

How Teams and Companies Win

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Abstract

This article presents models that illustrate how teams and companies win, and summarizes factors that increase their likelihood of success.

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1. Introduction

Paradigms help us increase our understanding of complex situations and our probability of success. The models in this article have evolved from decades of dealing with the interactions of people in business and helping organizations improve their teamwork and success.

The "Success Vector Model" ties together the elements of effective teamwork and outlines ways for teams to increase their chances of winning. The "Money Machine Model" shows how organizations and companies achieve success and longevity by balancing the needs of their stakeholders.

2. How Teams Win: The “Success Vector Model”

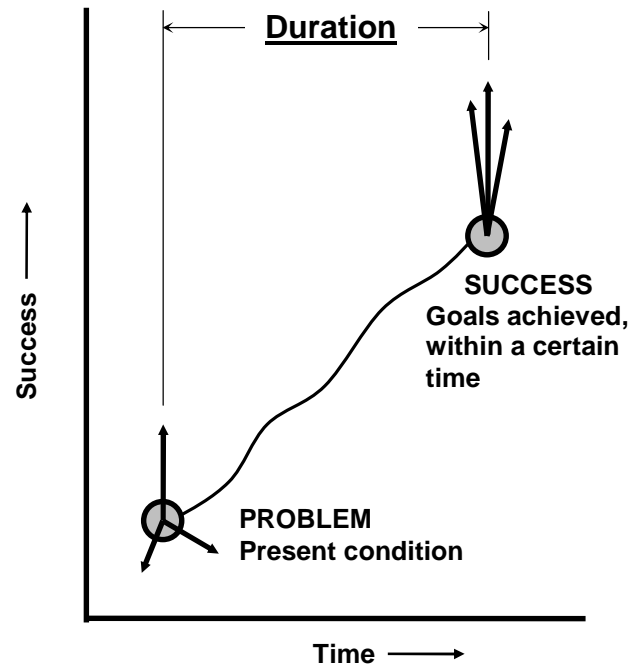
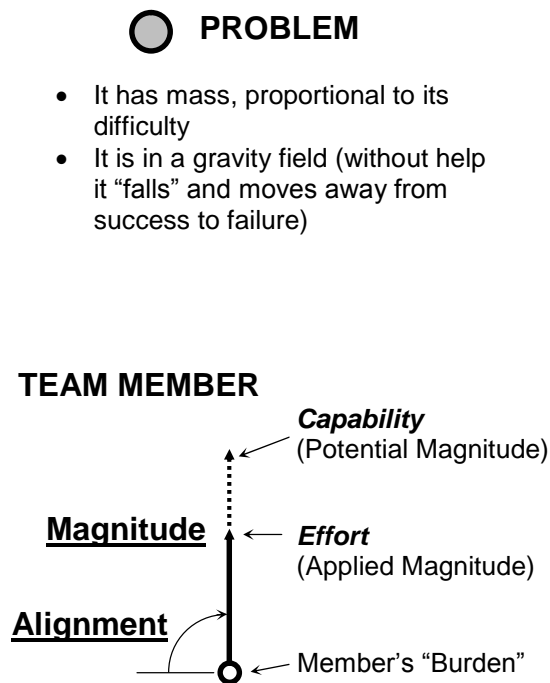
The “Success Vector Model” is a simplified representation of the complex issue of how teams win. This model helps teams simplify discussions of their operations, focus on interdependencies, and develop ideas for significantly improving results.

As illustrated below, the team members are represented as forces (vectors) that can be applied to an object representing the problem or project. The team members need enough combined effort to move the problem from its present condition to a position of success, quickly and cost-effectively. If there are too many members on the team, they may add unacceptable “burden” (costs) to the effort and reduce their ability to win. The success of the team increases as a function of:

1. The alignment of the team members’ efforts. (Are we all pulling in the same direction?)
2. The magnitude of the effort of each team member. (Are our capabilities strong and are we all pulling as hard as we can?)
3. The duration of the effort. (Are we all sustaining our effort?)

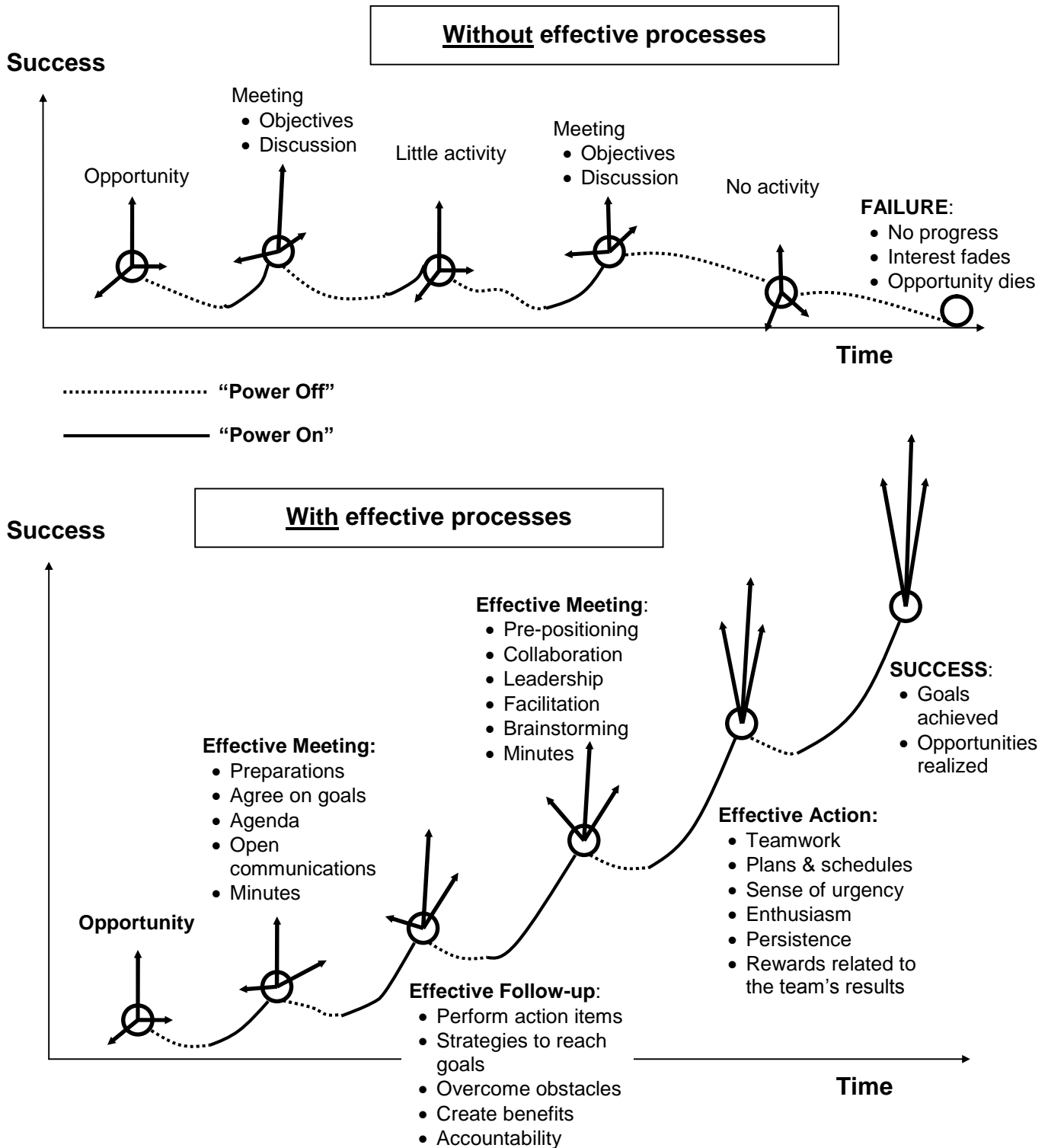
COMPONENTS OF THE MODEL
Team member “vectors” raise the problem to the desired level of success

THE SUCCESS GRAPH
Goals can be reached quickly through the increased alignment, magnitude, and duration of the team members’ efforts



3. The “Success Vector Model”—examples of failure and success

The following examples use the Success Vector Model to show some of the influences on the success of a team. Effective processes strengthen the team and help them achieve their goals.



See the next page for a summary of factors that make teams stronger and increase their likelihood of success.

4. How can teams get stronger?

Teams are strengthened by actions that help increase the alignment, magnitude, and duration of the team members' efforts. Factors that improve teamwork and make teams stronger include the following:

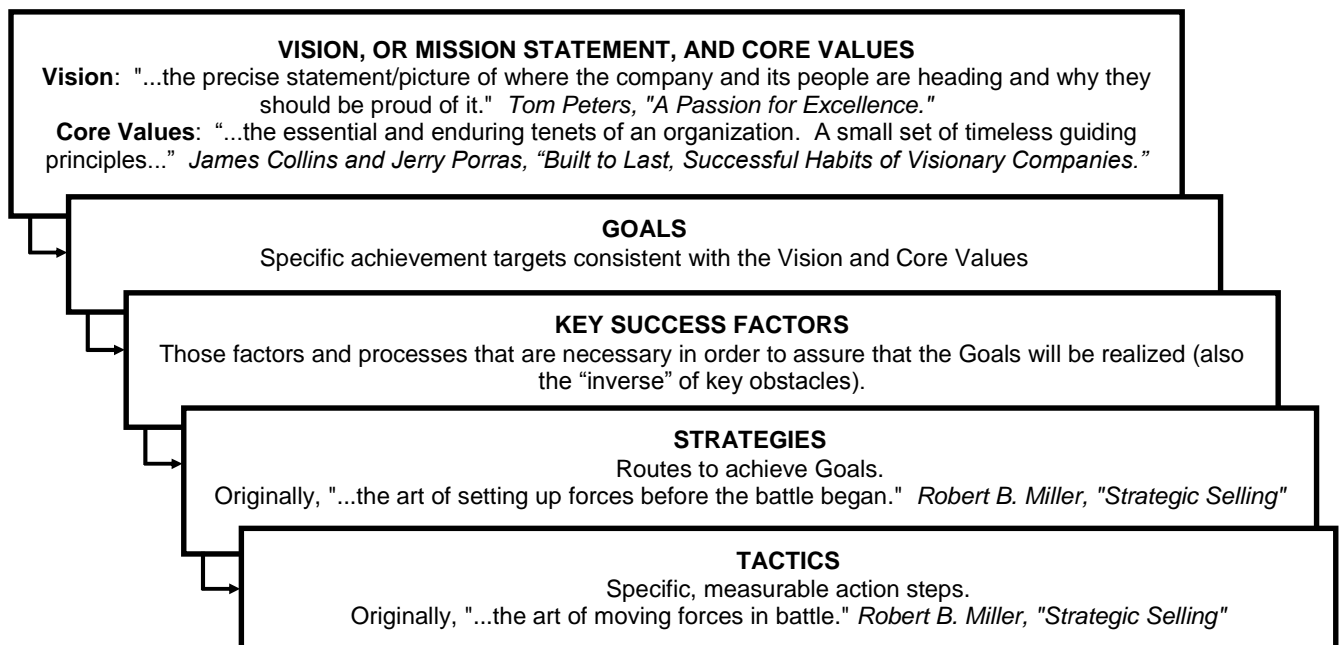
Team Success Factors

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| <ol style="list-style-type: none"> 1. Develop and flow down a shared vision 2. Guide and support the team 3. Induct an effective team leader and champion 4. Recruit and develop excellent team members 5. Establish diversity in the team 6. Use processes for effective communications 7. Collocate the team members 8. Understand and satisfy external and internal needs and requirements 9. Tailor our approach to our strengths and culture 10. Focus on excellence 11. Agree on roles and responsibilities 12. Use effective meeting processes 13. Use planning and modeling to anticipate and minimize problems 14. Measure success; act on the results | <ol style="list-style-type: none"> 15. Use effective techniques for solving problems 16. Correlate rewards with the team's successes 17. Build momentum with small victories 18. Encourage experiments 19. Integrate appropriate training, practice, and coaching 20. Extend the team through networks and alliances 21. Establish effective information systems, support systems, and infrastructure 22. Operate with a sense of pragmatic urgency 23. Find ways to increase our luck 24. Operate with enthusiasm, passion, energy, and enjoyment 25. Develop, trust, and use our own processes 26. Institutionalize a philosophy of continuous improvement |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

5. "Vision Flow Down"—an approach to achieving difficult goals

Each "Team Success Factor" can be expanded in a manner appropriate to the specific situation. Factor 1, "Develop and flow down a shared vision", is briefly illustrated by the "Vision Flow Down" model below. Our shared vision, core values, and goals serve as a beacon and guide for successful actions at all levels.

VISION FLOW DOWN



6. How Companies Win: The “Money Machine Model”

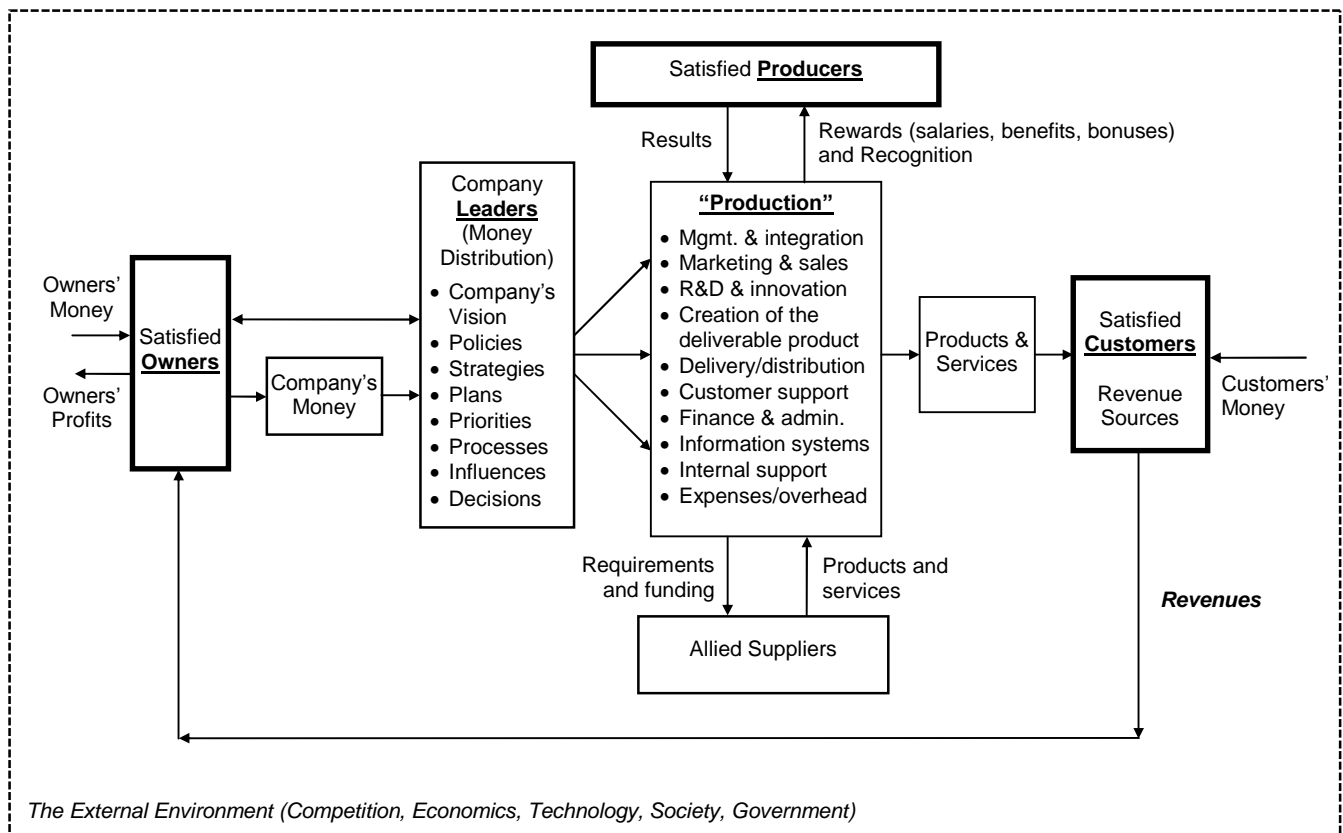
The “Money Machine Model” is a way of looking at the overall process of an organization, enterprise, or company, and how it sustains itself by balancing the needs of the stakeholders (customers, owners, and producers), within its specific environment. This model helps:

- Prioritize improvement ideas on the basis of their overall impact
- Provide a meaningful context for lower-level process improvements
- Avoid local optimization at the expense of the overall system
- Illustrate everyone’s critical role in the overall success of the organization

Example

An example of a “Money Machine Model” for a commercial company is shown below. The machine “runs” with high effectivity when all the stakeholders perceive that their needs are being satisfied. *However, the machine can sputter or stop if any of the following occur:*

- Insufficient money flows in from customers. This is the only source of “fresh” money
- The owners decide to restrict or stop the flow
- The internal distribution of funds is wasteful, or doesn’t cover critical needs
- The producers can’t or won’t fulfill their roles effectively
- The external environment changes and negatively affects the system
- The balance or speed of flow to critical components is insufficient



Overview of a “Money Machine Model”

7. Leadership Roles in the “Money Machine Model”

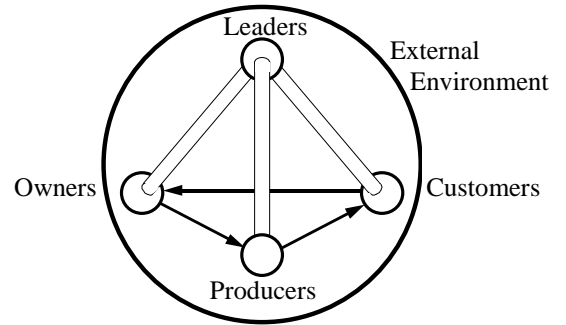
What are the roles of company leaders? In the “Money Machine Model”, the leaders obtain and distribute the company’s money, and direct activities, in an attempt to produce the best results. Some of the roles and responsibilities of leaders are summarized below.

Examples of Leadership Roles and Responsibilities

- A. Developing and communicating the organization's vision, values, and top-level goals
- B. Long-range planning and strategic planning
- C. Defining and implementing key success factors
- D. Understanding customer needs and focusing on selling added value
- E. Prioritizing activities based on a hierarchy of long term needs and value
- F. Allocating resources, and integrating and balancing the overall effort
- G. Leading and delegating tactical decision-making, as appropriate
- H. Assessing and responding to conditions in the business environment (customer needs, trends, economics, technology, competitors, regulations, etc.)
- I. Recruiting, developing, and training people
- J. Motivating, rewarding, and correcting behavior
- K. Assessing and controlling finances, and balancing needs/value/costs
- L. Planning, predicting, and measuring progress and success
- M. Adjusting plans, based on results and projections
- N. Providing the Information Systems and infrastructure needed for effective operations
- O. Assuring the availability of necessary and appropriate tools, equipment, and facilities
- P. Defining and taking ownership of appropriate policies, procedures, and processes
- Q. Leading company-wide continuous process improvement
- R. Reviewing, coaching, and influencing projects, activities, processes, and people—and helping them succeed
- S. Strengthening of core competencies and cumulation of knowledge
- T. Developing and maintaining key alliances
- U. Role modeling of values and key processes
- V. Reinforcing a sense of urgency and consistent focus, and leading key activities to successful closure
- W. Assuring long-term and short-term profitability
- X. Managing risks and securing the survival of the enterprise
- Y. Liaison with owners and stockholders
- Z. Influencing, assessing, satisfying, and balancing the needs of the stakeholders (see the next page)

8. “The Leader’s Tetrahedron”

A key function of a leader in a company is maintaining the "Money Machine" flow (Customer to Owners to Producers to Customers), while balancing the needs of the stakeholders and dealing with the external environment. This system is illustrated by the adjacent "Leaders Tetrahedron". The effective leader visualizes this machine running well, and orchestrates an approach that makes it happen.



9. Ways leaders deal with stakeholders

Stakeholders	Archaic way	Better way; improve their perceptions of:
Owners	Ingratiation	The long-term returns on their investments
Colleagues	Subjugation	The benefits of collaboration
Producers	Intimidation	The value of their contributions
Customers	Prevarication	The value they receive
Society	Obfuscation	The value to the community

10. Specific Applications

The models in this article are used in specific applications as part of an overall process for increasing the competitiveness, teamwork, profitability, productivity, and survivability of an organization. These models are part of a systematic approach to assessing issues and root causes, developing improvement ideas and plans, and implementing beneficial changes. Depending on the specific circumstances, selected “Team Success Factors”, “Money Machine” components, and “Leadership Roles” are expanded and examined in more detail, and become part of the approach for achieving overall success.

George M. Pomonik

Mr. Pomonik has extensive experience in business consulting, management, marketing, and engineering. His background includes roles as VP of Engineering, VP of R&D, and Program Manager. He is a veteran in solving diverse and difficult challenges, and has worked on systems that have successfully operated in a range of arenas from the moon (Surveyor lunar lander) to the bottom of the ocean (Hughes Glomar Explorer).

Since 1983, Mr. Pomonik has been providing consulting services in management, team building, technology, and marketing. He helps organizations increase their competitiveness, teamwork, profitability, productivity, and survivability. Benefits to clients include improvements in products, services, time-to-market, strategic planning, process definition, and the speed and quality of decisions and results.

His technical experience includes systems engineering, instrumentation and test, ocean engineering, offshore petroleum technology, missiles, spacecraft, structural dynamics, proposals and cost estimates, and the design, development and evaluation of new products. Mr. Pomonik has five patents related to this work. He has a degree in Mechanical Engineering, as well as postgraduate training in management, systems engineering, marketing, finance, and communications.

Mr. Pomonik's capabilities and experience include business process improvement, covering the examination and improvement of how work and information flows throughout a company, and how closure is accomplished.

He works with his clients to "remove chaos" and increase their focus on defining and achieving key goals. Support is tailored to the company's needs, from assessment of the situation through hands-on implementation of change. Examples of some successful assignments:

- Reduced new product release time from 18-24 months to less than 10 months. Also implemented effective teamwork, process mapping, and other techniques that resulted in permanent improvements in workflow, communications, and meetings.
- Resolved ambiguities in manufacturing and production test specifications, suggested modifications to meet the same needs at lower costs, and supported the implementation of the changes. Program saved over \$8 million.
- Helped a small start-up company define their workflow, structure, and individual roles and responsibilities. Improved internal communications and increased the speed of task completion.
- Supported a billion-dollar aerospace program, including integration with the procedures of a new parent company, best practices assessment, cycle time improvement efforts, improvements in communications, teamwork and alignment, and other means for achieving fast, high quality decisions and results.