# THE NEGATIVE IMPACT OF THE GLOBAL CRISIS UPON TEAMWORK

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#### Abstract:

Team work is a very interesting concept and before the global crisis a lot of employees were enthusiastic in having different colleagues helping them for developing a project, but unfortunately the effects of the crisis are devastating because the relationships between employees have deteriorated.

Increasing budgets for training and personal development is not always enough. The fact that there is a shortage of talent can be suppressed by improving performance per employee and especially per teamwork.

During the crisis, employees tend to be confused, and worried that it is possible to lose their jobs.

Key words: teamwork, global crisis, leaders, emotional management

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In the first half of 2009, the labor market in Romania recorded a deficit of labor force, demonstrated by the fact that some companies have registered difficulties in filling the vacant positions by identifying suitable candidates. At the same time, Romania has registered an increase in the number of jobs due to the appearance of new investors and to the market development achieved by the existing investors.

The crisis has led to trend changes in all sectors, the labor market found itself put in the position to go from one extreme to the other: from the massive retail recruitment to staff reductions and reorganization.

The factors leading to these oscillations consist of an excessive wage growth in some companies and personnel fluctuation. The market was characterized by a conjectural and a structural unemployment as a result of the imbalance between supply and demand in the labor market.

Teamwork is a concept that describes people who work together in a cooperative manner, in various areas. Projects often require people to work together towards a common goal; therefore, teamwork is the most important factor in most organizations.

Business leaders should focus their attention on the formation of a top team and the efficient use of management models, characterized in this period by the principles of "job rotation" and "Job Enlargement," which involve more than one departmental alignment.

Basically, the leader must be a positive person who can motivate and coordinate the whole team, develop communication between middle management and the rest of the employees. It should pay attention to key members in the organization and give them rewards based on the efforts they made.

The management team should be very active and focused both on changes occurring in the market, and the changes in the company. During the crisis, employees tend to be confused, and worried that it is possible to lose their jobs. People need an emotional management, which implies a closer connection between the organizational levels and a deeper communication between all the employees of a company. Team work is a very interesting concept and before the global crisis a lot of employees were enthusiastic in having different colleagues helping them for developing a project, but unfortunately the effects of the crisis are devastating because the relationships between employees have deteriorated. Now everyone is worried due to the insecurity feeling and the mistrust.

The most common model of a team's evolution, in normal conditions and not a in crisis situation, consists in five stages presented in Figure 1

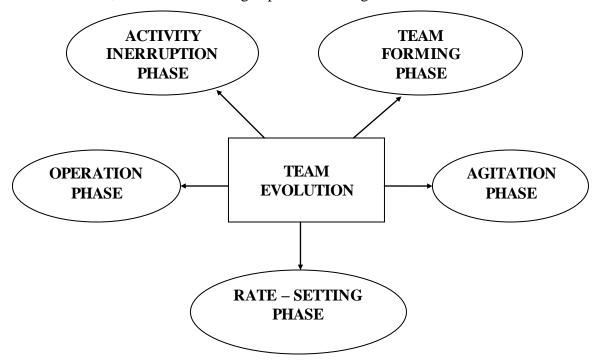


Figure 1. The model of a team's evolution before the global crisis

<u>Team forming phase</u>: a considerable degree of anxiety is often met at this level. Team members ask questions that reflect their interest in the roles - especially the nature of the role of leadership - and the resources that are available to them. Individuals seek information about the other team members, especially about their background and experience in the type of task that the team must execute. In this early stage, participants may be relatively cautious about the information they disclose.

<u>Agitation phase</u>: during this stage conflicts appear between individuals and subgroups. Members question the relevance and practicality of the demanded task. Also, latent tensions come out; individuals show intense manifestation arguing contrary opinions. The leader should encourage the settlement of disagreements to get all participants to focus on common goals and he should establish strategies to resolve possible conflicts. This stage is also characterized by honesty and openness in resolving differences.

<u>Rate-setting phase</u>: during this phase the resolution of conflicts takes place and team begins to approach the task in terms of positive cooperation. Plans are made and standards are set. Rules and ways of working, on individual and collective level, appear and are accepted by the members that share more easily their opinions and feelings, developing a mutual support network. It is important to enforce rules in accordance with the organization, because teams could establish rules that are against an effective functioning.

<u>Operation phase</u>: team members begin to see results given by the constructive concentration on the task that needed to be achieved. An effective working structure is established, among which individuals begin to feel better and to work more relaxed. The leader no longer needs to intervene every day because the members realize and accept

the changes and they are really a team. At this level, the team must be supervised closely and monitories at short periods of time in order to ensure efficiency.

<u>Activity interruption phase</u>: usually not all team reach this stage, but over time, key members leave the group, and major projects will be completed or interrupted. It is important that the effects of these changes on the team's existence to be recognized: some teams may regress to earlier stages depending on the level of maturity, stability and change rate. We find, in some cases, the resumption of some steps at various levels.

Unfortunately since the global crisis has started, team work has degraded and these phases aren't taken into account. Projects that need to be fulfilled through a team effort are very difficult to finalize because team members are too preoccupied to focus on their colleagues than to focus on doing their job and finalizing the task.

The new model of a team's evolution in the content of the global crises is presented in Figure 2

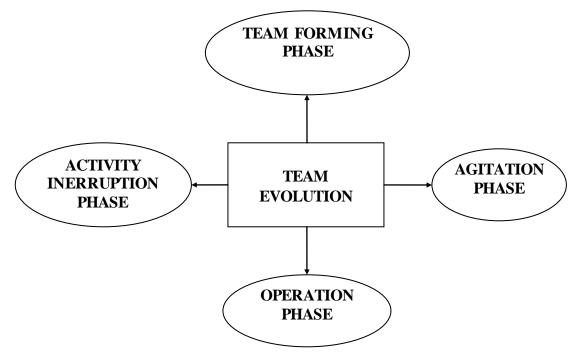


Figure 2. The model of a team's evolution in the content global crisis

We sadly observe that the model has only four steps that often are only two or three steps; the truth is that most teams don't get over the agitation phase and this competition and this insecure feeling that the team members have, of loosing their job, makes them focus on each other and how to prejudice their colleagues and not on how to fulfill their job as best as they can.

Teamwork represents the team members' ability to work together effectively to achieve common organizational objectives and it is essential for business success. Therefore, organizations are always looking to improve team performance. Organizations seek to create and support teams with the highest performance, able to understand the organization's business objectives and thereby to contribute to organizational success.

In 2010, Human Resource Management focuses on keeping competitive people in organizations and on finding a strategic ally in technology.

Increasing budgets for training and personal development is not always enough. The fact that there is a shortage of talent can be suppressed by improving performance per employee and especially per teamwork.

The need to gradually reduce expenses, in a recession period, has led companies to move towards a more efficient evaluation of the human resources they have.

## CONCLUSIONS

Managers should encourage long-term vision, flexible, to help them cope with the current situation as well as with the future one, which involves fewer layoffs. Flexibility represents the formulation of a strategy based on various factors: political, economic and social, that takes into account both the needs of customers and managing existing staff resources.

We believe that dismissal of employees is not a solution for a short period of time because these crisis periods will pas and when the market will be back in an uptrend, and companies will need human resources, investing in their training will involve more costs than keeping them.

The only way to overcome this global crisis is that all of the employees to be a strong team and not to give up on each other, because together the best solutions can be found.

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