

McKinsey Quarterly

DECEMBER 1992

World-class teams

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Winning teams are tough to find—and even tougher to build. In this classic *McKinsey Quarterly* article from 1992, the former captain of New Zealand’s mighty All Blacks rugby team, David Kirk, explains how to develop superlative performers.

There are very few tricks for improving organizational performance left in the management deck of cards. In recent years, many eager corporate hands have played the organization redesign card; others, strategic planning; still others, value-based management. If they played them well, their companies are now fitter, stronger, more flexible, and more focused. But so too are their competitors. Sloppy strategies have been tightened; yawning skill gaps closed; troubled economies made healthy; and bloated organizations made lean. What remains—the trump card—is the effort to coax exceptional levels of performance from all the pieces now in place. And that means learning how to build and lead world-class—or what McKinsey’s Jon Katzenbach and Doug Smith refer to as “high-performing”—teams.¹

I have had the good fortune to lead two such teams. I played senior club rugby in New Zealand for eight years, provincial rugby for Otago and Auckland for six, and international rugby for New Zealand for five. During that time I played with many different collections of players, about forty-five or fifty of which I would characterize as genuine teams. Of these, two were indisputably world class: the World-Cup winning All Blacks of 1987, and the Auckland team of 1985–87.² A third, which came very close to being world class even if it was not the best in the world, was the All Black team of 1986, which played one Test match against France and one against Australia.

Teams such as these are extremely rare. They are tough to find and even tougher to build. But they do exist. They can be built. And they can be led. Anyone who has seen one in action or been fortunate enough to participate in or lead one will know it.

Perhaps these teams are most easy to recognize in the world of sports because performance there is so starkly quantified and transparent. I immediately think, for example, of the Liverpool Football Club, the McLaren Formula One racing team, the San Francisco 49ers, the LA Lakers,

¹ See their articles, “The delicate balance of team leadership,” *McKinsey Quarterly*, 1992 Number 4, pp. 128–42; and “Why teams matter,” *McKinsey Quarterly*, 1992 Number 3, pp. 3–27; as well as their book, *The Wisdom of Teams*, Boston, MA: Harvard Business School Press, 1992.

² Both teams continued to perform to world-class standards throughout the late 1980s.

the Australian rugby league team, and the West Indies cricket team of the 1970s and 1980s. Each of these teams, of course, was immensely successful, but that alone does not make them world class. Many other very successful, even championship, teams do not pass the test. They lack something—some special quality of effortlessness and coherence, a wholeness that other teams, no matter how good, just do not have.

Team members know and feel this difference, the presence or absence of a certain sense of ease and unshakeable confidence. Subjectively, the dividing line is painfully clear. But how can we recognize it objectively, from the outside?

Signs of greatness

There are, I think, three “external” qualities that indelibly mark out genuine world-class teams:

- The first is a lack of mistakes. These teams seem to understand the game so well and to have practiced so much that they have almost eliminated unforced errors. This is partly a result of the “divine discontent” that drives their performance, as we will see later, and partly a result of the relaxation that comes from confidence and an implicit faith in themselves.
- The second is the margin of victory they achieve. World-class teams do not just scrape home; they thrash their opponents. This is hardly surprising. World-class teams are rare, so they seldom get to compete with other world-class teams. Nevertheless the margin of victory they achieve is a measure of just how much potential is waiting to be unlocked in building high-performing teams in sports and business.
- The third is the charge they get from what they do. World-class teams genuinely look like they are having fun. Even in the toughest moments at training or during a match, they maintain perspective and balance. Self-confidence coupled with belief in the other members fires each member of the team not only to perform, but to enjoy.

Qualities of greatness

If world-class teams can be recognized from the outside by a lack of mistakes, an ease of performance that leads to high margins of victory, and a joy in going about their business, what is it about them internally that enables them to perform so well?

Vision

The first characteristic of such teams is vision. Teams must have something to believe in, something to achieve, something to become. Vision does not mean objectives. All teams have objectives, and the best teams are clear about exactly what they are, but few have real vision. Objectives are cold, intellectual, rational, believable. Progress toward them is quantified, defined, measured. Visions must be rational, but they are also emotional. They are often distant. They must excite and engage and frighten. They must be big.

Leaders of potential world-class teams ask for sacrifices—in time, in effort, and, most importantly, in individuality—that are immense. There has to be a reason for asking. Only a vision can unite and involve at the highest level. It must be so big that even the most confident team member cannot feel sure of achieving it; so big that even the most cynical cannot shoot it down.

In its most general sense, the vision of high-performing teams is about quality of performance and ultimately about trying to perfect performance. An important distinction needs to be made between vision and motivation. The two are quite different, and those who set out to build world-class teams need to understand how and why they differ.

Visions provide the opportunity for individuals to grow and achieve on a grand scale. Over time, the struggle to achieve the unachievable becomes a rational goal. However, most of us still need a reason for getting up in the morning. Teams that are consistent world-class performers have a clear vision, but they also have cold, hard incentives for individual and team performance at all times. This boils down to focus and a system of explicit and implicit incentives for performance.

True visions have two important dimensions. They have an external dimension. For the All Blacks, it varied, but in 1987 our vision was the World Cup, and more significantly what it stood for: to be the best in the world.

Not all of the All Black teams I played with had a true positive vision. But all had a type of negative vision, something they did not want to occur—a fear of letting down the past. All Black teams are acutely conscious of their predecessors and the team's long history of success. Failing that tradition is the negative vision that haunts all New Zealand rugby teams. Negative vision underpins performance and prevents it falling below a level, but it does not act as a spur to world-class achievement. That spur must always be expansive and outward looking, not inward and fearful.

The second dimension all true visions have is an internal dimension. It is a vision of self and what it can achieve through the team. It is a vision of realizing potential, of growing, of taking the chance for the team and the members to become what they are able to be.

The world-class teams I played with had a vision of pushing back the boundaries of the game—of moving the playing of rugby union onto a higher plane. We were simply trying to play the game better than any team had ever played it before. The opposition was no longer the other teams we played against, but ourselves and the game itself. Opponents were the medium through which we attempted to realize our vision.

Ability

The second characteristic that distinguishes high-performing teams is ability. No one has yet figured out how to make a silk purse out of a sow's ear, and world-class teams will not be produced without a fair number of world-class players. All the same, being a world-class team does not mean being a team composed of world-class players. Ability is important, but so too is complementarity. Teams are created out of the belief that they generate an energy and synergy that make the whole greater than the sum of the parts. In the world-class team, the result is performance that is consistently at or beyond the level that any reasonable person could expect.

Ability is the result of the mastery of skills. In rugby these skills are very basic: running, kicking, passing, catching, pushing, jumping, tackling, and decision making. Each team member has a specific job to do which combines a number of these skills. Prop forwards are pushers *par excellence*, but also runners, passers, and catchers. Lock forwards are jumpers, catchers, and pushers, and occasionally runners and passers. Fullbacks are catchers, runners, passers, and kickers. Each of these specialists must contribute his particular skills if the team is to perform to world-class standards.

But in an important way all the team members are generalists as well. In rugby, world-class teams are conspicuously breaking down the barriers of specialization. Forwards are learning to run and pass like backs; backs are getting bigger and learning to push and jump like forwards. Accentuated by rule changes, this trend has also led to adjustments in selection policy.

The move toward teams of generalized specialists in sports has been around for some time. The West German soccer teams of the 1970s and their brand of "total football" introduced the world to the idea that all the players should possess all the skills so as to maximize positional and tactical flexibility. The lesson was learned quickly. Now every successful football team in the world has players in all positions who can dribble, pass, head, and shoot, and who have real pace.

World-class teams take this trend as far as it can sensibly go. Their members are expert in their specialist tasks but able to turn their hand to other members' tasks as well. This brings the team enormous benefits in flexibility and responsiveness, but more importantly it allows for the coherence and wholeness that only teams whose members really understand the nature of other members' contributions can achieve.

These physical benefits are reinforced by psychological benefits. High-performing team members generalize their attitude to team performance. They see the big picture and how they fit into it. They feel responsible for their performance, for others' performance, and for team performance. They become leaders.

Divine discontent

The third characteristic critical to world-class teams is "divine discontent." It is an attitude to learning and growth that is never satisfied with past achievements but always searching for the next challenge. It is remarkable how many sports players and teams are perpetually dissatisfied with their performance. After what seems an outstanding performance they appear ill at ease. Outsiders may even think them churlish.

World-class teams are highly analytical and self-critical. They feel there is always more that could have been done, mistakes that could have been eliminated, and opportunities that could have been taken. The attitude is not one of unrelenting self-criticism, but rather a conviction that there is always more to be learned. The best teams I played with were forever searching for the tiniest possible increment of improvement.

Sometimes this quest can tip out of balance in a search for a new diet, or radical training methods, or improved equipment, but in my experience it was almost invariably the players and teams who were not performing so well who allowed the search for improvement to become obsessive.

Divine discontent with the limits of current performance is balanced in world-class teams by their confidence in their ability to improve. During the 1987 World Cup the team played and trained with a clear analogy in mind. This was the image of being on a staircase. Each match and each training session was both a step upward and at the same time nothing more than a preparation for the next step.

We believed absolutely that we had to improve with every match if we were to win the World Cup. We believed that a poor match was much more than “one of those things” or an off-day that could be forgotten with no ill effects. Rather, a poor performance was a precious missed opportunity that would never come again—one of only five matches before the Final in which every minute gave us a vital chance to improve.

In sports, the desire to improve and to make every opportunity count has a melancholic edge. Players know their days of sporting prowess are numbered. For most the chance to play in—let alone win—a World Cup will only come once. This pressure to beat the ticking clock may be missing in business. But there are parallels. Opportunities to achieve something significant are limited and any that emerge must be seized. A team that believes in what it is trying to achieve and acts accordingly can capture something of the urgency that drives the sportsman’s search for the ultimate performance.

Discipline

Discipline is rather an old-fashioned term these days and conjures thoughts of rules, curfews, and punishments. But in my experience an understanding of discipline is vital for world-class teams. Without it there is confusion and waste. Nothing is as demotivating as not knowing what is required. To strive to achieve something important, only to discover that what you did is not what was wanted, is soul destroying.

Discipline in teams should begin as a set of boundaries that define what is acceptable and unacceptable. Paradoxically, the boundaries should be clearest about the small things. In the top teams I played with, great importance was placed on disciplined dress and punctuality. Team members did not turn up late and they did not turn up without correct team dress. The logic was simple. A team that observes standards of dress and punctuality off the field will carry that same pride and professionalism onto the field. Starting from small beginnings like this, the leader should ensure that discipline is applied to communications, team structure, organization, and management.

What begins as an external rule does not stay so for long in world-class teams. High performers internalize standards and drive themselves to meet them. This is the essence of true self-discipline, a quality shared by all the best players I knew.

Writing about army discipline, General de Gaulle described how a leader must inspire:

If he is to have a genuine and effective hold on his men, he must know how to make their wills part and parcel of his own, and so to inspire them that they will look upon the task assigned them as something of their own choosing. He must increase and multiply the effects of mere discipline and implant in those under him a sort of moral suggestion which goes far beyond all reasoning, and crystallizes . . . their potentialities of faith, hope, and devotion.³

De Gaulle well understood the profound influence of discipline. To my mind, however, true discipline promotes devotion not to the leadership of an individual but to the achieving of a cause.

Politics

The politics of world-class teams is not the politics practiced by professional politicians. It is not the politics of building positive interest groups, neutralizing opponents, and maneuvering for leadership. It is the politics of managing interpersonal relationships in a team.

All teams contain a variety of personalities, backgrounds, and outlooks. Sometimes the technical requirements of the game encourage this diversity. In rugby, goal kickers may be more introverted and focused than wingers; prop forwards more silent and brooding than halfbacks.

High-performing teams are no different. The All Black teams I played with contained individuals of greatly different outlook and interest. In all my time on the team, I estimate that there were only four or five players whom I really held to be firm friends. The others were respected colleagues.

Strong-willed, highly motivated players need to be able to manage the tensions that inevitably arise in teams. World-class teams are almost invariably composed of people with well-developed egos. They have a lot at stake and much to lose if things go wrong. They are not compromisers or diplomats.

The key competence for world-class teams is the ability to recognize, face, and tackle interpersonal issues promptly. Team members understand they must overturn any obstacles quickly and completely to focus on the job in hand. Issues may be settled by semiformal methods or by extensive networks and informal chats. Whatever form the exercise takes, in world-class teams it is always efficient, sensitive, and final.

³Charles de Gaulle, *The Edge of the Sword*, trans. Gerard Hopkins, New York: Criterion Books, 1960.

The role of the leader

In one sense there can be no easier team to lead than a true world-class team. The sports captain fortunate enough to lead players with the qualities I have described has a team of talented, focused, and motivated people who understand exactly where they are going and how to get there. So the leader's first and most important role is not to get in the way. It is surprising how many do.

The second requirement is simply for the leader to be good. The leader has a specific position and tasks to perform that are independent of the role of leader. He or she must work hard to be acknowledged as the best there is. Respect for the leader's ability to contribute to team success just by playing underpins the respect team members develop for their leader as a leader. There have been notable exceptions—England cricket captain Mike Brearley is one—but it is no accident that most world-class teams are led by top performers.

The team leader must also be good at leadership—and management—itself. World-class performers set very high standards for themselves; the corollary is that they do not suffer fools gladly. Managers risk marginalization at best and frank opposition at worst if their administration fails to achieve the high quality that world-class performers expect of everything they are part of.

Central to the leader's role are the values that animate this team and mark it out as something special. At all times it is the leader's job to represent these values as powerfully as possible. Leaders must set an example in everything they do.

Almost by definition, high-performing teams do not need leading in any detailed way, but there are nevertheless some vital functions for the leader to perform. First, there is a critical control and integration task. Great teams encompass myriad capabilities; the leader must identify and unite the particular combination of capabilities that will meet the immediate goal.

There are times—because of the nature of the opposition or the bigger strategic picture—when players who are used to center stage have to accept lesser roles. There are other times when team members have to change the way they play, and still others when they have not to play at all. Managing the balance of the team and the demands on the individual player's performance is a critical role with implications for both team tactics and team selection.

Another leadership function is to provide focus within the team. Visions must be broken down into objectives; desires must be translated into incentives. Training must focus jointly on the immediate task in hand and on the building of long-term capabilities. The leader must boil things down and force the articulation of half-formed ideas to find answers to the key questions that confront the team. When problems arise, the leader must insist they are brought to a head and dealt with openly and cleanly.

World-class teams that last for long periods become institutions. This has implications for all team members, but particularly for the leader. One of the most basic human needs is to strike a balance between belonging to a group and remaining an individual. Evident in all groups, this tension exists acutely in many world-class teams. Team members are strong-willed individuals who believe passionately in their ability—or even destiny—to succeed in their own right. At the same time, the game demands that they submerge much of their individuality in the interest of the team.

The task of managing this balance falls to the leader. Dealing with the politics of interpersonal relationships, weighing up conflicting priorities, and curbing the egos of winners who know it, can only be done by someone who can stand above the fray. The leader must make each player feel needed and wanted in his or her own right, but at the same time ensure they understand that no one is bigger than the team and that everyone must make sacrifices for the group.

The final task for the leader, and in many senses the most important, is to build and nurture other players as leaders. Every team larger than a few members contains a number of sub-teams. These are usually based on shared skills or tasks. A rugby team, for instance, has the sub-teams of the front row, the loose forwards, the tight five, the forwards, the inside backs, the outside backs, and the backs. Within each of these sub-teams there is a number of potential leaders waiting to contribute. The leader must recognize the leadership in others and foster it.

As we saw earlier, members of world-class teams have learned to generalize their responsibility and their contribution to team success. In this and all the other most important ways, they already think and act as leaders. Only the most ignorant or insecure team leader would not tap such a rich store.



“If only I knew then what I know now.” It is, of course, far easier to look back, analyze, and prescribe than it is to do the right thing in the heat of battle. I firmly believe that building world-class teams is not something that can be learned or taught except by example. For that reason I doubt these observations would have been much use to me as I struggled to lead and build a world-class team.

If I had been able to write this at the time, when I was leading rather than thinking about it, I would certainly have done some things differently. I would have tried to be more confident, more prepared, more meticulous. As a result, I would probably have been more distant, less spontaneous, more of a professional, and less of an enthusiastic amateur. Would that have made me more successful? I don't know. But I do know that leading and building a team is not about acting the role of leader. It is about *being* a leader. To the extent that analysis and planning interfere with spontaneity, they are a hindrance.

If I had any final insight it would be that there is no substitute for getting people involved and excited. A team that is knee-deep in problems, challenges, fears, and hopes, and that is reveling in them, convinced it will win, and excited about the prospect, is well on the way. The truth is simple. You can't be world class unless you have world-class problems. The opposition is the opportunity. Take it. 

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