

# Moderation techniques to support heterogeneous Top Management Teams

**WORKSHOP ON TOP MANAGEMENT TEAMS & BUSINESS STRATEGY RESEARCH: CONTEXTUALIZING TMTs**

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**EIASM – European Institute for Advanced Studies in Management**



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**Building Competence. Crossing Borders.**

# Introduction Kerstin Pichel



## Professional Career

<u>1994-1996</u>	Technical University Berlin, Germany, Project Leader of a universal lecture project on sustainable management
<u>1997-2002</u>	Free-lance trainer and consultant for strategic and organisational development
<u>2002-2004</u>	Migros, Switzerland, Corporate Development Department, Project Leader
<u>2006 – 2007</u>	E2 management consulting, Sustainable Strategy development and –implementation, Partner
<u>2007 – present</u>	Zurich University of Applied Sciences Winterthur (ZHAW) – School of Management, Lecturer at Center for Strategy and Operations

## Project experiences

- Moderation of strategy development and implementation with BSC as well as organizational development and teambuilding for several companies: furnishing-, sports-, textil-, food- etc. division of Migros (biggest Swiss retailer), Zürich, Switzerland; Grisons Cantonal Bank, Chur, Switzerland; Hänseler AG (pharmaceutical-sector), Herisau, Switzerland , Pawi packaging-company, Winterthur, Switzerland; Zürich library
- Consultancy for sustainable management for varios companies: best GmbH, (printing plant); BPS (Balzers Process Systems), Liechtenstein; Hänseler AG, (pharmaceuticals), Herisau; Hattler & Sohn, (electroplating), Schwenningen; Mann + Hummel GmbH, (components supplier), Sonneberg; Rautaruukki , (metal processing), Werk Sundern; Stora, (paper manufacture), Werk Uetersen; Taifun, (tofu plant), Freiburg; Wofi (lamps plant), Sauerland)
- Consultancy for ecological changes and strategies in tourism-, food- and textile sector

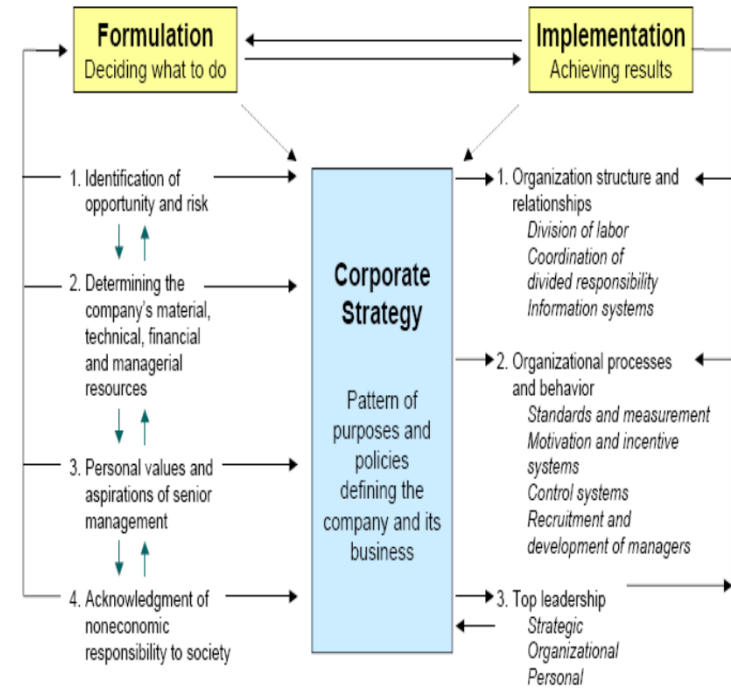
## Research project

- Moderation techniques to support heterogeneous TMTs; cooperation with E. Lüthi (systemic consultant) and two organisations with heterogeneous TMTs

# Our topic



Heterogeneous teams



Strategy work

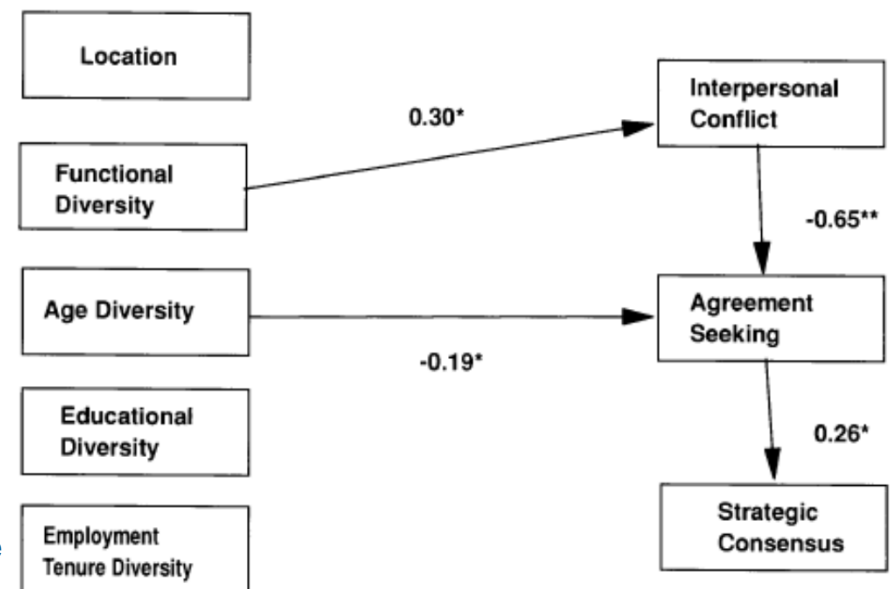
Which moderation techniques can support efficient and effective strategy discussions with heterogeneous teams?

# Reasons to support heterogeneous TMTs

## Diversity advantages are at risk by Process-loss-disadvantages

- increased conflicts (Eisenhardt & Schoonhoven 1990)
- less communication (Smith et al. 1994)
- less strategic consensus (Knight et al 1999)

Research within TMTs of 83 high-technology firms located in the mid-Atlantic region of the United States and a group of subsidiaries of U.S. multinational firms operating in Ireland. CEO interview, comprehensive questionnaires for members of the top management team at each company.



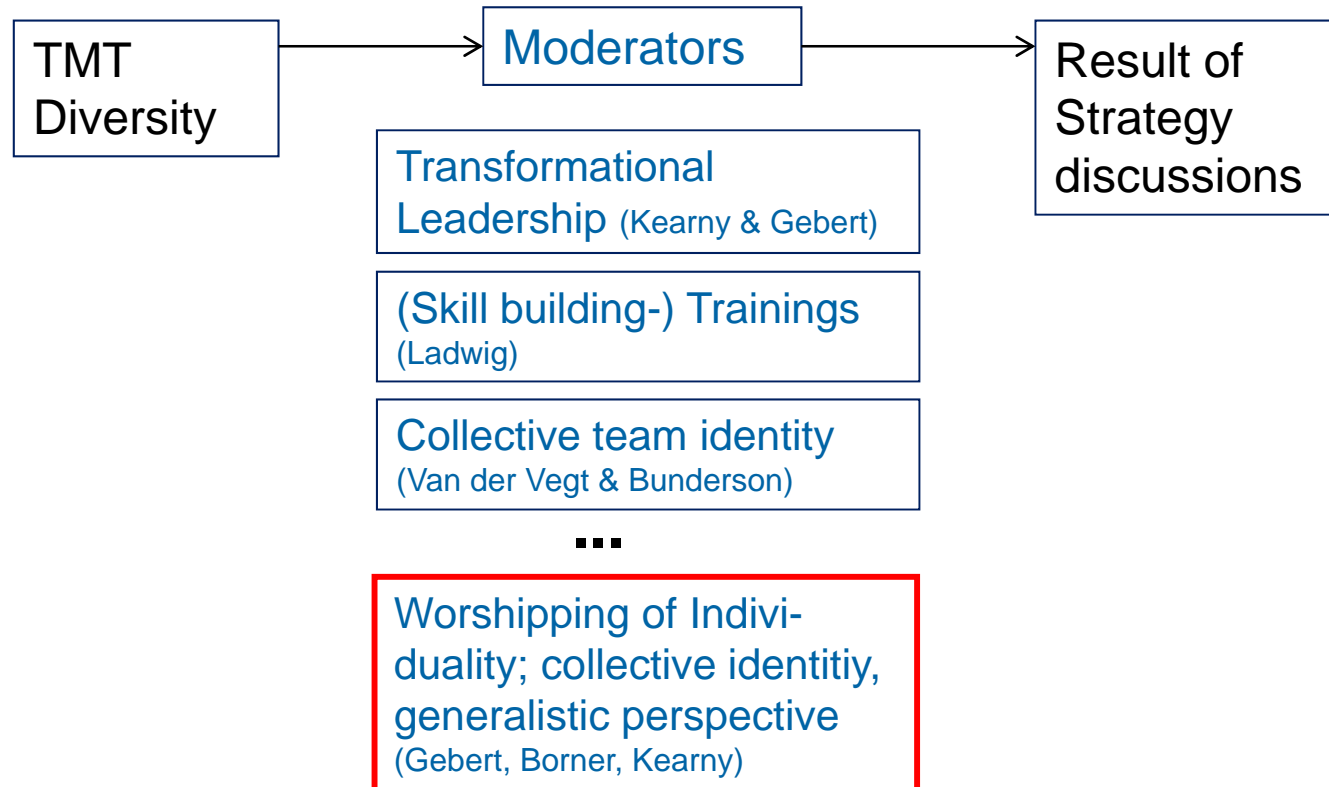
\*  $p \leq .05$  \*\*  $p \leq .01$

Eisenhardt, K. M. & Schoonhoven, C. B. (1990). Organizational Growth: Linking Founding team, Strategy, Environment, and Growth among U.S. Semiconductor Ventures, 1978–1988. *Administrative Science Quarterly*, 35: 504–529.

Knight, D. et al. (1999): Top management team diversity, group process and strategic consensus ; *Strat. Mgmt. J.*, 20: 445–465 (1999)

Smith, K. G., K. A. Smith, D. P. O'Bannon, J. D. Olian, H. P. Sims and J. Scully (1994). 'Top management team demography and process: The role of social integration and communication', *Administrative Science Quarterly*, 39, pp. 412–438.

# Moderators as scientific departure point to support heterogeneous TMTs



Kearney, E., & Gebert, D. 2009. Managing diversity and enhancing team outcomes: The promise of transformational leadership. *Journal of Applied Psychology*, 94: 77–89.

Ladwig, DH (2003): Team-Diversity- Die Führung gemischter Teams. In: Rosenstiel, L. v.; Regnet, E.; Domsch, ME (Hrsg.) Führung von Mitarbeitern. Handbuch für erfolgreiches Personalmanagement. Stuttgart: Schäffer-Poeschel Verlag, S. 447-459

Van der Vegt, G. S., & Bunderson, J. S. 2005. Learning and performance in multidisciplinary teams: The importance of collective team identification. *Academy of Management Journal*, 48: 532–548.

Gebert, D., Börner, S., Kearny, E. (2006): Cross-functionality and innovation in new product development teams: A dilemmatic structure and its consequences for the management of diversity, in: *European Journal of work and organizational psychology*, 2006, 15 (4), 431 – 458

# Moderation techniques as practical departure point to support heterogeneous TMTs

Intervention methods for teams are implemented and their effect on team-behaviour is tested (Johnson & Tjosvold, 1983; Janis & Mann, 1977; Mason & Mitroff, 1981; Schwenk, 1988).



Six hats (De Bono) has positive impact on constructive debates (Treven & Mulej)

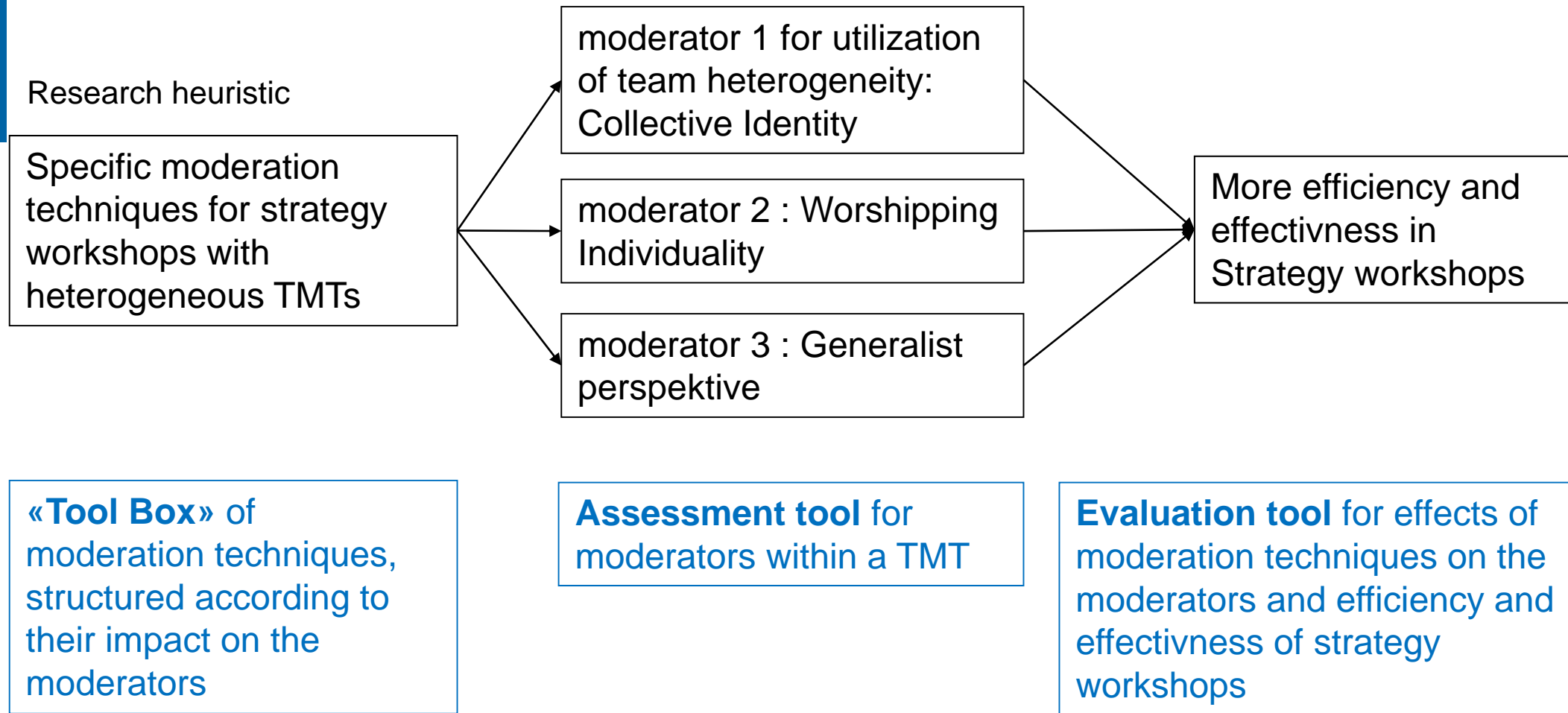


Appreciative Inquiry has positive effects on midtask group identification and posttask group potency (Peelle)

**An overview of different methods from varying schools (communication, team development, system theory...) can be found in Lüthi & Oberpriller (2009), teamdevelopment with diversity management.**

- Janis, I., & Mann L. (1977). Decision making: A psychological analysis of conflict, choice, and commitment. New York: Free Press.
- Johnson, D., & Tjosvold, D. (1983). Productive conflict management. New York, Irvington.
- Mason, R. O., & Mitroff, I. I. (1981). Challenging strategic planning assumptions. New York: Wiley.
- Schwenk, C. (1988). The essence of strategic decision making. Lexington, MA: Lexington.
- De Bono, E. *Six Thinking Hats* (1985) [ISBN 0-316-17831-4](#)
- Treven, S., Mulej, M. (2007) "The systemic approach to the encouragement of innovativeness through employee diversity management", *Kybernetes*, Vol. 36 Iss: 2, pp.144 - 156
- Peelle, H. E. (2006): Appreciative Inquiry and Creative Problem Solving in Cross-Functional Teams *The Journal of Applied Behavioral Science* December 2006 42: 447-467
- Lüthi, E. und Oberpriller, H. (2009), Teamentwicklung mit Diversity Management Methoden-Übungen und Tools, Bern, Switzerland: Haupt.

# Our Research: Moderation techniques to support heterogeneous TMTs in strategy workshops



Research «means»

# Structured moderation techniques

Moderators on TMT diversity	Worshipping of Individuality	Collective Identity	Generalistic perspective
Examples for supportive moderation techniques, structured according to their impact on the moderators of TMTs diversity	<ul style="list-style-type: none"> <li>Feedback with metaphors (Lüthi, Oberpriller)</li> <li>Konstanzer Dialoge (Joester)</li> </ul>	<ul style="list-style-type: none"> <li>Goal oriented communication (Van Gundy)</li> <li>“Zukunftswerkstätten”(Jungk and Müllert,) / appreciative inquiry</li> </ul>	<ul style="list-style-type: none"> <li>Six Hats (de Bono; Jensen et al.)</li> <li>Circular questions (Brown)</li> </ul>

Lüthi, E. und Oberpriller, H. (2009), Teamentwicklung mit Diversity Management Methoden-Übungen und Tools, Bern, Switzerland: Haupt.

Joester, A. (2008): Konstanzer Dialoge, Interview

De Bono, Edward . *Six Thinking Hats* (1985) [ISBN 0-316-17831-4](#)

Van Gundy, A. (1988): Techniques of structured problem solving, John Wiley & Sons Inc, New York

Jungk, R. and Müllert, N.R. (1989), Zukunftswerkstätten. Mit der Phantasie gegen Routine und Resignation. München, Germany: Heyne Bücher

Jensen, Dan; Feland, John; Bowe, Martin; Self, Brian (2000), A 6-Hats Based Team Formation Strategy: Development and Comparison with an MBTI Based Approach

Brown, J. (1997): Circular Questioning, an introductory guide, A.N.Z.J. Family Therapy, 1997, 18.2, 109-114

# Assessing moderators for TMT diversity

We use questionnaires and interviews for members of TMTs and participative observations for strategy workshops to assess the moderators for TMT diversity

Moderators on TMT diversity	Worshipping of Individuality, 6 Items Cronbachs Alpha .86	Collective Identity 11 Items Cronbachs Alpha .82	Generalistic perspective 6 Items Cronbachs Alpha .87
Examples for items of our questionnaire, 5 point likert scales Integration of scales from Kearny, Gebert and Voelpel; van der Vegt & Bunderson	“The members of this team carefully consider the unique information provided by each individual team member”	«Our team has a common goal» «In our team we search for collective solutions.» «Our team is experienced as a unity from external persons»	“The members of this team carefully consider all perspectives in an effort to generate optimal solutions”

Kearney, E., Gebert, D., and Voelpel, SC (2009), 'When and how diversity benefits teams: The importance of team members' need for cognition,' *Academy of Management Journal*, 52, (3), 581-598.

Van der Vegt, G. S., & Bunderson, J. S. 2005. Learning and performance in multidisciplinary teams: The importance of collective team identification. *Academy of Management Journal*, 48: 532–548

# Evaluation of moderation techniques

We use a before – after comparison of moderators and efficiency / effectiveness of strategy workshops to evaluate the effect of moderation techniques

## Assessment of

- moderators for TMT diversity and
- Efficiency and effectiveness of strategy workshops

**Selection of** moderation techniques that meet the needs for improvement of moderators in the team

**Moderation of strategy workshop** including the specific moderation techniques

## Assessment of

- moderators for TMT diversity and
- Efficiency and effectiveness of strategy workshops

time →

Prestudies with a municipality, a packaging company and a library

Studies with two organisations for extension studies

# First findings

Moderation techniques are not onnipotent...

- If there is a resistance to change roles and find a productive way of working, moderation techniques may hardly change that
- For sustainable changes of group behaviour more time and constant intervention is necessary
- TMTs often consider diversity management a topic of operative work force

We do see positive effects of the moderation techniques during the strategy meetings, eg.:

- Konstanzer Dialoge: Explicit formation and in-group-characterisation of subgroups combined with explicit expression of prejudices and worshipping of the other subgroups helps to build up a commitment to the subgroups and the complete team and fosters collective identity.
- Circular questioning helps the team members to see and consider different perspectives of a topic