere etc.
- f **reputational** – its activities or behaviour might be criticized, with its performance suffering

Managers attempt to **reduce** or **mitigate risk**. It can be **minimized**, but never completely **eliminated** – removed.

Risk analysts and others talk about **worst-case scenarios**, the worst possible combination of negative future events.



B

Attitudes to risk

Attitudes to risk – how people feel about it – vary widely.

Adrienne is an **entrepreneur**. Entrepreneurs are known for their willingness to take risks – their **risk appetite**. She is a **risk-taker** who has started several businesses – two of them failed but one is very profitable. She tries to analyze the **risk factors** involved in a potential business – the things that will contribute to its success or failure.

Bernardo runs the family business founded by his grandfather. He is more **risk-averse** – he has a **low risk appetite** and is very **cautious**. For example, he tries to limit his **risk exposure** by only trying to enter new markets where he is sure of success. He believes in **risk avoidance**. His **risk strategy** – his plan for dealing with risk – is basically to avoid it as much as possible.



C

Insurance

You can **reduce uncertainty** and **take out insurance** against negative future events. For example, businesses can **insure against risks** such as damage to their property, theft of equipment and goods, **negligence** – actions (or inaction) by employees that harm other people – to maintain **business continuity** and against the cost of **business interruption** (see Unit 21).

The **insurer** will ask what level of **cover** is required – how much the insured business will receive if it **makes a claim**. The insured firm agrees to an **excess** – a particular amount that will be deducted if it makes a claim. In relation to all this information, the insurer issues an **insurance policy**, and tells the business how much it will have to pay monthly or yearly in **insurance premiums** for the particular **insurance cover**.

Insurance companies have risk analysts who calculate the probability of various future events, and how much the company will have to **pay out** if they happen.

22.1 Match these situations for the different companies below with the types of risk a–f in A opposite.

- 1 The government tells housebuilders that houses will have to be better able to resist fire.
- 2 A retailer sees reports that activity across the economy as a whole might decrease.
- 3 A waste recycling plant fears that poisonous chemicals will leak into nearby rivers.
- 4 A travel company's cruise ship is involved in a collision and lots of people see this on TV.
- 5 A power company finds that workers have been falsifying safety reports.
- 6 Shares in a car company fall when sales of its new models are disappointing.

22.2 Executives from various companies are talking about their attitudes to risk. Use appropriate forms of combinations containing 'risk' in B opposite to complete what they say.

- 1 We have managers whose job is to find the right combination between activities that are risky, and those that are less risky – they are the ones who work on our company's ...
- 2 When we look to export to new markets, there's always the things that can go wrong – we have to look at all the ...
- 3 We've invested heavily in some politically unstable countries, so we have a certain degree of ... (2 possibilities)
- 4 We put money into what we consider to be the safest activities – you could say that we have a high level of ...
- 5 The economy of our country needs people like this if new companies are going to be started – we need people who are real ...
- 6 We are a solid business growing at 2 per cent a year. We stick to what we know and have a low ...

22.3 Look at C opposite and put these events into the correct order.

- a Two weeks later, Greta made a claim for €550,000 for compensation to guests for their inconvenience, lost income for cancelled bookings and the cost of new door locks.
- b The insurance company agreed to provide cover of €1 million for this specific risk, and an excess of €25,000. She paid a monthly premium of €500.
- c The claim took the insurance company six months to investigate and then they paid out €500,000 after deducting the excess.
- d She was very glad to have obtained this cover because, one day, computer hackers attacked the hotel's computer system so that guests were unable to lock and unlock their room doors with their key cards – about 20 guests were locked in and another dozen or so were locked out as it was impossible to open the doors manually.
- e When the insurance company paid out, Greta was relieved that she had insured against this worst-case scenario, even if she had not realized exactly what it would consist of!
- f Greta had to call locksmiths to open the doors, and she had to cancel guest reservations for the following week while the locks were changed.
- g A hotel owner in Austria, Greta Schmidt, took out insurance against business interruption, in addition to other more usual forms of insurance against fire, damage to buildings and so on.

Over to you

If you work, are you a risk-taker, or are you risk-averse? Give examples. If you don't work, think about a job you would like and decide if you would like to be a risk-taker.