

A REVIEW PAPER ON HIGH PERFORMING WORK TEAMS (HPWT): CASE STUDY OF KODAK AND CANON

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ABSTRACT

Every organization to succeed in the present competitive business context has to keep itself updated with social and technological progress. With innovative abilities organizations could become indeed successful to respond to such progress. High Performance Work Teams are close knit groups that are able to fetch the innovation goals of the organizations.

The present article shows that High Performance Work Teams (HPWT) are successful in bringing innovation and change in organizations. Thus they are able to sustain for the long run. Based on secondary data published in various journals, the present article illustrates the example of Kodak and Canon, producing cameras. In fact, Kodak had the highest market share, stuck to film photography. Canon, believing in the culture of High-Performance Work Teams, took over the advantage of technological advancement and introduced digital cameras into the market and became one of the top selling camera businesses.

Keywords: High-Performance Work Team, Teamwork, Technology, Innovation, Consumer Behaviour

Introduction

With the shift from product centricity towards customer centricity business organizations are operating in a complex business environment where they have to focus on human and material resources. businesses today have to rest on a strong knowledge base and strive towards providing enhanced products and or innovate the product design and delivery. Customer retention and competitive advantage and two crucial factors that govern the sustenance of the business organizations.

High Performance Work Teams (HPWT) are groups of employees that are organized to achieve specific goals and objectives within an organization. These teams are typically cross-functional, meaning they consist of members from different departments or areas of expertise, and are often self-directed and empowered to make decisions related to their work. HPWTs are designed to be highly efficient and effective, with a focus on achieving superior results through collaboration, communication, and shared responsibility. They are characterized by an elevated level of trust, mutual support, and a shared commitment to achieving organizational goals. The expertise of members of HPWT and typical characteristics, they are able to bring innovation and adaptation of change in business organization.

The theoretical background of High Performing Work Teams

The High Performance Work Teams (HPWT) refers to a group of purposeful individuals with specialized expertise and complementary skills who collaborate, innovate, and produce consistently superior results Don (2020). They have their trust, and they mutually respect all the colleagues, they practice effective work cultures, they have a shared vision and have an unobstructed vision and direction towards the common objective, and they communicate effectively and clearly among their superiors and subordinates. High Performance Work Team which regarded as “tight-knit” focused on goal, having the supportive and conducive environment which enables to break the barriers that any team member might have, moreover each one of them are highly skilled, highly cohesive so much so that are able appreciate conflicts and voice out their differences Satell (2021). A high-performance organization is only sustainable when it can identify dynamic changes in the market, adapt, respond, and finally, grab the opportunities available to survive in the market Reeves (2011). The latest study describes that High Performing Work Teams have positive as well as negative influences on the employee outcomes Delizonna (2019). The positive outcome helps in overall development of human capital which then

helps us in providing a competitive advantage to the Organization. Negative influences on employee behaviour can be due to misalignment of HR Practices in any organization. HR plays a key role in creating a high performing team Vos (2021).

The conceptual Framework of High-Performance Work Teams and Innovation

High-performing teams are not desirable in achieving innovation and development; rather, they are the essential components to make innovation happen Jong (2015). Making the realization of the fact that how High performing work teams is important for innovation is the key to success, without realizing you are just running your business with an old mindset. What makes a team successful is the low cost of production, saving the time engaged in production, in short making the work done effectively and efficiently Kashyap (2023). Innovation is a concept that is dynamic in nature, it must be done whenever there is a need for a modern technology, which time demands. One person will work as per his/her views, and capabilities and he will take his initiative and, his alone capabilities are not enough to meet business needs. On the contrary, if they work in a team, they will have a diversity of thoughts, different approaches to tackle situations, to innovate a better product through proper coordination and delegation of Authority and Responsibilities Mehrotra (2021).

Literature Review

While surveying the various research papers and understanding the consumer behaviour, it has been analysed that where the team is high performing, they lead to innovation and vice-versa. Kodak, the American company was the first and world's best company in the Photographic industry and best infrastructure but could not successfully run a business model to support Team Oriented culture. They stepped back and kept on promoting old analogue photography and wasted ten important years promoting old analogue cameras. Their R & D department though was best but did not have the focus for business goals and did not work on adoption of change whereas Canon, the Japanese company adopted the change and kept on innovating new products. They focused on technological advancement and kept on releasing new products and promoted digital cameras and as a result, they became the world's second-best photographic company.

The founder of digital camera, Steve Sasson was an employee of the Kodak Corporation but due to lack of proper coordination and teamwork, they did not choose to market the new product, rather they chose to stick to analogue cameras Gann (2016). Kodak remains a sad story of potential lost. The American icon had the talent, the money, and even the foresight to make the transition. Instead, it ended up the victim of the aftershocks of a disruptive change Anthony (2016). Learn the right lessons, and you can avoid its fate. They had teams, revenues, resources, and knowledge but they did not utilize it.

Canon is one of the most famous companies when it comes to the photographic industry. They have maintained their place in the market, and they are doing very well. Canon also went through various difficulties, but they chose not to exit, and they kept on investing increased money in innovating the latest technological photographic equipment. This teamwork is one of the motivating factors for all the employees and made it an enormous success.

A Team is a group of individuals who work together to attain a common goal Smith (2023). A team is normally performing at every start but there are some factors which lead to High Performing which are Work Environment, Coordination and effective communication, shared vision of goals and constructive conflict Kozlowski (2006). When these factors are present in any team, it will lead to high performing work teams. As the culture prevailing in HPWT leads to innovation and sharing innovative ideas and views and are quite infectious, if any team member performs good in any organization others will also be motivated to perform good in the team Myer (2020). The needs of the customers were ignored by Kodak in this innovative world and thus led to huge losses and its failure Mui (2012). On the contrary, Canon worked very well in Team, and they adapted the modern technology and innovation was their focus point, to provide latest products to the Customers Nevens (1990). This led to high sustainable development and high revenues and getting more profits, becoming one of the best Camera Company in the World.

There are steps built to make a team high performing which guide the team leader to act in a certain way and make others act in that way. First process is to create a stable team with the help of efficient team members. Stability is required in any team to pave its way to success Ryba (2020). Second process is to build a cohesive and value aligned team dynamics. Francine Katsoudas, chief people officer for Cisco says that Teams with shared values will lead to better performance. A cohesive team will increase productivity as compared to other teams Gürlek (2021). Third process is to encourage open communication among all the team members. Coordination among all members is the key to open communication. Fourth process is to be open in learning new things. There should be more emphasis on understanding and making others understand the importance of

learning as well. Fifth and last process is to Set Measurable Goals. Measurable Goals are those which can be analysed either by figures or any data, which ensures that goals are fulfilled as per the requirement.

Research Methodology

A research methodology is a set of principles, tools, and techniques that are used to plan, execute, and manage projects Westland (2021). There are many different methodologies, and they all have pros and cons. Descriptive method analysing the available secondary data based on success and failure of Canon and Kodak Corporation, customer's buying preferences were critically read and are reported.

Objectives of The Study

1. To understand the concept of High-Performance Work Teams
2. To understand the output of High-Performance Work Teams in terms of Innovation with respect to Kodak and Canon
3. To understand the unique culture that distinguishes High Performance Work Teams to other groups.

Secondary Data

- Annual reports were collected for Kodak for the years 2005-2021.
- Using the concept of Inflation, the profits, and net sales over years (2005-2021) were analysed.
- The net sales and profit were plotted to have an overview of the business performance of Kodak from 2005-2021.
- The pair of years which marked the steep downfall was identified and a comparative study was done on how Kodak performed in the previous years as compared to this year. The Cost per production for every product Canon produced was conducted.
- Analysis the initiatives taken by the Canon for surviving in the market.

Data Analysis

Kodak company had world wide great manufacturing facilities and distribution network to support the sales of photo business. Kodak had no clear cut business model, having disconnected business products, though invested heavily in research and development. It was majorly known for photography related products.

The company's structure allowed too much people centric culture having poor governance. Kodak also lacked Work Team culture. This allowed their R&D members to persuade their own interests. there was no check about what type of the products being innovated, whether they could fit Kodak's business perspectives.

For many years it did not have any competitor. Kodak failed to create the culture focussing on Team orientation that helps to innovate business related items and could not align the business model to support R & D members to focus on their photography related business. Instead they were left to innovate whatever they desired. There was a need for the digital cameras, they invested their money in promoting the old model Cameras and this led to huge fall in demand of their products and Company started incurring losses Don (2020) and led to failure of Kodak. Thus the sales of the Kodak shows the downtrend from 2005 till 2021.

Kodak's Sales were compared with respect to various years, and it was seen that Sales kept on decreasing from the year 2005 to 2021.

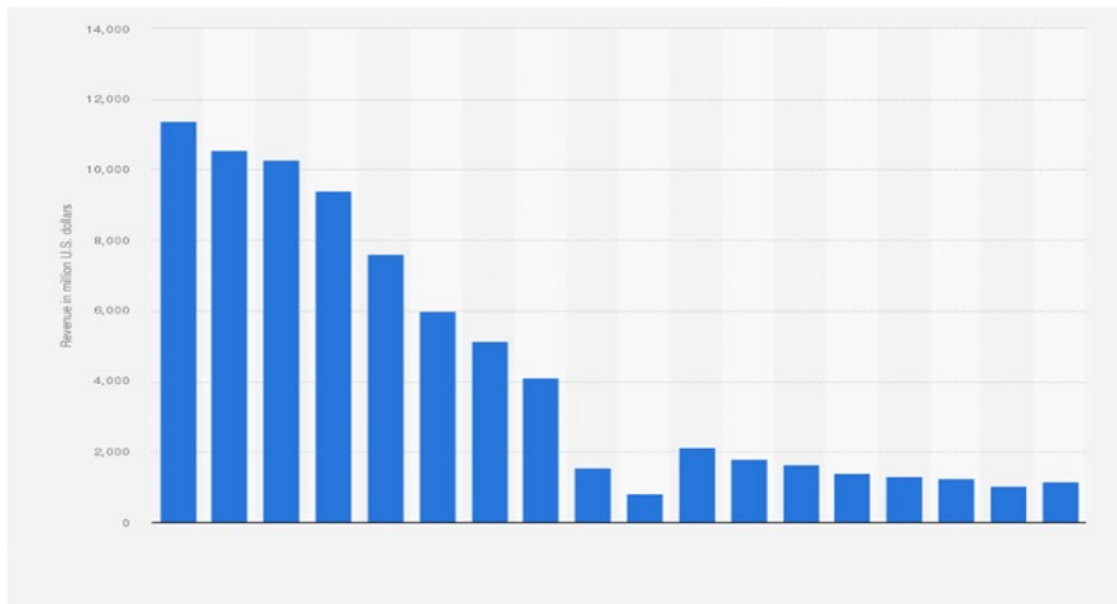


Figure 1: Kodak sales from 2005-2021 (Source: <https://www.statista.com/statistics/277061/kodaks-global-revenue-since-2005/>)

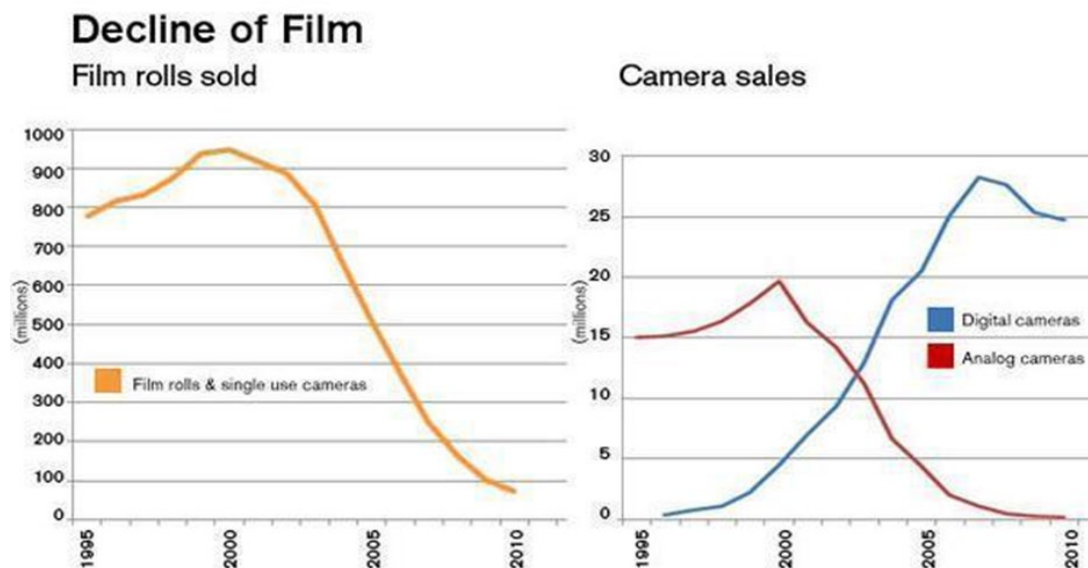


Figure 2: Sales of film rolls, Analog cameras, and Digital cameras (Source: <https://d3.harvard.edu/platform-rctom/submission/eastman-kodak-from-market-leader-to-bankruptcy/>)

Figure 2 shows the decline of sales in film rolls and analog cameras. The indicator of sales of Digital cameras shows a growing trend. Thus we can interpret that the customers were not at all interested in analog cameras and film rolls required for them. These graphs also indicate Kodak's business decline as it was unable to keep itself to the expectations of the customers and their need for technologically smarter gadgets.

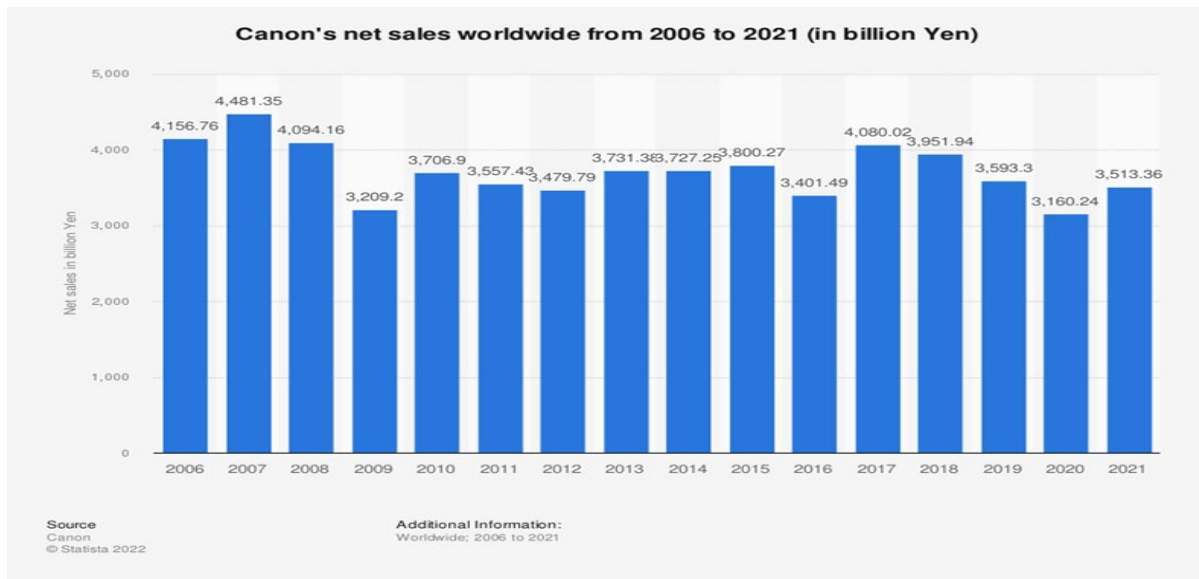


Figure 3: Canon’s Sales from 2006 to 2021
(Source: <https://www.statista.com/statistics/236434/total-revenue-of-canon/>)

The above graph shows that Canon’s sales are being steady and constant year on year. Thus, we can interpret that Canon kept on digitalizing the entire photographic market and thus, this led to an increase in demand for the product. As the above graph of Figure 2 shows the increasing trend of digital cameras, Canon beats Kodak in this race.

At Canon employees are free to share their ideas, celebrate milestones and achievements. The open culture creating a High Performance Work Team (HPWT) could openly discuss the goals and focus of the company. The team would be highly effective, if the team has best inputs, clear goals, well-designed rewards, enough assets and apt technology. The smaller size of the team helps to improve communication and coordination. On the contrary large groups lower the satisfaction, increase the turnover and social loafing. As skills contribute to the performance of any job, overall structure and staffing of a team with diversified talent promises anticipated results Gürlek (2021). The company is passionate about inclusivity and involves itself to the development of personal and professional skills of the employees. Canon believes in the culture of Team efforts, communication, diversity that gives it a cutting edge to determine customer’s expectations and fulfil them before they realise it. The output of work culture is evident in the innovation and growth of the company.

Canon’s Sales were compared with respect to various years, and it was seen that their sales kept on rising or being constant. In 2020-2021, their sales reduced a bit because of the pandemic (COVID-19) but the company survived it and made its place as soon as the pandemic ended, and sales started rising.

Findings

By surveying various research papers and analysing the graphs of Sales and Recent Trends, it has been analysed that Kodak’s Sales kept on decreasing from 2005 to 2021 due to non-adaptability of Digital Cameras. They promoted old cameras, whose demand was not there in today’s generation. They had a lack of vision that means that they did not look into the future and had an old mind-set. They did not open virtual stores, they stuck into selling through physical stores and this led to reduction in sales of the company. Kodak did not keep the knowledge of latest market trends and consumer’s buying behaviour due to the lack of business model that supports team culture, whereas Canon had proper market knowledge about market trends and understood the consumer buying behaviour. Canon has a huge brand name and image due to the quality of the product they produced. Their forecasting abilities helped them to think out of the box inventions which no one can ever think of. This led to consistency in sales and people buy more of the Canon rather than any other Competitors company.

Suggestions

Management is getting the work done through peoples, which describes how a team is important for effective management. At some places, teamwork is there but they are not high performing which leads to non-efficiency and leads to ineffective management. If a team is not high performing, it will lead to delayed revenues, higher product costs, and higher support costs for low quality products which will lead to poor product reviews, lack of

innovation, team fatigue and low morale of the employees and the staff Don (2020). With this, it can be concluded that high performing teams and innovation are interrelated and interconnected Satell (2021). Companies must adopt the change and keep themselves updated with the latest technology and work in teams Rayba, (2020).

Teams are a collection of various individuals who work collectively to fulfil common goals Smith (2023). Kodak could not create a business model to be supportive for Team efforts and did not bring innovation, so this caused them to suffer losses. Canon worked in a team and with that, they brought innovation and worked in bringing new and advanced technological products. So, improving your productivity and adopting change is the official mantra for key success.

Conclusion

Work teams are the backbone of contemporary business organizations. These teams could work wonders beyond their self-capacities if there is a deep sense of the goals accomplishment, understanding individual responsibility, mutual accountability, mutual trust, open communication, functional and value diversity of the other team members. The High Performance Work Teams (HPWT) provide several tangible and intangible benefits to the business organizations. The businesses could change, innovate and reinforce innovation culture to have competitive advantage in serving the customers in present business competition.

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