



## Appraisal of the Impact of Team Management on Business Performance: Study of Metro Mass Transit Limited, Ghana

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### Abstract

This paper examines the impact of team management on business performance using Metro Mass Transit (Ghana) Limited as a reference point. The study was carried out in Accra, the administrative seat of Ghana and Takoradi. Copies of questionnaire were administered in the study area to generate primary data. The descriptive analysis technique using percentages and table presentations were used to analyze the collected data.

The study indicated that team management is an essential strategy needed to aid business performance; it is also an important tool which helps in improving business performance and productivity that can lead to business prosperity. Furthermore, the study revealed that individualism is a major hindrance to organization productivity. Lastly, the study recommends that for any organization to survive, maintain its sustenance in today's global business change, and be successful, effective team management will be a highly needed strategy.

**Keywords:** Team management, Business performance, Productivity, Business organization, Business prosperity

### 1. Introduction

Teamwork is the concept of people working together cooperatively, as in sales team, sports team etc. It has also become so valued that many large corporations have developed specific tests to measure potential employee's teamwork ability. Hence, it has become important goal in most work places, the belief is that teamwork gives employees a sense of ownership and encourages cooperation (Adeleke, 2008).

Team has been around for as long as anyone can remember and there can be few organizations that have not used the team in one sense or another. It is common to hear of management teams, production teams, service team or even whole organizations being referred to as teams that is, many organization today are moving towards "team based" approach to work, this means that working in teams is the basic method used to get work done in these organizations. As a result, employers stress the importance of employees working as a team and advertise for staff with the ability to work in such a way (Richard, 1991). McShone (1998) said that teams are replacing individuals as the basic building blocks of organization - French language television programs has shifted to team-based projects and giving more recognition to teams than to individuals. Companies are not just looking for technical ability but looking for people who can work on teams and solve problems.

According to Steiner (1972) teams and teamwork are not novel concepts; teams and team thinking have been around for years at companies such as Procter and Gamble; and Botany. In the 1980s the manufacturing and auto industries embraced a new team-oriented approach when United States firms retooled to combat Japanese competitor who were quickly gaining market share. Brown et al (1996) examined that managers discovered the large body of research

indicating that teams can be more than the tradition corporate structure for making decisions quickly and efficiently. He further said that teams needed for the restructuring and reengineering processes of the future giving instances that simple changes like encouraging input and feedbacks from workers on the line make dramatic improvements.

This study was therefore designed to appraise the impact of team management on business performance using Metro Mass Transit Limited, Ghana as a case study. Specifically, the study attempted to:

- (i) Examine the efficacy of team management towards better organizational performance as against individualism.
- (ii) Asses the linkage between team management and customer satisfaction.
- (iii) Examine the essentiality of team management in organization's productivity.
- (iv) Make deductions on how team management can enhance team performance and productivity.

## 2. Literature Review

Thompson (2000) defined team as a group of people who are interdependent with respect to information, resources and skills and who seek to combine their efforts to achieve a common goal. He further stressed that team have five keys defining characteristics. First, team exists to achieve a shared goal; simply put, teams have work to do. Team produces outcomes for which members have collective reward. Second, team members are interdependent regarding some common goal. Interdependence is the hallmark of teamwork. It means that team members must rely on others for information, expertise, resources and so on. Third, teams are bounded and remain relatively stable over time. McShone (1998) defined teams as a group of two or more people who interact and influence each other and mutually accountable for achieving common goals and associated with organizational objectives, and perceive themselves as a social entity within the organization.

Boundedness means the team has an identifiable membership; members as well as non-members. Most teams work together for a meaningful length of time, long enough to accomplish their goal. Fourth, team members have the authority to manage their own work and internal processes. Finally, teams operate in a larger social system context. Teams are not island unto themselves. They do their work in a larger organization, often alongside other teams.

Richard (1991) described team as a unit of two or more people who interact and coordinate their work to accomplish a specific objective. He also said that the definition has three components. First, two or more people are required. Teams can be quite large, running to as many as seventy five (75) people in a team with a regular interaction. People, who do not interact, such as when standing in line at a bank counter or riding in an elevator, do not comprise a team. Third, people in a team share a performance objective, whether it is to design a new type of hand held calculator or write a textbook. Students are often assigned to teams to do class work or assignments, in which case the purpose is to perform the assignment and receive an acceptable grade.

A team is similar to what is usually called group in organizations, but team has become the popular word in the business community. The team concept implies a greater sense of mission and contest although the words can be used interchangeably. People often refer their groups as teams; they are really not team, because there are several important distinctions between them as explained by Jerald et al (1997). First, in group, performance typically depends on the work of individual members, however team depend on both individual contributions and collective work products. The second difference has to do with where the accountability for the job lies. Typically, members of groups pool their resources to attain goals, although it is individual performance that is taken into consideration when it comes to issuing rewards, members of group usually do not take responsibility for any result other than their own. By contrast, team focus on both individual and mutual accountability. That is, they work together to produce an outcome.

Third, whereas group members may share a common interest goal, team members also share a common interest to purpose. Team members focusing jointly on such lofty purposes, in conjunction with specific performance goals, become heavily invested in its activities. Team however also has a broader purpose, which supplies a source of meaning and to the emotional energy to activities performed. Fourth, in organizations teams differ from groups with respect to the nature of their connections to management. Work groups are typically required to be responsive to demand regularly placed on them by management. By contrast, once management establishes the mission for team and sets the challenge for it to achieve, it typically gives the team enough flexibility to do its job without any further interference. In other word, teams are to varying degrees of self managing.

Team success or failure can be evaluated using some performance criteria factors. According to Hackman (1987) three key criteria are: productivity, satisfaction and individual well being. Organization gain was added by Leigh Thompson as suggested by Grueofield (1998).

Productivity is the most important measure of team success. Team productivity requires that the team have a clear goal and be able to adopt accordingly as new information arrives, goals change and organizational priorities shift. The productivity criterion asks whether the team's output meets the standards of those who have to use it, that is, the end users. It is not enough that the team is satisfied with the output or even that it meets some objective performance measure. If the teams output is unacceptable to those who to use it, the team is not effective. For these reasons, it is

important to identify the legitimate clients of the team. The various end users who depend upon the team's output may focus on different performance standards (e.g. quantity, quality, cutting cost, innovation and timeliness).

Satisfaction and well-being are based on learning something from working together and better able to work together in the future. Sometimes, team meets their goals, but relationships suffer and are not dealt with in a way that allows members to work productively together in the future. Hackman (1990) observed that mutual antagonism could become so high that members would choose to accept collective failure rather than to share knowledge and information with one another. In an effective functioning team the capability of members to work together on future projects is maintained and strengthened. Individual growth implies that teams should represent growth and development opportunities for the individual needs of the members. Human beings have a need for growth, development and fulfillment. Some teams operate in a way that block the development of individual members and satisfaction of personal needs. In short, member's needs should be more satisfied than frustrated by the team experience.

The fourth criterion of team performance is organizational gains. Does the organization benefit from the team? In many cases, the team becomes so self serving and egocentrically focused that it loses sight of the organization's larger goals. (This is most likely the case with teams that have greater autonomy).

### 3. Methodology

The study was carried out in Metro Mass Transit Limited, Ghana which was established in 2001 by the former President of Ghana, John Kuffour who directed the re-introduction of public mass transport in the metropolitan and municipal areas to ensure safe, affordable, efficient and reliable movement of Ghanians. Since then, the Government has been actively promoting public mass transportation. Indeed, the benefit accruing to the nation from the introduction of a public mass transport system is immense. The use of public mass transport systems will therefore make roads less congested, reduce air pollution, fuel consumption and ultimately, Ghanians will have a reliable and faster transport system (MMT, 2009).

The company was majorly chosen because presently the company is facing hyper competition from other similar transport companies due to the high demands for affordable, reliable and comfortable public transport, due to the increase in population of urban dwellers and affordability of its service. Metro Mass Transit Limited (MMT) Ghana was officially incorporated in 2003. The shareholders include State Insurance Company, National Investment Bank, Ghana Oil Company Limited, Agriculture Development Bank, Prudential Bank and SSNIT. These together have 55% shareholding. The Government of Ghana holds the remaining 45% shares. Metro Mass Transit as at 2008 has fleet of buses of 1,063 made up of Yaxing, DAF, Neoplan, VDL, VDL Jonckhere, VDL Dutch, Iveco and Tata buses. MMT has grown to be one of the major employers in Ghana. MMT's current staff strength of around 2635 and is expected to exceed 3000 by the end of 2008 with the arrival of 212 buses by the end of 2008. Janitorial services, security, bus washing and cleaning are outsourced to third parties providing employment for additional 500 persons (MMT, 2009).

For the purpose of this study the entire workforce of Metro Mass Transit Limited which stands at 2635 as at 2008 constituted the population of the study. From this population a sample size of 1500 was selected using simple random sampling technique. This random sampling technique gives equal chance to every member of staff without any form of preference. Copies of questionnaire were administered to the 1500 respondents in order to collect relevant data whereas 1320 were found analyzable. Secondary data were collected from published journals, textbooks, internet and magazines. The collected data were analyzed using descriptive techniques whereby frequency distribution, percentages and table presentations were adopted.

### 4. Results and Discussions

#### 4.1 Personal characteristics of Respondents

The personal characteristics of the respondents for this study included attributes such as sex, age, educational qualifications, and years of experience in the company. These were considered necessary for analysis as institutional studies have proved the impact of such traits on the effectiveness of workers (Anderson, 1976; Gibbons, 1997; World, 2001)

Data in table 1 shows that 90% of the respondents were males and the remaining 10% were females. The population distribution favored male because the company deals with buses and articulated vehicles which need much strength and physical ability. The females in the company were employed in ticketing section. Ages of respondents ranges between 21 and 50 years, with the majority of them (85%) in the active age range of between 21 to 40years. With respect to their educational qualifications, 35% of the respondents had HND/Bsc certificate, 40% were OND /NCE holder, while the remaining 25% had professional qualifications.

Furthermore, from the responses to their years of experience, it was deduced (table1) that 47% had 6 to 10years experience 38% had 1 to 5 years experience and the remaining 15% had above 10 years experience.

#### *4.2 Effectiveness of Metro Mass Transit in team management*

One of the strategies observed as positively contributing to enhancing business performance is the effectiveness of the organization concerned on team management. Table 2 indicates the opinion of the respondents when asked about the effectiveness of Metro Mass Transit in team management. 85% strongly and ordinarily agreed that Metro Mass transit is effective in team management, 7% disagreed while the remaining 8% undecided. This implies that Metro Mass transit is effective in team management, bearing in mind that these views were expressed by those with direct knowledge of the situation in the company.

#### *4.3 Business performance and team management*

Respondents were asked to state their opinions about the relationship between business performance and team management. Table 3 indicates that 50% of the respondents strongly agreed that team management is crucial to business performance. 41%, 2%, and 7% agreed, disagreed and undecided respectively. The implication of this is that, team management if well built and managed, it would result to high productivity and increased business performance. This is due to the fact that effective team management and development are essentials for business productivity and performance.

#### *4.4 Individualism and organization productivity and performance*

Result from table 4 revealed that 92% of the respondents strongly or ordinarily agreed as against 8% who disagree or undecided on the question. This means that majority of the respondents aligned with the fact that individualism is a great hindrance to organization productivity and performance. This corroborates Robert (2008) findings that team work is a good goal but poor teamwork can be disastrous when everyone goes his/her own way and self preservation becomes the major motive, the team eventually disintegrates.

#### *4.5 Team management and customers' satisfaction*

Good team management helps organizations to devise various means of improving the workers performance and enhance business productivity, good quality and quick response to customers demand and customers satisfaction. On this basis, the researcher asked about the efficacy of team management in satisfying customers and meeting their demand. The result shows that almost all the respondents (95%) agreed to the fact that team management is one of the potent tools when it comes to meeting customers demand and satisfaction. 1% and 4% disagreed and undecided respectively.

#### *4.6 Team management as an essential strategy needed to aid business performance*

Respondents were asked about their views on the essentiality of team management strategy in aiding business performance. 96% of the respondents believed that team management is an essential strategy to aid business performance, while the remaining 4% disagreed or undecided. This is in line with the findings of the study carried out by Brown et al (1996) which concluded that effective team management makes workers to be more flexible to relate to other workers, supervisors and managers throughout the organization, to operate sophisticated technology and to be more adaptable to expertise for technological advances so as to bring about quality products, achievement and meeting quotas.

#### *4.7 Team management and changes in the global business environment*

One of the strategies adopted in global business environment is team management. On this basis, respondents were asked whether team management can make organization respond to rapid change in the global business environment. 99% of the respondents strongly and ordinarily agreed to the fact that if properly established, team management will help organization to respond rapidly to any changes in global business environment. This is due to the fact that demand of today's global economy has made team management a prominent strategy in moving organization forward. Rapid change in the technical, legal and regulatory environments and rapidly changing customers' demands require organization response. Because effective coordination and cooperation determine in part the organizations ability to respond to these changes (Thompson, 2000).

### **5. Obstacles to the Effective Team Management**

Despite the numerous models for effective team management, there are some obstacles hindering the smooth operation of effective team management as identified by scholars and business leaders around the world. The first problem according to Thompson (2000) is that team requires the right environment to flourish. Many companies forget this point by putting people in teams without changing anything else. As earlier noted, teams require appropriate rewards, communication system, team leadership and other conditions. Without these, team management could be a waste of time. Also changing environmental conditions to improve teamwork management could result in higher cost than benefits for the overall organization.

He further stated that team work management requires alteration of organization structure, workers roles and skills. Therefore the greatest obstacle is the resistance to change, which will occur in managing the team. Team management process requires improved technology, functional social infrastructure, organization resources, training techniques and

other tools for effective team management. These may be lacking in organization especially organizations in less developed countries.

Zand (1972) also identified lack of top managerial commitment, inefficient and ineffective communication, inadequate feedback mechanism and lack of effective leadership in organization as other obstacles militating against effective team management.

## 6. Conclusion and Recommendation

This study was conducted on the premise that due to changes in global business environment, organizations which have re-organized their workforce into effective, managed and properly designed teams claim substantial improvements in morale, job satisfaction productivity and quality. These claims have resulted in interest from other organizations keen to share in the possible benefits.

Effective team management has really enhanced the rapid response of organizations to the demands of today's economy and most of the organizations survive in the increase and rapid change in customers demand by being effective in management of all teams which thereby encourage and motivate workers to boost their productivity which aids and add quality to customers satisfaction leading to the business productivity (Adeleke, 2008).

The findings of the study showed that team management is an essential strategy needed to aid business performance; also it is an essential tool that can help in improving business performance and productivity. Furthermore, the study revealed that individualism is a major hindrance to organization productivity and performance. Lastly it was discovered from the study that team management is effective and efficient in response to changes in customers' demand and in satisfying their needs.

However, for survival, performance, and productivity of business organization, the following recommendations should be put into consideration;

- a. Organizations should depart from a culture that encouraged competing personalities, factionalism, and autocratic management to a culture that stresses teamwork, collective entrepreneurship through employee involvement and participative management.
- b. Organization shall be effective in team management for team not to be a disappointment but productivity enhancers for better organization performance.
- c. Organization should clearly understand why, how and when to use teams in organization and do not just throw people together and call them a team.
- d. Team members should be motivated to use their knowledge and skills to achieve share goals. They should be motivated through reward and compensation.
- e. Lastly, workers should be trained to increase their interpersonal skills, decision making and knowledge in the concept of teamwork.

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Table 1. Personal characteristics of the respondents in the study area

PERSONAL CHARACTERISTICS	PERCENTAGE (N=1320)
Sex distribution	
Male	90
Female	10
Age range (years)	
21- 35	45
36- 40	35
41 and above	20
Educational background	
OND/NCE	40
HND/Degree	35
Others	25
Years of experience	
1-5years	38
6-10years	47
11years above	15

Source: Field Survey, October 2008

Table 2. Distribution of respondents on effectiveness of Metro Mass transit in team management

Categories of response	Frequency N=1320	Relative Frequency (%)
Strongly agree	583	44
Agree	539	41
Disagree	88	7
Undecided	110	8
<b>Total</b>	<b>1320</b>	<b>100</b>

Source: Field survey, 2008

Table 3. Distribution of respondents on relationship between team management and improved business performance

Categories of response	Frequency N=1320	Relative Frequency (%)
Strongly agree	660	50
Agree	539	41
Disagree	33	2
Undecided	88	7
<b>Total</b>	<b>1320</b>	<b>100</b>

Source: Field survey, October 2008

Table 4. Distribution of respondent's opinion about individualism and team performance

Categories of response	Frequency N=1320	Relative Frequency (%)
Strongly agree	682	52
Agree	528	40
Disagree	22	2
Undecided	88	6
<b>Total</b>	<b>1320</b>	<b>100</b>

Source: Field survey, October 2008

Table 5. Distribution of respondents on relationship between team management and customers' satisfaction

Categories of response	Frequency N=1320	Relative Frequency (%)
Strongly agree	759	58
Agree	495	37
Disagree	11	1
Undecided	55	4
<b>Total</b>	<b>1320</b>	<b>100</b>

Source: Field survey, October 2008

Table 6. Distribution of respondents on team management as an essential strategy needed to aid business performance

Categories of response	Frequency N=1320	Relative Frequency (%)
Strongly agree	770	58
Agree	495	38
Disagree	11	1
Undecided	44	3
<b>Total</b>	<b>1320</b>	<b>100</b>

Source: Field survey, October 2008

Table 7. Distribution of respondents on relationship between team management and response to changes in global business environment

Categories of response	Frequency N=120	Relative Frequency (%)
Strongly agree	935	71
Agree	374	28
Disagree	0	0
Undecided	11	01
<b>Total</b>	<b>1320</b>	<b>100</b>

Source: Field survey, October 2008