

Kjell sundede and his virtuoso team essay sample



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In 2002, Norsk Hydro appointed senior manager Kjell Sunde to lead a virtuoso team to handle a looming investor relation crisis. Where did Sunde work? Norsk Hydro ASA is a Norwegian aluminum and renewable energy company, headquartered in Oslo. Hydro is the fourth largest integrated aluminum company worldwide. It has operations in some 40 countries around the world and is active on all continents. The Norwegian state holds a 43.8 percent ownership interest in the company, which employs approximately 23,000 people. The company had a significant presence in the oil and gas industry until October 2007, when these operations were merged with rival Statoil to form StatoilHydro (in 2009 changed to Statoil).

Emergency accident calls for virtuoso team

In 2002, Bloc 34, the potential site for a big oil find in Angola, turned out to be dry. Hydro had made a serious investment in the site. Somehow, senior management would have to convincingly explain the company's failure to the financial markets or Hydro's stock could plummet. The senior managers understood that this problem was too critical to leave to conventional approaches, but Hydro was certainly not a natural environment for a virtuoso team. Rich in heritage, unwieldy, and traditional, with a strong engineering culture and a decidedly Nordic consensus-driven approach to decisions, the company never singled out or recognized individual performers. In fact, most of Hydro's business activities were specialized and separated.

Teamwork was satisfactory but unexceptional, and tension among employees was firmly discouraged. But given the emergency situation, Hydro needed the best professionals to complete the tasks in time. Hydro delegated Kjell Sunde to assemble a high-power group comprising the very

best technical people across the company. Kjell is directly responsible to the CEO of Hydro. The team needed to review a massive stream of data to find out what had gone wrong in the original analysis of Bloc 34 and assure key stakeholders that the company would prevent such outcome from occurring again. They need to finish this as soon as possible and the senior management gave them six weeks. Team assembled, Conflicts come

Kjell assembled the team very soon. He received recommendations from head of different divisions and departments. All the team members are over 4 years experience in their field and the best among their colleagues. Oliver Bell, 45-year-old PhD, and Johny Undeli, 38-year-old American, are both professionals in oilfield exploration and development. Oliver joined Hydro since he graduated from the best Norwegian University, University of Oslo. He was the most experienced professional in Hydro. Johny Undeli was working for another American oil extraction enterprise Mobil. Johny was elected as chief engineer in Mexican Bay Area when he was 36 and then joined Hydro one year later. Arvid Moss, 29 years old, was a professional in data mining and data analysis. Arvid got his PhD in MIT when he was only 24. He was a genius in his field. Hilde Aasheim, 32-year-old PR manager, was the youngest manager in public relationship department. Svein Richard Brandtzag, 35-year-old lawyer, had experience in this field for more than 12 years. Ingrid Agerup, 34-year-old financial staff, was experienced in investor relation area for more than 8 years.

She worked for Goldman Sachs before she joined Hydro. All the team members were among the best Sunde can choose in Hydro. The team was assembled in the third day after the accident broke out. All the team members flew to <https://assignbuster.com/kjell-sunde-and-his-virtuoso-team-essay-sample/>

Oslo and had the first meeting in the meeting room on the 27th floor of Hydro's headquarter. After all the team members entered the meeting room successively, a simple introduction was conducted among team members. But the atmosphere was weird. All the team members sat tightly on their chair and didn't even take a glance on others when introducing them. The first meeting lasted over 4 hours. The CEO, Sir Terje Vareberg, briefly explained the accident and what were main tasks they faced.

Sunde then explained the tasks solving timeline and important deadlines. Then Oliver Bell talked about his plan to investigate the cause of the accident. " We need to send a team to Angola! Original data should be collected and analyzed." While Arvid Moss, the data professional, had different opinion, " We had advanced remote communication system. We can collect data here and analyze here. It's both efficient and cost saving." Johnny Undeli, the other oilfield professional, also had different opinion over Oliver about the detail investigation process design. The team fell into fierce discussion and didn't come to any consensus or conclusion in the first meeting. Progress on, Conflicts up

After the first group meeting, Kjell found that he should no longer set the team together and held another fierce discussion meeting without any consensus or conclusion generated. He divided the task into different parts to different people. All of them were obligated to be responsible for their specialty. But this arrangement still couldn't solve all the problems. Ingrid Agerup, who was from group finance department, kept pushing the team to meet all the deadlines in advance while Svein Brandtzag needed to check all the files each time a report was released.

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Oliver and Johny, who had different opinions on investigation process design, kept debating which plan was better. Hilde and Arvid could hardly come to any consensus on possibility of occurring another Bloc 34 Accident. The team was working in this low efficient status for more than a week. Progress was slow and Sunde held the second group meeting. Based on the previous work, each member had a better understanding about the accident and had a more detailed plan of solving the tasks. But the second meeting just raised the second fierce debating. Two oilfield experts couldn't agree on other's plan. Oliver threatened to quit the group if his plan wasn't accepted. Hilde and Ingrid were unsatisfied with the slow investigation progress. Arvid were complained the swinging-direction investigation which made his work heavier and less efficiency.

Seeing the team debating, what Kjell Sunde should do? He assembled the best team with best elites from all fields in Hydro. Why the all-star virtuoso team didn't work out? To lead a virtuoso team, how should the leader behave differently?

Teaching Notes

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Teaching Notes

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1. Nature of the case

1. 1 Summary

This case was about a Norwegian energy giant Norsk Hydro facing a looming investor relations crisis in 2002: Bloc 34, the potential site for a big oil find in Angola, was found to be dry. Hydro had made a serious investment in Bloc 34, and now needed to recover in the eyes of the investment community. Somehow, top management would have to convincingly explain the company's failure to discover oil to the financial markets. If they could not explain it, and maintain the financial community's confidence, Hydro's stock could plummet. Norsk Hydro needed to respond competently and fast, and senior management understood that this problem was too critical to leave to conventional approaches. Hydro, however, was rich in heritage, unwieldy, and traditional, with a strong engineering culture and a decidedly Nordic consensus-driven approach to decisions. Creating the sort of team that could deliver competently and fast would require an entirely new way of doing

business. This case describes the virtuoso team that Kjell Sunde led and the problems he faced.

1. 2Teaching objectives

In our future career life, we may face the situation where we need to build, manage or work with a virtuoso team, which consists of star team members with specialist skills, especially in some industries and projects which focus on outstanding and innovative results. The basic goal of this case study is to build up some ideas on virtuoso team management. To be specific, we hope to accomplish these following goals through the case study: (1)Analysis the differences between managing a virtuoso team and a traditional team.

(2)Learn how to manage conflicts and communicate supportively, so as to make the team cooperate and inspire innovation and perfection. (3) It will benefit participants in promotion of leadership, skills of team management, organization and communication.

1. 3Suitable programs or courses

This case is suitable for Inter-company training or MBA course, especially for those who are thirsty for theoretical management knowledge in practice.

Group discussion or research presentation would be suitable teaching methods.

1. 4Relationship to the objectives of a course or program

Theory of organization behavior and PR management are embedded in the case.

1. 5Sources and methods of collecting case material

The topic and the main frame of the story are generated from an article from the Harvard Business Review. We reorganize the story and add some fictive information and scenarios to show some detailed background, conflicts and problems met by the team.

2. In-class discussion

2. 1 Questions to prepare students for in-class discussion

1. Supposing that you are in Sunde's position, would you establish a virtuoso team under this challenge? Yes. A virtuoso team is far more likely to deliver outstanding and innovative results than a traditional one, when big change and high performance are required. No. The superstars who make up these teams are renowned for being elitist, temperamental, egocentric, and difficult to work with. As a result, many managers fear that if they force such people to interact on a high-stakes project, the group just might implode.

2. Since Sunde had already built up such a kind of team, how should he manage and lead the team to accomplish the emergent mission? (1) Build the team ego Since a star member is high on Individualism, Egocentric and not easy to compromise, as a team leader, Sunde first needs to build the team ego, which make those star members feel they are in a powerful and unified team with a shared identity. In order to build a team ego, first of all, Sunde needs to clarify project's shared values among team members, such as taking challenging venture, or making an impact on their company or industry. Second, Sunde needs to make those stars have a clear sense of identity of a team, which can be realized by methods producing differentiation from other groups and outsiders.

Since Sunde leads a virtuoso team, it is better for him to build a privilege and supreme team identity. Third, Sunde should trust members' competences and build the autonomous mechanism. In reality, Sunde used several ways to build the team ego, which can be taken for reference. For example, Sunde gave the nickname 'A team' to establish team's star mentality and identity. He also celebrated his team members publicly and put them squarely in the

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spotlight. Sunde built an atmosphere of trust and autonomy by protecting members from outside disturbing and scrutiny from above, giving them top priority and unlimited access to resources, and considering their conclusions as definitive. To control frictions, Sunde also paired off members in accordance with their expertise and psychological fit to work on separate but related problems. Members in the pair eventually understood that he would not succeed without the success of the paired person.

(2) Contact intensively

Big challenges and high standards of the project require a virtuoso team to work together intensively, so that each individual will stimulate others' ideas and talents and will eventually consent on the best results through intensive face-to-face communication and straight expressiveness. Sunde needs to set the working environment easy for contacting, create chances for interacting, and encourage an atmosphere of talking 'rude' but listening hard. In reality, Sunde established a dedicated space for working and common meeting. The room was filled with computers and other necessary scientific and communication equipment. The atmosphere there was relaxed. Team members spent a lot of time working or staying there, and communications there were open, honest and passionate.

(3) Only perfect accepted

Remember the reasons why the virtuoso team was formed. It was built up to meet the high standards of customers and even to surprise them. Therefore, Sunde, as a team leader should set high standards for members and played a role of perfectionism in the team. High standards are never too high for a virtuoso team, because they have the capabilities to make it.

(4) Manage and Make use of I's

Individualism and egocentricism have negative effects on a team so Sunde needs to manage them, but he should also make use of star members' individualism to foster improved performances. Sunde should give equal chances for each member, so that each individual feels that he/she is not ignored, which requires Sunde to balance between each aggressive individual. Sunde can also use performance evaluation and rewards systems to encourage competition. In reality, Sunde used strict time control. For example, each member's presentation was strictly limited to 15 minutes, so that everyone had a chance but no one could occupy others'. 2. 2 Questions to open the discussion

3. What tasks did Sunde receive? Were those tasks similar to ordinary tasks?

Sunde had to assemble and lead a virtuoso team to avert an investor-relations crisis. The team included the best technical people from across the company. Its goal: Analyze reams of data, pinpoint what went wrong, and convince stakeholders such an outcome wouldn't occur again. And all of those needed to be finished within 6 weeks. Different from such simple and routine tasks, this was an urgent and high-stake project, and best solution-driven—"Customers" were equity market analysts. The team's job was to manage the market's reaction to news of the dry site. If explanation was slapdash or incomplete, the company's market value would nosedive.

4. What is a virtuoso team? What are the characteristics of the virtuoso team? Virtuoso teams comprise the top experts in their particular fields, are specially convened for ambitious projects, work with frenetic rhythm, and emanate a discernible energy. Not surprisingly, however, the superstars who

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make up these teams are renowned for being elitist, temperamental, egocentric, and difficult to work with. Virtuoso Characteristics:

Star performance

Especially handpicked to play specific roles

High on individualism

Take up challenges, even at the risk of career

Mediocrity and compromise, find no place in this team

They are considered ' too risky, too temperamental, too egocentric, and too difficult to control'.

5. What kinds of problems was this virtuoso team facing from the perspective of team building and management? Why were they facing these problems? The virtuoso team had difficulties to cooperate, to build consensus and to make sure superstar members 100% dedicate themselves to the task. Those problems are quite typical for a virtuoso team, because star members' excellences are the sources of some main conflicts and problems of a virtuoso team. Star members tend to dominate in a task and aggressively stand in the spotlight, because normally they have top skills in a team and are required to take the lead. Some members had reputations for being egocentric and difficult. Their competences, experiences and personalities determine their accustomization to a leading role. In a virtuoso team, however, it is very difficult to stand out among all talents.

If those stars cannot get used to it, they can hardly cooperate. For example, in this case, Oliver Bell and Johny Undeli both wanted to advance the task in their own ways. Star members are supremely confident in their abilities and

fields of profession. Especially those technologists in this case, they are their own understandings on the problem and will never compromise in order to make a consensus. Stars are always in high demand. They might be already engaged in other tasks when you call them in the virtuoso team, or they might leave the team when other challenging projects need them. Turnover sometimes cannot be avoided, but a team leader should make sure those busy stars devote themselves to the project when they are in the team. Sometimes, outside obstacles are problems facing by a virtuoso team. Company's environment and culture may not favor a virtuoso team. In Hydro's case, the company has a traditional engineering and consensus-driven culture, but it does not become a vital topic in this case study. 2.

3 Questions to advance the discussion

6. What differentiates the management of a virtuoso team from traditional teams? Virtuoso teams differ from traditional teams along every dimension, right from the inception of the team to member selection and the way they enforce work process and the expectations they hold to the results they produce. Managing a traditional team seems pretty straightforward: Gather up whoever's available, give them time and space to do their jobs, and make sure they all play nicely together. While to make a virtuoso team successful, you need to manage it with counterintuitive strategies. For example, instead of emphasizing the collective, celebrate individual egos by creating opportunities for solo performances. Then build group ego by encouraging a single-minded focus on the goal. And foster impassioned, direct dialogue that doesn't spare feelings. In the resulting inferno, your team's members will forge their most brilliant ideas. TRADITIONAL TEAMS VIRTUOSO TEAMS

Choose Members for Availability Choose Members for Skills

- Assign members according to the individuals' availability and past experience with the problem.
- Fill in the team as needed.
- Insist on hiring only those with the best skills, regardless of the individuals' familiarity with the problem.
- Recruit specialists for each position on the team.

Emphasize the Collective Emphasize the Individual

- Repress individual egos.
 - Encourage members to get along.
 - Choose a solution based on consensus.
 - Assure that efficiency trumps creativity.
 - Celebrate individual egos and elicit the best from each team member.
 - Encourage members to compete, and create opportunities for solo performances.
 - Choose a solution based on merit.
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- Assure that creativity trumps efficiency.

Focus on Tasks Focus on Ideas

- Complete critical tasks on time.
- Get the project done on time.
- Generate a frequent and rich flow of ideas among team members.
- Find and express the breakthrough idea on time.

Work Individually and Remotely Work Together and Intensively

- Require individual members to complete tasks on their own.
- Allow communication via e-mail, phone, and weekly meetings.
- Encourage polite conversations.

- Force members into close physical proximity.
- Force members to work together at a fast pace.
- Force direct dialogue without sparing feelings.

Address the Average Customer Address the Sophisticated Customer

- Attempt to reach the broadest possible customer base; appeal to the average.
- Base decisions on established market knowledge.
- Affirm common stereotypes. • Attempt to surprise customers by stretching their expectations; appeal to the sophisticate.
- Defy established market knowledge.
- Reject common stereotypes.

7. Can you give any example of a virtuoso team in the real world? Was the team successful or not, and why? Any example is welcomed. Pay attention to the characteristics of a virtuoso team we discussed before. Using the analysis framework of this case study and related concepts and theories is encouraged. Possible examples including but not limited to: Beatles, creative teams behind the musical West Side Story, the iPhone R&D team, etc.

8. What else can you learn from this case? Or further comments. Any feedback from students is welcomed. Good reflections on this case can be used for further discussion or used in future teachings. Possible comments: A virtuoso team might not guarantee success. Sometimes, owing an all-stars team might achieve temporary success, but only having stars with complementary skills and corresponding with team culture can ensure sustainable development. 2. 4 Suggested sequence or timeframe for each

point to be covered. Each question is suggested being discussed in the following sequence: 3-4-1-5-2-6-7-8. Therefore, before we go into the solutions and further discussions, students can have a clear understanding of the situation the virtuoso team is facing and the sources of the problems. 3. Accompanying texts, concepts and theories

3. 1 Links to accompanying articles

TURNING TOP TALENT INTO TOP RESULTS! :

http://www.imd.org/research/challenges/upload/turning_top_talent_into_top_results.pdf

[org/research/challenges/upload/turning_top_talent_into_top_results.pdf](http://www.imd.org/research/challenges/upload/turning_top_talent_into_top_results.pdf)

Virtuoso Teams:

http://www.cbsnews.com/8301-505125_162-51186744/virtuoso-teams/

Virtuoso teams

<http://wenku.baidu.com/view/cadf5536ee06eff9aef8071f.html>

3. 2 Links to concepts and theories

1) How to select the right star employees?

Star members not only have special talents, extraordinary performance, and refers to the individual can recognize of team values, and be able to put themselves into the team culture. Therefore, such virtuoso teams always judge in two dimensions when assembling the stars, instead of single individual performance. Owing few stars might achieve temporary success; only having stars with complementary skills and corresponding with team culture can ensure sustainable development. The following graph can be used in assembling the stars.

2) Four factors related to team performance

Then what factors determine whether teams are successful? The four

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contextual factors most significantly related to team performance are adequate resources, effective leadership, a climate of trust, and a performance evaluation and reward system that reflects team contributions.

Adequate Resources: Teams are part of a larger organization system. As such, all work teams rely on resources outside the group to sustain it. And a scarcity of resources directly reduces the ability of the team to perform its job effectively. As one set of researchers concluded, after looking at 13 factors potentially related to group performance, “ perhaps one of the most important characteristics of an effective work group is the support the group receives from the organization.” This support includes timely information, proper equipment, adequate staffing, encouragement, and administrative assistance.

Teams must receive the necessary support from management and the larger organization if they are going to succeed in achieving their goals.

Leadership and Structure: Team member must agree on who is to do what and ensure that all members contribute equally in sharing the workload. In addition, the team needs to determine how schedules will be set, what skills need to be developed, how the group will resolve conflicts, and how the group will make and modify decisions. Agreeing on the specifics of work and how they fit together to integrate individual skills requires team leadership and structure. This can be provided directly by management or by the team members themselves. Leadership, of course, is not always needed. For instance, the evidence indicates that self-managed work teams often perform better than teams with formally appointed leaders.

And leaders can obstruct high performance when they interfere with self-managing teams. On self-managed teams, team members absorb many of the duties typically assumed by managers. On traditionally managed teams, we find that two factors seem to be important in influencing team performance the leader's expectations and his or her mood. Leader who expect good things from their team are more likely to get them. For instance, military platoons under leaders who held high expectations performed significantly better in training than control platoons. In addition, studies have found that leaders who exhibit a positive mood get better team performance and lower turnover. Climate of Trust: Members of effective teams trust each other. And they also exhibit trust in their leaders. Interpersonal trust among team members facilitates cooperation, reduces the need to monitor each other's behavior, and bonds members around the belief that orders on the team won't take advantage of them.

Team members, for instance, are more likely to take risks and expose vulnerabilities when they believe they can trust others on their team. Trust in Leadership is important in that it allows the team to be willing to accept and commit to their leader's goals and decisions. Performance Evaluation and Reward Systems: How do you get team members to be both individually and jointly accountable? The traditional, individually oriented evaluation and reward system must be modified to reflect team performance. So in addition to evaluating and rewarding employees for their individual contributions, management should consider group-based appraisals, profit sharing, gain sharing, small-group incentives, and other system modifications that will reinforce team effort and commitment.

3) Management skills for high-performing teams

The leader of a virtuoso team also needs some team management skills in three aspects: team development, team membership and leading the virtuoso team.

Besides, there are some special principles also important in managing a virtuoso team. Firstly, a group of talents need to communicate directly and listen carefully in order to understand everyone's ideas completely. Secondly, the team leader could use conflicts to foster the whole team perfect, which also emphasize the importance of performance evaluation and reward systems. Last but not least, a virtuoso team should focus on individuals' ideas instead of a compromise to group.

3.3 Synthesis and conclusion

A synthesis of the main issues presented in the case:

Topic: Managing Virtuoso Team.

What is virtuoso team?

Virtuoso team is made up of all-star members. Virtuoso teams don't come together very often.

Advantages of virtuoso team

- Esp. Handpicked to play specific roles
- Challenges-takers
- Star Performance

But superstars are notorious for being temperamental and egocentric. Will force a group of them to work together ignite a fatal explosion?

Disadvantages of virtuoso team

- High on individualism
- Temperamental
- Not a yes person
- Egocentric and difficult
- Aggressive and dominating
- Arrogant and adamant

How to manage a team?

- Adequate resources
- Leadership and structure
- Climate of trust
- Performance evaluation and rewards systems

How to manage a successful virtuoso team?

- Diagnose stage development
- Foster team development and high performance
- Play task-facilitation roles
- Play relationship-building roles
- Provide feedback
- Develop credibility
- Articulate a vision
- Build the team ego through nicknaming, access to resources and publicly celebrating
- Performance evaluation and rewards systems
- Encourage competition
- Only perfect accepted

- Be rude but right and listen hard
- Use conflicts to foster perfect