

Something new: measuring team IQ

Like individuals, teams also have intelligence. And the ability of a team to tackle and manage complex situations constitutes team intelligence. So, is your team intelligent?

Karsten Jonsen

TEAMS have intelligence just like individual people do. But the intelligence factor of human groups is not simply the average of its members; in fact, that has only little to do with it. Researchers have now found a way to measure team IQ and what it takes to achieve it. It's not rocket science, and to achieve it is even free of charge. Now, how's that for good business sense?

What is team intelligence?

As individuals, intelligence defines our capacity for abstract thinking, reasoning, learning, planning and rapid problem solving. In essence, it characterises our ability to deal with cognitive complexity, an indispensable quality for today's global managers. Insofar as it applies to teams, intelligence describes the ability of a group of individuals to tackle and manage complex and non-routine situations together. Intelligent teams can outperform their most knowledgeable members.

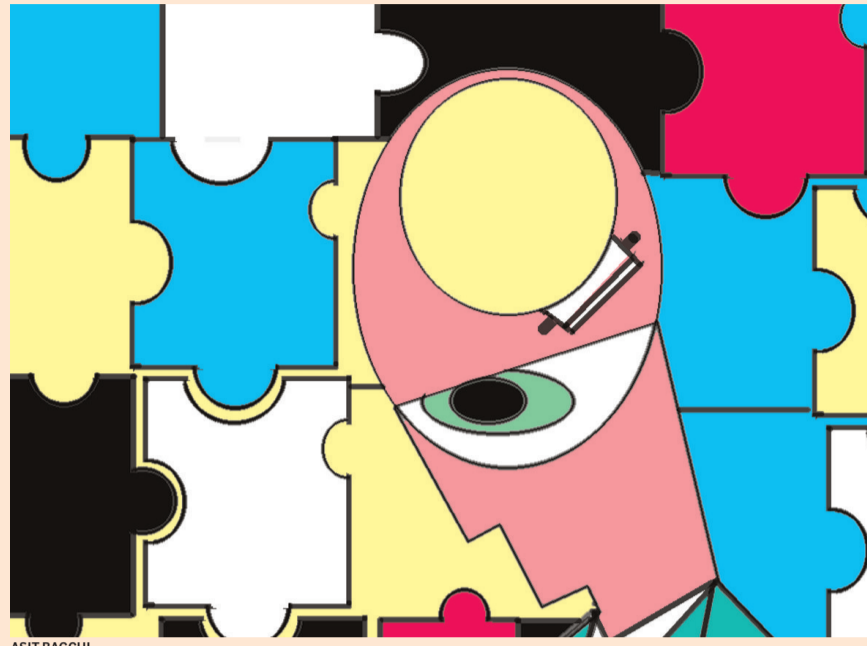
How to get a high team IQ?

It is well known that for teams to function and perform to the best of their ability, they must focus on structure, processes, leadership and the right organisational support and context.

What research now indicates, however, is that collective intelligence in teams can lead to higher performance. We have evidence that speaking in turns by group members, the proportion of females on a team and especially social sensitivity are all elements that lead to higher team intelligence. Let us take a closer look at each of these elements.

Speaking in turns isn't as simple as it sounds. Research shows that people in power, especially men, speak more and interrupt more. Thus, in teams that have little psychological safety or where the manager does not encourage everyone to share their thoughts or ideas, the dominant few will monopolise the conversation, thus jeopardising the intelligence and ultimately the performance of the team.

When it comes to the proportion of fe-



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males in teams, we know from token-theory that it takes a minimum of 20-30% of any given minority to change the dynamics of how a group works. Women use, at least to some degree, different working and com-

munication styles, which are often more social and communal. With more women in the team, the collective IQ increases—not necessarily because women are smarter (although, some may be) but rather because of the different processes they instigate and nurture.

The third element, social sensitivity, is perhaps the most important of all. It is also correlated with the number of women in a team, due to the fact that women, on average, use it more. Simply put, social sensitivity is the ability to decode non-verbal cues and read the emotions of others—something that people who are empathetic typically do well; this could be, for example, recognising a facial expression saying "I

don't agree with this" and reacting upon it.

What can you do as a manager?

As a team leader, all the basic rules of team leadership, including creating a compelling vision and an environment of trust, are still true. What you need to add to this 'toolbox' of leadership skills, if you wish for team intelligence to flourish, is the following:

- Make sure the composition of your team is gender diverse. In any case, diverse teams have the potential to outperform homogeneous teams when managed well, especially when the task required is complex and non-routine.
- Create an environment where people speak their minds (with reasonable limits of course) and participate actively in discussions and meetings. You can facilitate this by prompting people to 'speak in turns' and restraining the most dominant forces.

Be constantly aware of the signals and non-verbal cues people are giving. Silence is a classic 'tool' that we often dislike in western cultures. A few seconds of silence can be a tacit invitation for (some) people of Asian origin to proactively contribute.

c) Practice social sensitivity and empathy. Although they may not come naturally to everyone, we can all learn to increase our level of sensitivity by making it a dedicated leadership objective, sometimes aided by training and coaching.

So, is this difficult in virtual teams? Well, many people work in virtual settings today, so it is worthwhile to consider how these recommendations influence team intelligence when team members are scattered in different locations.

There are reasons to believe that team IQ may fare better or equally well in virtual settings. Depending on the richness of the media used for virtual meetings and other communication within the team, body language and facial expressions are, of course, harder to read, and social sensitivity requires more intuition. However, speaking in turns becomes easier when physical appearances matter less, and people tend to express their opinions more freely online than in face-to-face settings. Because status cues are less visible, merit often trumps charisma in a virtual setting. An imposing physical appearance or a 'charming personality' may allow one individual to dominate a face-to-face meeting, but in a virtual setting these qualities are somewhat neutralised, thus allowing participants to flourish on the basis of the accomplishments and skills that they bring to the team.

With the above in mind, your team can increase its collective intelligence and, hopefully, take advantage of the complex challenges of globalisation. We see that far too often the potential of diverse teams is not reached. Team processes and culture hold the key to success. At the end of the day, it is all about identifying competencies to embrace differences rather than merely tolerating them.

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INTERVIEW

'Businesses need to look at their long-term goals'

Talking about the recent economic downturn, long-term and short-term goals and changes in the models of corporate ownership, Andrew Harding, MD, Chartered Institutes of Management Accountants (CIMA), got candid in an exclusive interview with Nitika Gupta. Excerpts:

What made you come up with the new Chartered Global Management Accountant designation together with the American Institute of Certified Public Accountants (AICPA)? What was the objective behind it?

The objective is to provide a common management accounting designation for the whole world. There is no global designation with common global standards and this new designation with the AICPA is the first of its kind.

What are your investment plans in India for the next few years? How much has CIMA already invested in terms of money, manpower and infrastructure?

At the moment, we have one office in Mumbai. That is, eight full-time staff in India. Those people are involved in providing information on the CIMA qualification. What we strongly believe in is developing strong management accountant skills for Indian businesses, which is what we very much believe it needs in the future.

Are any Indian B-schools the members of CIMA?

Business schools themselves aren't members of CIMA. It's only individual people who qualify through the CIMA examinations, but there are a number of schools across the country that teach in the same programme. We are working with the Narsee Monjee Institute of Management Studies in Mumbai and we have recently signed an MoU with the Indira Gandhi National Open University, where the first year would be an MBA programme and then in the second year one would start learning from CIMA. The Christ University in Bangalore has also integrated CIMA as a part of their BCom programme.

With regard to the latest report that CIMA has come up with—the one on building

businesses for the long-term—what are the key takeaways?

What we've learnt from the 2008 crisis is that most western businesses place emphasis on short-term targets and incentives and not much emphasis on the longer-term health and sustainability of the businesses. The first lesson for Indian businesses is, don't go the western way. When it actually comes to the way businesses run, Indian businesses need to think about corporate governance, the non-executive representation on boards, the skills of the non-executive representation and the empowerment of the non-executive representation.

The second lesson is around competitiveness in the changing world. A lot of services have been commoditised in the world and a lot of companies make provisions through India. But there are other countries that are willing and able to provide those services themselves. Some months ago, *The Times* in London carried an article saying that businesses were increasingly looking away from India and starting to move towards countries like Sri Lanka where the cost base is lower and the individual workforce were highly trained and competent. In India, it is decreasing and it can go away as easily as it came.

What are the parameters that businesses should focus on so as to ensure that their short-term actions support their long-term goals?

Businesses need to look at their long-term goals. Once they have done that, they can set their business strategy and then cascade into short-term plans—but it means that they are all driven by that one long-term objective.

In the end, how do organisations incorporate new challenges such as population growth, global warming and loss of biodiversity into their planning processes?

I think it's a case of prioritising. Businesses can target recycling. And that brings the cost base down as well. Having a resource agenda can work towards engaging and inspiring its own workforce, which is a circle of innovation itself. So, there are ways in which these things can be incorporated.



NEWS REVIEW

CAMPUS ROUNDUP

Pearson increases PTE academic testing sessions worldwide to help international student recruitment

Pearson recently announced an increase in testing sessions this summer for their English language test PTE Academic, so that international students can fulfil language requirements for higher education opportunities and student visas. PTE Academic is approved by the UK Border Agency (UKBA) and the Australian Department of Immigration and Citizenship (DIAC) for student visas, as well as colleges and universities worldwide.

Indian Institute of Management, Indore, welcomes its 14th batch

It's that time of the year when institutes welcome deserving candidates to join in and start a milestone in their lives. The Indian Institute of Management, Indore, extended a

warm welcome to its fourteenth batch. The batch is marked in its diversity across



gender, background domains and level of experience and forms a healthy mix for a great learning environment. The participants

were inducted into the programme and the event was inaugurated by a welcome address by Dr N Ravichandran, director, IIM Indore. This was followed up by a commencement address by the chief guest Mr Ramesh Mangaleswaran, director, McKinsey & Company (India).

JIMS holds a seminar to discover the key to unlock the GEN-Y potential

Human resource managers from leading corporate houses congregated recently at a seminar organised by Jagan Institute of Management Studies (JIMS) on 'Managing Gen-Y @ Workplace'. The day-long seminar was co-organised by National HRD Network & NHRDN Mumbai Chapter in association with JIMS. The seminar comprised of four interactive panel discussions. The focus was on what makes Gen-Y different from other generations, what most influences and

allures them and how can organisations engage and inspire them to maximise their impact and productivity.

San-kranti—a youth platform to make our cities a better place to live in

Do you know that India will add more than 300 million people to its cities in the next 30 years; that urban population could then make up nearly half of our 1.5 billion citizens. San-kranti offers opportunities to students for collaboration, peer-learning and mentorship by some of the country's leading urbanists. An initiative of the Indian Institute for Human Settlements, in partnership with Janaagraha Centre for Citizenship and Democracy, and South Asian Studies Council, Yale, the san-kranti student challenge will lead up to the India Urban Conference in Mysore in November. Please visit <www.iuc2011.in> for details.

SMS = Stop Message Service

Are young managers competent enough to foresee obsolescence of products that have evolved against the hope that people have gotten used to them?

Subrato Banerjee

THERE was a time when research was successfully done on better keyboard formats that were intuitive enough for even the technologically challenged minds to type faster. The QWERTY format, however, survived because people got used to it—it was too late for any new scientific development. In order to stop the possibility of obsolescence management in first movers must either keep innovating, or make sure that people simply get used to their products to the extent that adjusting to anything new becomes exceptionally difficult, if not impossible. In this article I intend to throw some light on the possibility that SMS may become obsolete against a conflicting thought that people may well have gotten used to them.

Not so long ago only grown up people carried BlackBerry devices, a little more recently I came to know of BlackBerry boys and despite being technologically challenged even I've come to own one. I'll now evaluate the possibility that SMSes will become obsolete any time in the future. Surprising? ... I'd say the chances that SMSes will survive are dimmer than the chances I'd make it to the Indian cricket team. Let me explain.

Pager services became obsolete because they were replaced by SMS. SMSes were cheaper, prevented the involvement of an intermediary (dialling num-

bers to convey one's messages by saying "my message is ..." and wait until the receiver read the final message) that also made them quicker. An SMS wasn't just a perfect substitute to pager services but proved to be a strictly preferred alternative. The point is that existence of preferred alternatives (driven, of course, by scientific innovations elsewhere) is the key element that drives the process of obsolescence. This is what I'll try to establish here—that we already have preferred alternatives ... and may have more in the future.

Let's start with BlackBerry ... pay a rental and you have free email, browsing and messenger services. Those who have iPhones may well be connected to you via online messengers like Yahoo!, Gtalk, Windows Live etc. They're free unlike SMSes and are much faster than the same. You could, in fact, chat with them in real time for free. Those who have BlackBerrys will only prefer to chat with you through BlackBerry messenger. Finally, we're left with those who use the 'primitive' models. This is where the expectations that we form of the future comes into play. There was a time (during the mid-nineties) when the ownership of a mobile phone was considered to be a luxury—a term in economics used to define a product over which expenditure is only made after a person has climbed sufficiently high on the income ladder, i.e., among the last things that one



spends on. In a country like India where even the language one chooses to speak in is a strategic choice to signal one's own status, needless to say, with trickle-down effects to the bottom, the possible demand for yet another status symbol showed promise. Favoured by the economic conditions at the beginning of the 21st century, that started seeing high income growth, people could afford more and more of relatively high-value items. Seeing potential in the Indian market, more cellular service providers in India decided to enter with the vision of catering to our growing demands. Tempted by the motive of attracting large market

shares, firms like Airtel, Hutch and Idea started competing in prices. The price competition was so intense that even as early as in mid-2003, companies like Idea and Trump offered free SMS services to its customers. This, in fact, caused many of my friends to shift from using Airtel to Idea. Airtel retaliated in its own way by offering schemes that enabled its customers to send SMSes at just 1 paisa per SMS (along with other strategies to maintain its market share). Being averse to the very idea of changing my number and then sharing the same with endless number of contacts, I availed that one scheme and must admit, quite enjoyed it.

Incoming calls had already become free by then. The fight for market share turned into a price war leading to a massive fall in the expenditure per person on cellular services—in other words, the status symbol could now be afforded. By 2005, even vegetable vendors, let alone auto drivers and taxi drivers started owning cell phones with decently cheap service schemes. What was considered to be a luxury in about a decade's time became a necessity—the first thing that one spends one's income on.

Now, in order to survive the possibility of becoming obsolete, SMSes must be free for the high-end users for they have free (and possibly faster) alternatives like BlackBerry and Internet messengers. Low-end users (who can't afford expensive handsets) may be further sub-classified into the educated and the uneducated. Let's focus on the latter first—those who're uneducated won't need email addresses, let alone BlackBerry and Web messengers for they involve reading, understanding and sharing text ... but hold on, so do SMSes. That leaves us with the educated ones who are also low-end users as the only set of people who should ideally be willing to use (and hence pay for) SMSes. After all, on the firm's part, provision of offering SMS services will only make sense if someone is willing to pay for them. Now, one of the possible consequences of being educated is the knowledge of avail-

able alternatives (ads do add to knowledge after all). For instance, those educated may appreciate Saif Ali Khan endorsing a relatively cheap Wynncom smart phone that offers free Internet, push mail and messenger services, not availing which may make them feel (at least monetarily) shrunk for real.

To now offer a final word, SMSes have reached a stage where it is really hard to make consumers feel their value. A direct consequence of this will be very cheap prices—why should consumers pay high for something they value low? The only question to follow will be if it'll any longer remain in the service providers' interest to offer SMS services if they really pay so low—unless, of course, the additional costs of providing SMS services on the part of service providers are exceptionally low. Here, I'd like to rest my case by saying that obsolescence is more of a supply-side phenomenon in the short run (people may take time to get used to new technology supplied) and more of a demand-side phenomenon in the long run (once used to the new technology they demand more of it, they don't like turning back, even if the old technology is cheap to provide)—and add to that the possibility, that BlackBerrys may themselves become cheaper in the near future!

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