With the right process in place, self-managing teams are more than just a nice idea, says Anna Bos-Nehles.

More and more organisations are choosing to get rid of layers of management, in favour of giving their teams full autonomy. In just a few years, the concept of removing managers from their controlling and monitoring duties – and instead empowering teams to plan and manage their own day-to-day activities – has developed into the concept of self-managing teams (SMTs).

We’d expect SMTs to have no need for managers any more, meaning their role is redundant. Employees would effectively manage themselves. But is that actually happening in reality?

Becoming self-managing, we have discovered, is never a simple, linear process. But to achieve a successful transition, organisations can follow a four-step implementation process that runs from initiation to adoption and adaptation, through to use and incorporation.

During the initiation phase, teams have a functional leader, which implies that the power to make decisions is in the hands of their manager. An external leader tells the team what to do and how to do their tasks, and helps the inexperienced team members to acquire new skills. Managers follow a directive approach to reduce uncertainty and ambiguity among team members. In this phase, it is crucial for managers to remain functional, directive leaders by calming down members of the team and explaining what is going to happen when teams become self-managing.

In the adoption and adaptation phase, managers need to transform from a directive leader to a coach. Coaching is a daily, hands-on approach that helps the employees improve their competences by slowly transferring more responsibilities to the team. Team members learn to work autonomously. During this phase, managers slowly start transferring responsibilities to team members by deciding with them who would become responsible for which tasks. Decisions are still taken by the managers, but some tasks may be devolved to individuals.

During the use phase, the range of tasks for SMTs grows significantly. At this stage, the formal leader becomes less involved in the daily work activities of the team. They start to set their own work schedules, determine budgets, order and allocate resources and monitor service quality. The teams are already well designed and
merely need help regarding unsolvable issues or disruptive events. Nevertheless, there is still need for external supervision. In this role, the manager helps team members get the necessary information to take decisions independently by connecting them with people inside and outside the organisation. During this phase, the manager is a coach who serves as a boundary spanner — supporting teams to take decisions independently but still monitoring from the outside.

Finally, in incorporation, teams become fully self-managed. Team members take over the role of managers by becoming internal leaders — either through a rotated leadership model or a peer evaluation model. This means teams either share the leadership responsibility or rotate it between members. During this last phase, it is important that managers stop taking decisions for the teams, but support and facilitate them in taking decisions and changing directions from the outside.

So can SMTs manage themselves without the help of managers? The answer depends on what we understand of a manager. If we believe they are a directive leader, SMTs still need such a person in the beginning of the implementation process but would have no need for them when they become self-managing. However, if we believe there are other managing styles — more supportive and coaching leadership styles in which managers help team members take their own decisions by facilitating them along the way — then SMTs will always need managers. They just need a different sort of leader at the helm.

Anna Bos-Nehles is an assistant professor of HRM at the University of Twente. Maarten Renkema and Professor Tanya Bondarouk of the University of Twente also contributed to the article.