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What Research Reveals About Effective
TEAM Development

by Joe Folkman and Jack Zenger

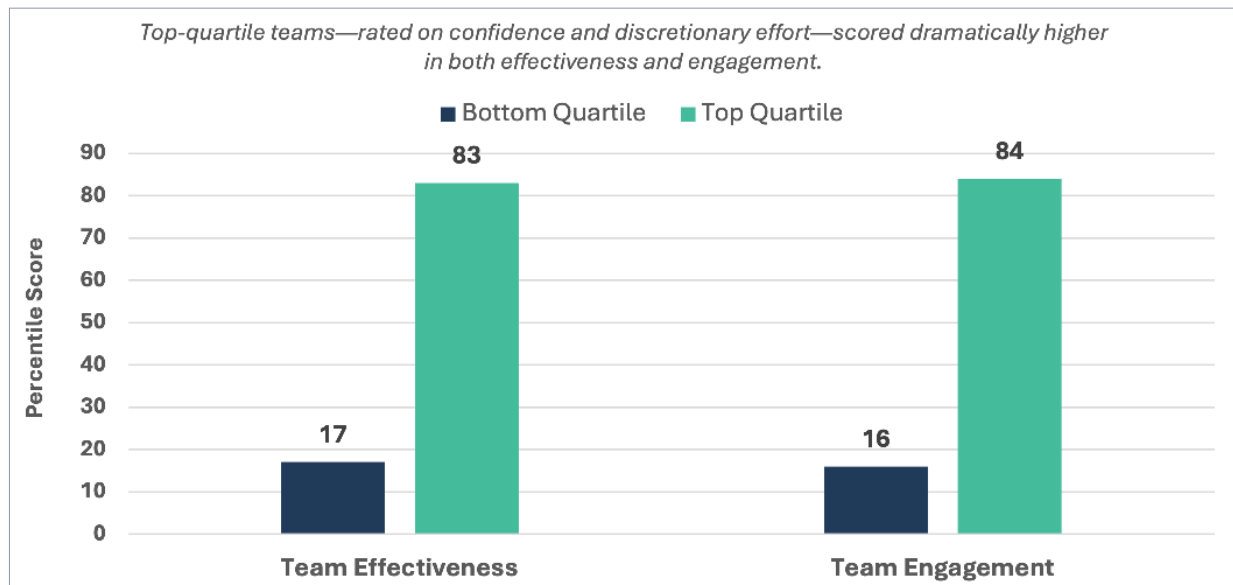**Research-Backed Insights to Guide Your Team Development Strategy**

High-performing teams don't happen by accident. They are built deliberately—through trust, clarity, shared goals, and strong leadership. At Zenger Folkman, we set out to understand what truly sets great teams apart by conducting a comprehensive analysis of 171 teams that had received negative customer feedback.

Some of these teams took action. They implemented meaningful changes and saw performance improvements. Others ignored the feedback and continued with business as usual. What caused such different responses?

To dig deeper, we conducted an anonymous assessment of each team, measuring effectiveness across 16 dimensions and 50 distinct behaviors. Team members evaluated their working environment, group dynamics, and collaboration patterns.

Figure 1. Comparison of Team Effectiveness and Team Engagement

Top-quartile teams—rated on confidence and discretionary effort—scored dramatically higher in both effectiveness and engagement.

We then categorized teams into quartiles based on two powerful indicators:

– Confidence in the team's ability to succeed
– Willingness to invest discretionary effort

The difference between top- and bottom-quartile teams was substantial and statistically significant (See Figure 1).

Here's what we found when we compared the most and least effective teams.

The 10 Key Differentiators of High-Performing Teams

These ten factors showed the greatest disparities between high- and low-performing teams—and they offer a roadmap for building extraordinary team performance.

1. Strategic Alignment and Purpose

High-performing teams clearly understand how their responsibilities connect to the broader strategy of the organization. When people grasp the impact of their work, quality and engagement improve. But when employees don't see how their role contributes—like adding the wrong ingredient to a recipe—they may assume quality doesn't matter. Clarity of purpose elevates performance.

2. Cross-Functional Cooperation

Exceptional teams excel not just in internal collaboration, but also in working with other departments. Like a successful relay team, they ensure seamless handoffs. Underperforming teams, by contrast, operate in silos. Many CEOs cite poor cross-functional collaboration as a top organizational challenge—and our research confirms its impact on team success.

3. Adequate Resources and Capabilities

High-performing teams have the right people, tools, and support to achieve their goals. Performance suffers when team members lack training, face resource shortages, or work in subpar conditions. Great teams make sure they're set up for success.

4. Mutual Support and Skill Development

Top-performing teams foster a culture of support and shared growth. Team members actively

help each other improve. In contrast, underperforming teams often compete internally for recognition, creating a scarcity mindset. The best teams know that collective growth lifts everyone.

5. Constructive Conflict Resolution

Disagreements are inevitable—but how a team handles them matters. High-performing teams address conflict directly and respectfully. Low-performing teams ignore issues or assign blame, leading to unresolved tensions and reduced trust. Exceptional teams create a culture where everyone is responsible for resolving conflict and maintaining unity.

6. Information Flow and Transparency

Communication is often underestimated, but it's a cornerstone of team development. High-performing teams over-communicate to ensure everyone is informed and aligned. They value transparency and context—not just what team members need to know, but what they want to understand about the bigger picture. When information flows freely, execution improves.

7. Proactive Problem-Solving

The best teams don't wait for problems to grow—they act early. High-performing teams address issues quickly, preventing minor inefficiencies from becoming major obstacles. In contrast, struggling teams often tolerate ineffective systems for far too long. Proactivity is a hallmark of effective team development.

8. Empowered Decision-Making

Top teams empower their members to make decisions and take ownership. Productivity and engagement suffer when people wait for approval on routine decisions. When those closest to the work have the authority to act, teams move faster and smarter.

9. Clear Priorities and Focus

When everything is a priority, nothing truly is. High-performing teams know what matters most. They align on critical objectives and avoid spreading themselves too thin. This clarity helps everyone direct their energy toward high-impact goals—and makes it easier to say no to distractions.

10. Positive Recognition Culture

The best teams are quick to praise and deliberate with criticism. A culture dominated by blame and negativity drags down morale. High-performing teams intentionally build a culture of appreciation, celebrating wins and offering feedback constructively. Recognition fuels motivation.

Why Team Development Deserves More Attention

For years, organizations have invested heavily in individual leadership development—but far fewer have focused on building great teams. That's a missed opportunity.

> # High-performing teams don't happen by accident. They are built deliberately—through trust, clarity, shared goals, and strong leadership.

Zenger Folkman's research shows that the highest-performing organizations don't just develop great leaders; they develop great teams. A high-functioning team multiplies the impact of individual contributors. It unlocks better problem-solving, faster execution, stronger engagement, and ultimately, better results.

Team development is no longer a "nice to have"—it's a competitive advantage.

That's why we created *The Extraordinary Team*™—a new development experience designed to help teams assess their current effectiveness, identify their greatest strengths, and target the most critical areas for improvement.

With data-driven insights, guided development plans, and tools to sustain progress, *The Extraordinary Team* helps organizations turn average teams into extraordinary ones.

LEARN MORE.

About Us

Zenger Folkman relentlessly seeks to rise above the inconsistent, and sometimes misleading, nature of popular leadership philosophies and beliefs brought on by opinion. The discipline of leadership and those who pursue it deserve better. Our most valuable asset is the expertise of combining hard data and statistical analysis with logical explanations and actionable application that help individual leaders thrive and organizations succeed.

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