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## 4 CHARACTERISTICS OF AN EFFECTIVE TEAM



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CLIMB, Dynamic Teaming, Leadership, Management

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Building and managing an effective team is a competitive advantage in today's fast-paced world.

According to a report by management consulting firm Deloitte, [71 percent \(pdf\)](#) of professionals say focusing on teams to cultivate culture, agility, and diversity is vital to organizational success. But what does your team need to excel?

Here's an overview of what characterizes an effective team and how to build one to achieve [business goals and objectives](#).

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## WHAT MAKES A TEAM EFFECTIVE?

Traditional teams have stable membership and one shared goal. However, those with conventional structures can fall short when faced with unpredictable circumstances.

In Dynamic Teaming—one of seven online courses comprising the [Credential of Leadership, Impact, and Management in Business \(CLIMB\)](#) program—Harvard Business School Professor Amy Edmondson describes today's environment as a "VUCA world."

VUCA stands for:

- **Volatile:** Rapid changes, ups and downs
- **Uncertain:** Inability to predict future events or societal values
- **Complex:** The world's increasing interconnectedness
- **Ambiguous:** Unsureness of events' and signals' meanings

In a VUCA world, your team's effectiveness hinges on its agility and adaptability. Those qualities enable employees to maintain operational continuity, capitalize on opportunities, and respond to emerging threats in fast-evolving markets.

You can bolster your team's adaptability through:

- **Proactive learning:** Constantly acquiring new skills and knowledge to stay ahead of changes
- **Flexible processes:** Adjusting strategies and workflows to respond to external pressures
- **Resilience:** Demonstrating persistence and bouncing back from setbacks

Building adaptability also requires setting clear expectations, providing support, and practicing what you preach.

To help you better lead your employees through shifting circumstances, here are four characteristics of effective teams in the modern workplace.

## 4 CHARACTERISTICS OF EFFECTIVE TEAMS

### 1. Dynamic Teaming

With the world becoming more unpredictable, one way to boost performance is through [dynamic teaming](#)—working in groups with fluid membership to navigate shifting circumstances and tasks.

In [CLIMB](#), Edmondson describes how dynamic teams compare to traditional ones.

"Think about a routine dental visit," Edmondson says. "The same dentist and hygienist team you've probably gone to for years is prepared to care for your teeth. They've practiced together and can move efficiently through their tasks with skill and expertise. Now imagine you're visiting Boston and slip on the ice, knocking out a tooth. You're rushed to the emergency room (ER). The hospital that will care for you is open 24 hours, and the doctors, staff, and nurses rotate through shifts, working in different teams and on different patients. You come to the ER with a set of unique and complex challenges that differ significantly from the patient before you and the patient after you."

While your industry may not have high-pressure environments like an ER, that doesn't mean dynamic teaming isn't relevant.

For example, the [rise of remote work \(pdf\)](#) has fundamentally transformed team dynamics and introduced complexities not typically present in traditional office settings, such as differing time zones, cultural expectations, and communication barriers. With employees dispersed across locations, dynamic teaming can enable you to better lead and [manage remote teams](#).

**Related:** [How Online Education Can Help You Work with Virtual Teams](#)

## 2. Psychologically Safe

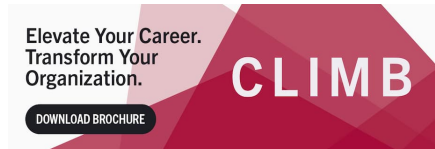
**Psychological safety** is the shared belief that offering opinions, asking questions, and making mistakes should be met positively—and it's essential to [innovate in the workplace](#).

According to Dynamic Teaming, psychological safety has four dimensions:

- **Willingness to help:** Employees believe asking for help is appropriate and their colleagues are willing to provide it.
- **Inclusion and diversity:** Employees feel included and that their diverse experiences and expertise matter.
- **Attitude to risk and failure:** Employees [view mistakes and failures as acceptable](#) in favor of learning.
- **Open conversation:** Employees perceive conversations as open, candid, and safe to contribute to.

As a leader, you must create a psychologically safe environment where conversations among team members aren't only possible but expected.

"Part of your role as a leader is to eliminate the risk of silence by inviting participation from your team," Edmondson says in the course. "You can establish a formal process to require participation from your team, but there are also less structured ways of inviting participation."



Edmondson suggests asking questions that reassure team members they're safe to share thoughts, such as:

- What do others think?
- What are we missing?
- What other options should we consider?
- How might a competitor approach this?
- Who has a different opinion?

If you've struggled with this in the past, request employees' [feedback](#) on how you can create a psychologically safe environment for them.

## 3. Diversity

Recruiting employees with different backgrounds, experiences, and ways of thinking is crucial to [team performance](#).

Diverse teams can better understand and connect across perspectives, helping drive business growth and innovation. They're also less prone to groupthink, which can inhibit [creative problem-solving](#).

Factors to consider when building a diverse team include:

- Background and upbringing
- Expertise and skills
- Race
- Gender
- Sexual orientation
- Culture and nationality

Team diversity is particularly important if you work for an [international business](#). Employees can bring insights critical to understanding different markets' cultural nuances and preferences, allowing you to better identify and react to global trends and shifts.

## 4. Inclusivity

Beyond diversity, you must consider your work environment.

"Diversity can be created through the recruitment and hiring of talent," Edmondson says in Dynamic Teaming. But diversity doesn't guarantee that everyone feels a sense of inclusion or belonging.

To ensure all team members feel valued, prioritize [diversity, equity, and inclusion \(DEI\)](#). According to the online course [Leadership, Ethics, and Corporate Accountability](#)—one of the courses you can take as a [CLIMB elective](#)—DEI comprises:

- **Diversity:** The presence and participation of individuals with varying backgrounds and perspectives, including those who've been traditionally underrepresented
- **Equity:** Equal access to opportunities and fair, just, and impartial treatment
- **Inclusion:** A sense of belonging in an environment where all feel welcomed, accepted, and respected

Inclusion isn't just ideal but vital to your team's success. By promoting it, your team can influence your company's culture and business outcomes.

"You cannot have a diversity, equity, and inclusion strategy as a separate strategy," says Oona King, vice president of diversity, equity, and inclusion at Snap Inc., in [Leadership, Ethics, and Corporate Accountability](#). "It's not going to work. You have to tie it into the heart of your business strategy because separate is never equal."

One way to foster an inclusive workplace is to [involve team members in the decision-making process](#). This reinforces their value and ensures their diverse perspectives contribute to your organization's strategic direction.



## HOW TO BUILD AN EFFECTIVE TEAM

As you build your team, one way to develop your skills and [showcase your leadership potential](#) is by continuing your business education.

For example, by enrolling in [CLIMB](#), you can immerse yourself in a [dynamic, interactive learning experience](#) alongside a global network of peers to explore team effectiveness and how to lead in a constantly evolving world.

**Do you want to build an effective team? Explore our yearlong [Credential of Leadership, Impact, and Management in Business \(CLIMB\)](#) program, comprising seven courses for leading in the modern business world. Download the [CLIMB brochure](#) to learn more about its curriculum, admissions requirements, and benefits.**



### About the Author

Kate Gibson is a copywriter and contributing writer for Harvard Business School Online.

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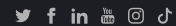
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