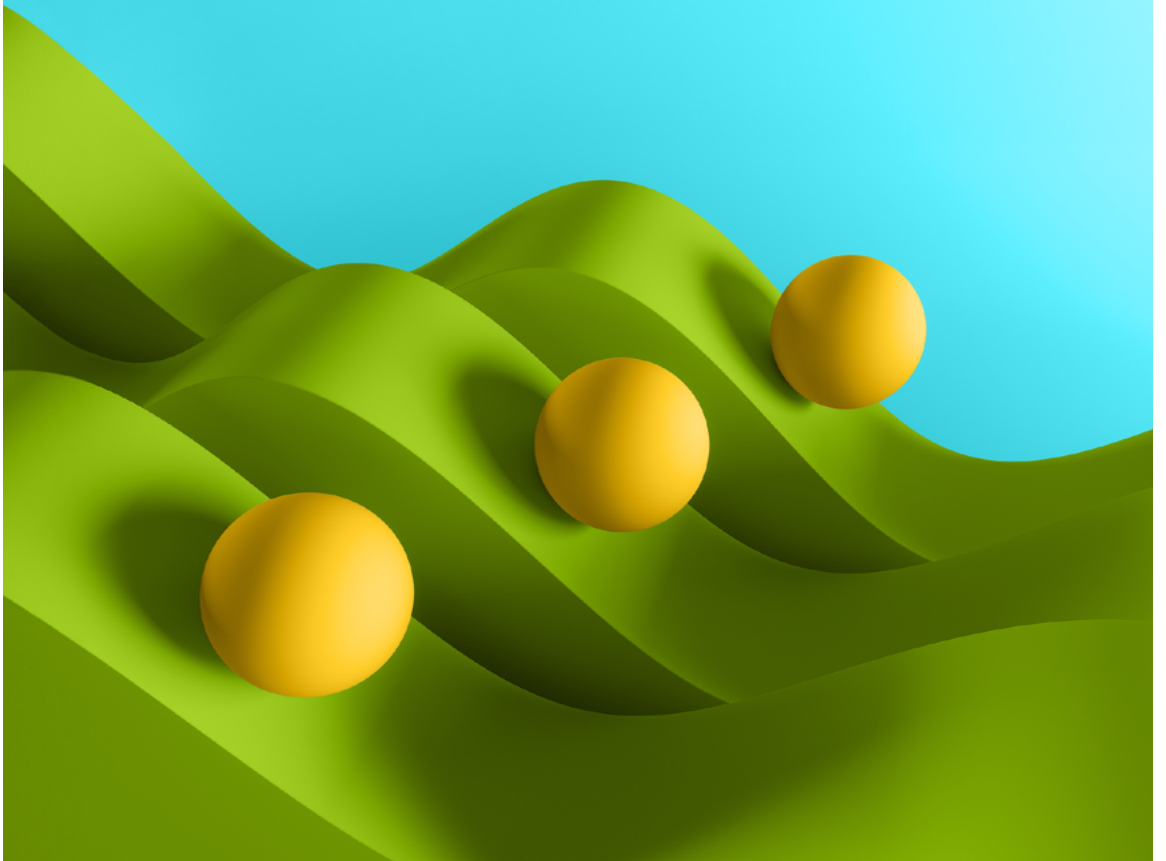


# Psychology of Teams

The hidden factors that support  
high-performing teams



While teams are instrumental in bringing about success at an organizational level, modern teams are facing ever greater challenges to their cohesiveness. This is caused by increasing hybrid work arrangements, organizational change, economic uncertainty—and a historic fixation on tasks.

This eBook shares the factors essential for developing a well-functioning team. It explores process as well as task management, explains why process is central to a thriving team environment and culture, and identifies the psychological elements—both seen and unseen—that teams must understand if they want to be high performers.

**“What most team development articles miss are the hidden psychological dynamics within teams,”** says Dr. Martin Boulton, psychologist and Sr. Director of Professional Services for The Myers-Briggs Company's Asia Pacific region. “What often happens is you get a group of people together who are all quite skilled and qualified, and leaders think ‘right, now we have the perfect power team.’”

“However, if those people aren't comfortable being open with each other, if they're not comfortable engaging in constructive debate or communication, or if they're not all psychologically aligned around a shared purpose, that team is not going to be as effective working together as a team that is aligned.”

High-performing teams have certain qualities in common. They tend to incorporate different perspectives when solving problems together, which leads to better decisions being made. They foster mutual support between team members for achieving objectives. And they have a shared sense of accomplishment.

The benefits of this at an organizational level include:

- Increased productivity.
- An enhanced quality of products or services.
- A faster, more responsive approach to business opportunities.

It follows that, when combined with an effective business strategy, the **benefits of developing and supporting positive team attitudes and behaviors can translate to increased bottom-line performance and drive business growth.**

However, teamwork often presents challenges.

Why?

Because it requires individuals with different—sometimes seemingly incompatible—viewpoints, communication styles, and work styles to work closely together to accomplish a goal. And some of those differences are caused by factors not easily observed by team members, as Dr. Boulton notes.

“If leaders don’t know how to identify these issues, or don’t have the skills to raise these concerns with their team, then these hidden dynamics result in unhelpful and unproductive behaviors,” he says. “If teammates don’t understand differences between themselves, the outcome is likely to be unhelpful and disruptive behaviors in the team. Things like people not sharing information, absenteeism or presenteeism, or even people ganging up on each other in the team. Of course, no one easily acknowledges doing these things, but they show up in team behaviors and can then become team norms.”

So, how do you surface the hidden things to help people work together constructively?

**“It’s about making all the hidden stuff conscious.** Team members must learn how to leverage their similarities and differences, not just tolerate them, in order to achieve the best possible results.”

Despite the challenges that teamworking presents, they need to be overcome if a team is to achieve high levels of performance. The modern workplace has seen an increase in organizational restructuring and downsizing, resulting in flatter hierarchies, and this has created a greater need for collaboration. This is why there’s a new emphasis on teamwork.

The composition and lifespan of teams has changed, too.

People no longer operate in settled and static work groups. Instead, teams are constantly forming and re-forming, often to shorter timescales. The increase in virtual teams and international working has meant that many teams communicate remotely, which means communication is often less timely and more prone to misinterpretation.

So, how can leaders of teams be sure that they are achieving maximum effectiveness?

What signs should they look for to identify whether or not a team is performing to its full potential—and how can they encourage effective team development?

One way is to go beyond focusing purely on tasks the team is working on.

Historically, organizations and leaders have tended to focus their energies on ‘getting the job done’ (the task element of team performance). This task focus has typically outweighed the attention given to how the team interacts (the process element) to achieve their goal.

However, research has highlighted that **truly high-performing teams are those that are conscious of and focus on both the task and the process.**

This means that, in addition to considering what teams must achieve, effective development should also invest time and effort developing the team's awareness of how they are working together: the visible and hidden interpersonal dynamics and relationships within the team.



## Team dynamics: making or breaking the workplace

Effective teams positively impact on those around them as they consider and adapt their behavior in constructive ways.

In contrast, ineffective teams can infect, pollute, and hold back the entire system, especially where issues exist at senior team level.

Team effectiveness, therefore, has a huge impact at an organizational, team, and individual level.

The consequences at an **organizational level** are wide ranging:

- Wasted time.
- Ineffective use of resources.
- Disengaged employees.
- Lack of agility and motivation in tackling business challenges.
- Lack of organizational response.
- Ineffectiveness in seizing opportunities.
- Sluggishness in resolving problems.

Furthermore, dissatisfied employees can create a breeding ground for staff turnover, leaving an organization with a dwindling and disaffected workforce. These issues have crucial implications on productivity and impact bottom-line profitability.

At a **team level**, a perception amongst team members of an ineffective or acrimonious team environment can lead to poor productivity, unresponsiveness, and disengagement. A lack of collective interest means that team members are unlikely to work together in a collaborative or committed way, which can lead to unhealthy competition and individual agendas coming to the forefront—fuel to the fire in an already hostile working environment.

Finally, working within an ineffective or unhappy team can have serious consequences at an **individual level**. A lack of ownership, responsibility or engagement with team goals can lead to staff feeling unacknowledged and unvalued as individuals.

These are key drivers towards motivation and job satisfaction. Without them, individuals can be left with an absence of meaning and purpose in their working lives. A lack of involvement and engagement at work can have repercussions as serious as loss of self-esteem, lethargy, depression, and lower well-being.

In order to avoid the harmful effects of poor team functioning, leaders of teams need to know these two things:

1. What characterizes an effective team?
2. What are the hidden elements of team psychology?

We'll look at each of these elements soon, but first, a question:

Are you in a team or a workgroup?

## Team vs. workgroup

According to the Merriam-Webster dictionary, the definition of a team is a group of people who work together collaboratively, often with complementary skills or abilities, to achieve a common goal.

"In team development workshops, when I ask people to think of examples of teams, the first answer they usually give is a sports team, which is an obvious example. However, there are many other situations where people need to work together as a team. For example, the medical team in a hospital emergency room, where the shared goal is to save the patient's life," says Dr. Boulton.

“Another example of a team is a musical band or orchestra. What is their shared goal and purpose? Perform the piece of music the best that they can. But what happens if one musician is not playing their part correctly? The whole orchestra sounds bad and you can hear the disharmony.”

In teams, everyone has to work in a coordinated way, and you can pretty quickly identify if this team works or doesn't work effectively.



## Characteristics of a team

- Focus on team goals.
- Come together to plan, make decisions, and solve problems.
- Mutual accountability.
- Collective outputs or products.
- Takes time to become operational.
- Shared leadership roles.
- Purpose is shaped and shared.
- High-functioning teams outperform high-functioning groups.

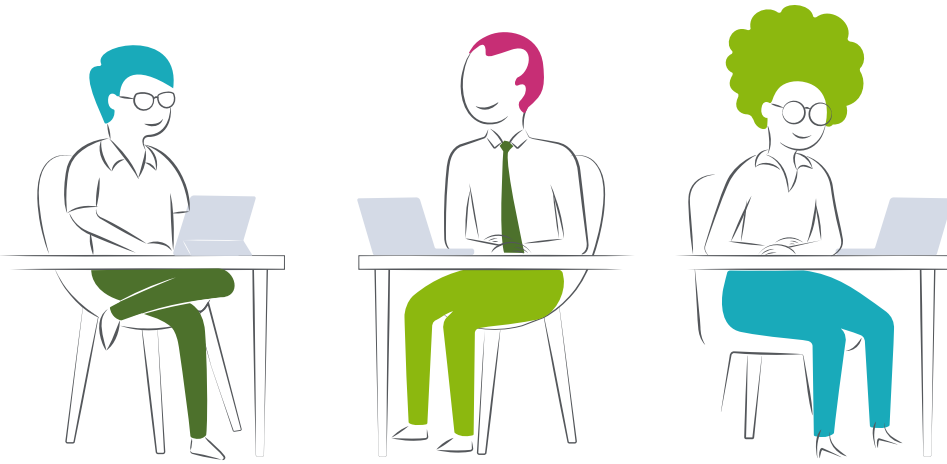
The problem is that some teams in the workplace aren't actually teams. Instead, they're workgroups.

## What's a workgroup?

“Usually, workgroups are based around a project or product, and individuals are part of the group as a specialist or a subject matter expert. You aren't really there to achieve a team goal, though you're working together with other people.

“Sales teams are a great example of a workgroup. If your salespeople are rewarded for what each individual salesperson achieves (as opposed to what the sales 'team' as a whole achieves), then they're going to function like a workgroup instead of a team.

They won't necessarily share leads or collaborate because they are rewarded to achieve their own personal targets," says Dr. Boulton.



## Characteristics of a workgroup

- Come together to share information and perspectives.
- Focus on individual needs.
- Individual products and outputs.
- Purpose shaped by manager.
- Define and retain individual roles and responsibilities.
- Can be operationalized quickly.
- Individual accountability.
- High-functioning workgroups DO NOT outperform high-functioning teams.

## Deciding whether you're a team or a workgroup

"So, you need to have agreement from everyone on whether the people involved actually need to function as a team or as a workgroup. If you have some people thinking you're a team, and others thinking you're a workgroup, neither is going to be successful. Psychologically, are we a team and are we doing the things we need to do to be a team? Or are we a workgroup and we don't need to try to turn ourselves into a team."

"Even if your organization calls you a team, that doesn't mean you'll operate as a team. That's where the team and the team leader have to put in the effort to learn how to work together. If people haven't psychologically bought into the fact that you are a team and need to operate as a team, you won't be a successful team," says Dr. Boulton.

Teamwork isn't just a choice. It's a strategic and psychological decision.

We often use psychometric tools like the MBTI® personality assessment or the FIRO Business® interpersonal needs assessment to help people illuminate the hidden dynamics of groups or teams and help them learn the best ways of working. Both of these assessments can still be used with great success with workgroups as well as teams. However, the purpose of how they're applied and the intent between teams and workgroups is different.

"With teams, I always say 'OK, if you're a team, you need to have a team purpose and clear team goals. Keep these in mind, and now let's use your understanding of your personality type and your interpersonal needs to ask what's going to help you achieve those goals. And also identify what's going to get in the way of you achieving those goals,'" says Dr. Boulton.

"If you're a workgroup, you won't need to have a shared purpose or have inter-dependent responsibilities, you're just understanding how to work together more effectively. Consider things like when you're in a work meeting, have we given enough time for those preferring Introversion to think about questions we've asked out loud? Have we gathered information in ways that cover both Sensing and Intuition angles? But you're not trying to leverage these insights for how to support each other in the same way that you'd be doing with a team."

## How to recognize an effective team

Whilst it is crucially important to consider both the task and the process elements of team performance, team competence shouldn't be overlooked.

High-performing teams have the confidence that they have the necessary knowledge, skills, and capabilities to successfully deliver the required outputs. If they don't, the team needs access to the relevant skills and resources, either within the organization or externally. This access also needs to be supported by the business.

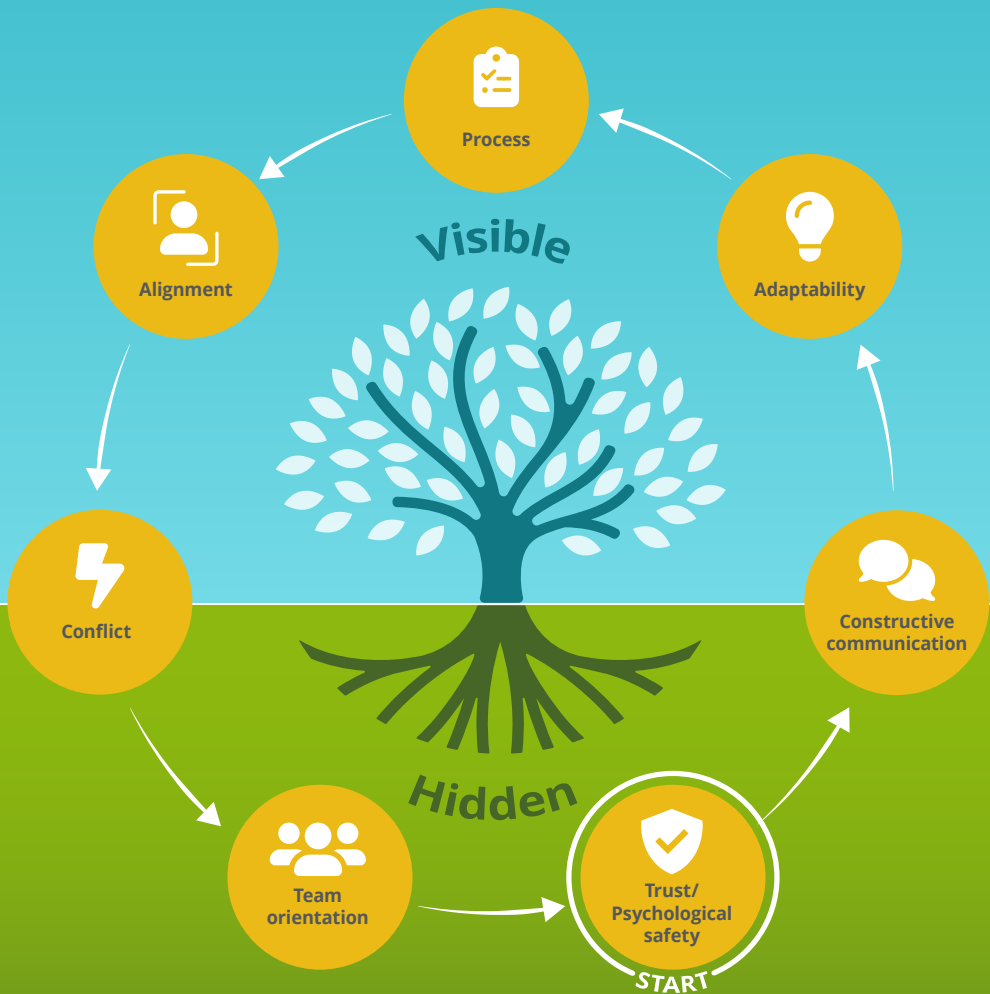
If the team isn't equipped with the skills and knowledge to deliver its objectives, no amount of team development will ensure it reaches high-performance status.

However, technical competence, skills, and knowledge are not in themselves enough to ensure maximum team effectiveness.

Our experience and research shows that there are seven additional factors that are absolutely key in nurturing a team to perform at the highest level.



# Visible and hidden team elements



# Visible vs. hidden team elements

As mentioned previously, many teams focus only on the visible behaviors of group working when considering how to improve performance.

While this is important, without considering the hidden elements that lie below the surface, a team can risk derailing without realizing until it is too late. If these hidden elements are ignored, the observable, surface behaviors will always be performed sub-optimally.

## Hidden elements

Within the seven high-performance team factors mentioned below, the hidden characteristics affecting team dynamics are:

- Trust/psychological safety
- Team orientation

## Hidden and visible elements

Additionally, conflict management and communication both have visible and invisible elements. Some elements of these are directly observable, and others stay below the surface.

## Visible elements

The characteristics that are usually visible in team dynamics are adaptability, process, and alignment.

High-performing teams have clear processes that support their objectives and enable efficiency in the way they work. Highly aligned teams are clear in their mission and strategy, with their explicit goals and objectives aligned to wider organizational priorities. Effective teams also support each other and create an environment that embraces change, having an innovative and adaptable mindset.

“It’s the hidden dynamics that makes people tear their hair out in teams,” says Dr. Boulton. “Why aren’t two people getting along? Why is this team member not ‘playing fair’ with me? For most of the team, the answer is that the hidden psychological dynamics of a team are being overlooked or ignored.”

# Seven psychological factors of successful teams

## 1. Trust / psychological safety (hidden)

Trust and psychological safety are both crucial elements for effective team development, but they have distinct characteristics. Here's a breakdown of the differences:

### Trust

Refers to the belief or confidence that team members have in each other's intentions, reliability, and competence. It is built over time through consistent actions, open communication, and the fulfillment of commitments. Trust is typically developed through experiences and interactions within the team.

Key aspects of trust include reliability, vulnerability, competence, and integrity.

### Psychological safety

Is a shared belief within a team that it is safe to take interpersonal risks without the fear of punishment, embarrassment, or retribution. Psychological safety within a team creates an environment where individuals feel comfortable expressing their thoughts, opinions, and ideas freely. It's vital for fostering creativity, innovation, and learning within teams.

Key aspects of psychological safety include open communication, interpersonal risk-taking, trust in leadership, and having a learning culture.

"Psychological safety nurtures a culture of collaboration and innovation, as it encourages open dialogue, diverse perspectives, and a shared belief that every voice matters. Here, ideas flow freely, mistakes become stepping stones to growth, and teams feel empowered to challenge assumptions and drive meaningful change," says Dr. Rachel Cubas Wilkinson, Head of US Consultancy for The Myers-Briggs Company.

"You have to start with trust. You have to get people comfortable enough that they're going to be open and feel like there's a level of psychological safety within that team," adds Dr. Boulton. "Without trust as the psychological foundation of your team, any other development isn't going to be nearly as effective."

What happens if trust is lacking?

An absence of trust within a team makes collaborative working almost impossible.

Low confidence in other team members' intentions and an unwillingness to admit to weaknesses and mistakes (or ask for help) all prevent the building of trust within a team. Teams with low trust in each other may display undermining or dismissive behavior, gossip, or be unwilling to share information.

In contrast, teams with high levels of trust are flexible and resilient in the face of controversy and challenge. Members support each other and openly share their ideas, concerns and beliefs in their genuine ideas, views, and feelings. They do this without fear of being devalued or made to feel insignificant if there are differences or if mistakes are made.

Trust is the absolute cornerstone of team development and provides an essential foundation for all the other elements of high performance. It leads to better relationships and a greater sense of connection, producing higher collective interest.

Increasing levels of trust therefore lead to greater team orientation, where team members actively commit to common goals and objectives.

In teams where there is trust, people engage in more honest and open communication. More issues are raised and discussed, rather than remaining unspoken where resentment can build. With trust and open communication, the integration of opposing viewpoints creates more productive outcomes than if differences are ignored.

“Basically, if trust and psychological safety aren’t established, then all the hidden dynamics won’t be discussed,” says Dr. Boulton.

How do leaders build trust and psychological safety?

Inclusive leadership acts as a powerful lever for building trust and psychological safety within a team or organization. We define inclusive leadership as the demonstrable commitment to create workplaces with an emphasis on empowering the diverse thoughts, perspectives, and contributions of everyone. It’s predicated on core competencies of leadership including empathy, humility, flexibility, openness, and an ability to leverage differences.

The interconnection between trust, psychological safety, and inclusive leadership is evident in how they reinforce and support one another. Here are a few examples:

- Inclusive leaders build trust by valuing and respecting the contributions of all team members. They create an environment where trust can thrive by promoting fairness, transparency, and equal opportunities.
- Inclusive leaders actively foster psychological safety by encouraging open communication, actively listening to diverse perspectives, and addressing any discriminatory or exclusionary behaviors.
- Inclusive leaders set the tone for team members in which openness, flexibility, mutual understanding, and belonging are central to how the team accomplishes its goals. They do and say what is needed to role model these behaviors and hold others accountable.

“Most of us want to work in healthy work environments and cultures. Inclusion is central. We want our work contributions to be valued, we want to feel heard, we want to know that if we share an idea or a divergent perspective, our leader and our team will hear that perspective and consider it with flexibility and an open mind,” says Dr. Cubas-Wilkinson.

Promoting trust, psychological safety, and inclusivity is an ongoing effort. It requires consistent commitment, open communication, and a willingness to address challenges and biases.

“The rewards of inclusive workplaces are irresistible,” adds Dr. Cubas-Wilkinson.

“Employees feel respected, heard, valued, and a sense of belonging. When this occurs, team members are more willing to speak up, to challenge the status quo, to share a divergent thought, to innovate, which, as the research shows, leads to improved performance, higher morale, and better decision-making.”

## 2. Constructive communication (visible + hidden)

“Constructive communication is how you go about relaying messages between each member of the team and as a team to those outside the team—both positive and negative messages,” says Dr. Boulton.

In teams where constructive communication is prioritized, members and stakeholders are encouraged to participate, and to listen to and clearly understand the team's goals, plans and progress. They tend to communicate in a direct, unambiguous manner. Discussions are purposeful and end in effective plans for action.

Conversely, in teams where communication between people is poor, neither team members nor stakeholders feel ‘up to speed’ on what the team is doing or plans to do. Team discussions ramble and rarely lead to agreement. This has grave implications for the productivity and collective focus of the team.

In building constructive communication habits on a team, psychometric tools like the MBTI® assessment are helpful to establish a foundation of understanding of different communication styles. When team members understand their communication styles and the differences between them, they’re more likely to trust one another. In addition, they’re less likely to make negative assumptions about the intentions behind a communication style that’s different from their own.

The Myers-Briggs Type Indicator® (MBTI®) theory describes dimensions of personality across four different areas:

- How we’re energized (Extraversion [E] or Introversion [I]).
- How we prefer to take in information (Sensing [S] or Intuition [N]).
- How we make decisions (Thinking [T] or Feeling [F]).
- How we prefer to orient ourselves to the world (Judging [J] or Perceiving [P]).

“With certain tweaks, we can apply an understanding of personality type so that our communication better appeals to others,” says Dr. Rachel Cubas-Wilkinson, Head of Consultancy in US Professional Services, The Myers-Briggs Company.

“If you know someone’s preferred way to re-energize and interact with others (aka whether they prefer Extraversion or Introversion), you can use this knowledge to help you better communicate with them. You can consider whether they might prefer to engage and refine their thoughts aloud and through active sharing (Extraversion) or through internal consideration and reflection (Introversion).”

“If you know someone’s preference around how they take in information, you can tailor your message and the information you give them. You can offer a stronger focus on facts and concrete realities if the person you’re talking to prefers Sensing. Or if they prefer Intuition, you can tailor your message to focus on meanings, possibilities, and connections.”

“In communication, research demonstrates that when the quality of your communication is high in workplace relationships, you promote shared understanding, smoother overall functioning, and better performance. These are impressive outcomes!” says Dr. Cubas-Wilkinson.

Overall, applying an understanding of personality type informs your self-awareness and self-management. It also supports your awareness of others and their needs. Lastly, it can give you valuable insights and tools to build stronger workplace relationships for today and for the future.

### 3. Adaptability (visible)

Adaptability is often referred to as innovation in other team models. But, in terms of team effectiveness, not every team has to innovate.

“Innovation generally is about creating new things,” says Dr. Boulton, “when, really, this factor of team psychology is about the team being able to adapt or adjust what they’re doing because things have changed.”

“Think about an operations team that serves customers. The team doesn’t (usually) need to come up with new ways to handle customer requests every day. But if a new CRM system comes in or the company starts a new initiative, then that customer service team does need to tweak what they’re doing. That’s adaptability, and it’s crucial for successful teams. This example could also be of product development teams or consulting teams that are having to build new things. Every team needs to be adaptable to be successful.”

To be adaptable, an effective team must continuously explore and be receptive to opportunities for change and innovation in response to market trends and organizational climate. This includes ways to improve processes, products, or outcomes. Adaptable teams respond quickly to challenges and can still perform effectively when faced with unique or unfamiliar issues. They tend to be good at both defining what innovation is needed and planning how to implement change.

In contrast, teams that are more resistant to change tend not to respond well when pushed out of their comfort zone and have trouble adapting to changing conditions.

Adaptable teams are also open to continuously developing the way that they’re working together. Team members may not immediately be able to recognize where there are issues in the way they work together, but they’ll be keen to develop and improve—even if they need to make changes themselves to be more effective as a team.

### 4. Process (visible)

Where teams have developed effective processes, they make good use of their meetings in order to rapidly gather ideas, prioritize opportunities, and take action.

They’re usually very effective at project planning, accessing and managing resources, and delivering results on time and on budget. They’re also willing and able to discuss how they’re working together.

Teams with well-defined processes are also clear about the specific roles and responsibilities within the team. Different members' strengths are recognized in the allocation of tasks and actions. This means team members can enjoy autonomy to make decisions and do their work.

In contrast, teams that are low on process make little use of effective meeting management and team facilitation techniques, and struggle to decide upon actions.

## 5. Alignment (visible)

Where there are high levels of alignment, team members are also more likely to hold each other accountable for agreed actions that contribute to the team's success. This means that they are less dependent on a team leader and are more able to self-manage, define their own processes and address any challenging issues themselves.

High-performing teams will ensure that they have alignment within the team, showing clarity of purpose and vision. However, they will also ensure that these objectives are clearly aligned within the wider organizational priorities.

## 6. Conflict management (visible + hidden)

Conflict can be a key cause of disharmony and ineffectiveness in teams. And conflict in the workplace is getting worse. Research on workplace conflict by The Myers-Briggs Company found that the time spent on workplace conflict has more than doubled since 2008.

"Currently, managers spend over 4 hours a week dealing with conflict on average," says John Hackston, Head of Thought Leadership at The Myers-Briggs Company, who carried out the study. "From our research, poor communication is the number one cause of conflict. Additionally, nearly 1 in 4 people think their managers handle conflict poorly or very poorly. We've also found that the more time that an individual spends dealing with conflict at work, the lower their job satisfaction and the less included they felt."

Teams with poor conflict-management skills either avoid openly debating issues or lack the ability to manage conflict productively. They tend to go with whatever decision is endorsed by the loudest voice, and rarely deal well with difficult or sensitive topics. This creates an environment where team members feel unable to express their true feelings around important issues (see psychological safety), which can lead to ineffective decision-making, and affect the quality of work and team morale.





In contrast, teams with effective conflict management skills value open discussion. They encourage each other to be fully candid with their opinions. They strive to get multiple, often competing views or ideas on the table, then have effective processes for managing the debate so the final decision has maximum buy-in and support.

## Modes of conflict

According to the Thomas-Kilmann theory of conflict management, the way people default to dealing with conflict can be broken down into five different modes.

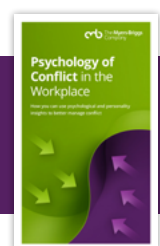
Each mode varies along two spectrums:

- Assertiveness (getting your own needs met).
- Cooperativeness (getting others needs met).

The five TKI conflict handling modes are **Avoiding**, **Accommodating**, **Collaborating**, **Competing**, and **Compromising**.

Everyone naturally uses one or two modes based on their culture, upbringing, and personality type. However, by identifying alternative conflict handling styles and learning how and when to use them most effectively, team members can reframe and defuse conflict. This creates more productive outcomes.

Want to learn more about conflict at work?  
**Download the eBook Psychology of Conflict here.**



## 7. Team orientation (hidden)

A sense of camaraderie and team spirit provides great motivation for a team.

When team orientation is high, members derive satisfaction and enjoyment from working together. Even heated debate and disagreement doesn't undermine the underlying commitment and loyalty team members have for one another.

In contrast, individual agendas and quests for personal recognition can detract from or clash with the pursuit of team success. When individuals can identify with and 'buy into' the team's goals and mission, they are likely to put aside their own goals and agendas in the interests of overall team performance.

Let's look at a real-life example of team orientation behavior.

Imagine a software development company where team orientation is highly valued. The employees actively practice team orientation by willingly sharing their expertise, knowledge, and resources with one another. In addition, when issues or conflict arise, team members offer support and assistance to their colleagues. They readily provide guidance, mentorship, and feedback to help each other succeed.

When the team issues a large bug fix that most all members of the team had a part in, team members take collective responsibility for the team's success. They understand that their individual success is intertwined with the team's success.

And when the software bug fix release is praised by customers, team members celebrate both individual and collective achievements. They recognize and appreciate each other's contributions, but also their team success.

## Summary

It's easy for managers and team members to assume that their dynamics are straightforward and obvious. It's easy not to think proactively about how the team is working together when the focus is on the completion of challenging tasks.

However, certain factors have a significant and crucial effect on team performance, and therefore the accomplishment of the team's goals. Often, they're unseen—and therefore unknown.

This is why investing in time for teams to learn insights from psychometric assessments and team development interventions offer powerful ways of encouraging the very highest levels of team performance.

With the support of the right instrument and an expert facilitator, team managers can generate insights, challenge existing thinking, and support positive change.

In doing so, they can dramatically enhance team performance, generating a significant and lasting impact on their organization.

To find out more about the hidden dynamics of teams and how to improve performance, contact us today.

**+61 3 9342 1300 | [au.themyersbriggs.com](http://au.themyersbriggs.com)**



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