

Can organization team culture benchmark effective teams – performance management concerns, insights and HR implications

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Abstract

Purpose – Teams have become the dominant mode of work in contemporary organizations and critical for successful completion of various tasks, projects and overall organizational effectiveness. Organizational factors such as organizational culture have often been investigated as contributing to team performance since it is difficult to develop and engage teams. But the effect of (organizational) team culture on team effectiveness (TE) has received less support. Therefore, this paper examines how factors such as organization team culture (OTC) affect different dimensions of TE in a power sector organization which has undergone a business transformation resulting in adoption of team-based work structures.

Design/methodology/approach – Survey instrument capturing the variables of organizational team culture and TE was administered to mid-level managers in a power sector organization in India. Structural equation modeling (SEM) was used to test the model fit for the proposed model.

Findings – A key finding of the research was that team culture (OTC dimensions) (i.e. participation, communication, trust, training inputs and support and support for teamwork) contribute to TE.

Originality/value – OTC and its impact on creating effective teams, particularly in the power sector, is an original contribution of this research. The OTC and TE framework may be used to diagnose team weaknesses and concerns and to design effective HR interventions.

Keywords Performance, Organizational performance, Organizational effectiveness, Team culture

Paper type Research paper

1. Introduction and motivation

Team-based working has become the dominant mode of work in contemporary organizations. Traditional organizational structures revolving around individuals have been replaced with team-based work in organizations around the world. Both large and small companies delegate responsibilities such as projects, budgets, operations, distribution, maintenance or important business work to work teams in order to keep up with competitors and meet customer demands. Numerous studies report the positive relationship between team-based working and the quality of products and services offered by an organization (Gibson *et al.*, 2007; Ervin, 2021; Gonzalez, 2021; Karia and Mahmoud Saleh, 2022; Ontrup and Kluge, 2022; Kériverel *et al.*, 2022). Employees working in effective teams help increase productivity, employee involvement and contribution, while reducing costs and flattening organizational structure (Adams, 2003; Gonzalez, 2021; Leifels and Bowen, 2021; Peeters *et al.*, 2022).

