

Team Management Methods for Building a Positive, Efficient and Balanced Team

Research Through the Prism of Motorsport Industry

Abstract

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Title of the thesis Team Management Methods for Building a Positive, Efficient, and Balanced Team Theoretical Research Through the Prism of Motorsport Industry		
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Abstract <p>This research dives into the topic of personnel management. The goal is to describe the methods that will allow the manager to create a balanced work team, use positive management techniques to achieve high efficiency. This study also describes methods of implementing changes in the team and ways to regulate these processes.</p> <p>McLaren Formula One Team is the case company. This is a major Formula One team that faced severe crisis. However, thanks to the introduction of new, radical changes in the management structure, the decisive actions of the new director to eliminate confusion and the introduction of a new positive atmosphere, the team was able to find a working balance and begin to return to leading positions. It is a perfect case because of complete transformation process, which will help to conduct a complete analysis through the prism of the theory of this study and demonstrate a practical result.</p> <p>The described methodology will help to understand the application of positive management techniques, to examine the individual and organizational aspects of the process of change, to understand the principles of building employee motivation, to comprehend the methods of building balance in the team, as well as to understand the qualities necessary for a leader at the head of these processes.</p>		
Keywords Team leadership, human resource management, human relations, positive management, motivation of employees, management of change, psychological balance, team values		

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1 Introduction

1.1 Problem Introduction

Failures happen in the activities of any company. They can have a variety of causes, from global pandemics to miscalculations in tax documents. In times of crisis, companies choose various tactics to get out of the negative situation, depending on the problem. The key element in implementing changes and overcoming problems in general is the work team. It must be remembered that the employees of the company can both help solve problems and inadvertently aggravate them. Management should benefit from the team, not struggle with it.

This research gives a detailed look at the aspect of motivation and maintenance of the positive attitude of the team. This direction becomes especially important in conditions when the company demonstrates unsatisfactory results. There is a need to keep people motivated, since the prolonged lack of results has a negative impact on the mood of the entire team and has an extremely destructive effect; employees may face emotional burnout, a sense of futility of their work and other negative effects that will directly affect their effectiveness (Chua 2022). In such circumstances, it becomes difficult to maintain a positive attitude of the team. Therefore, a detailed study of possible management strategies and techniques is necessary.

It is possible to define the most important feature of innovative and stable companies: the presence of strong and balanced team which is prepared for required changes. Thus, the main goal of the organization is to focus on building a team with strong internal support and positive attitude. However, it is not enough just to assemble a team. This team needs a competent and visionary leader who will be able to introduce the positive approach, set the balance in the team and painlessly implement the required changes.

Through balance, team achieves maximum results and requires minimum control and inputs (Gordon 2022). This way the company gains stability, confidence, and opportunities for active development. The research approach identifies relevant areas of team management that will become an important tool for team leaders striving to achieve high results. That is why it was decided to focus attention on this phenomenon and compile detailed management methods in this thesis. These methods will help in a variety of complex personnel management situations.

1.2 Industry and Case Company Introduction

Motorsport management is the chosen research field. It has some important unique features. It is necessary to know that almost all employees are driven by self-actualization needs. They are passionate about the sport, about their organization. For most of them, working in motorsport was a dream (McKeon 2016). A dream that became real. In this way, each team has a great diversity of people united by one idea. However, one general idea is not enough. Each team should build its own unique value system that could correlate with the values of employees.

A well-coordinated team of a motorsport racing organization is the most effective tool for achieving high results in competitions. Nevertheless, even with high motivation and professionalism, such a team is not able to function without a leader. This leader must be able to create a balance in the team, be able to develop strengths and understand each employee.

The case company is a major Formula One team McLaren F1 Team. During its long history, the team has achieved significant heights, but also faced many problems. Their last crisis began in 2013. It turned out to be incredibly deep and affected all aspects of activities of the team, disrupting internal communications and the balance of the team (Formula 1 2022). Then it was decided to completely restructure. Thanks to the introduction of new, radical changes in the management structure, the decisive actions of the new director to eliminate confusion, the introduction of a new positive atmosphere, the team was able to find a working balance and begin to return to leading positions. This study delves into the theory of team building, and then examines the case of McLaren F1 Team through the prism of created theoretical framework. This creates a clear picture of the processes that took place in the team, thereby allowing a comparison of theory and practical implementation.

1.3 Objectives and Delimitations

This research dives into the relevant topic of effective team building and leadership. Nowadays, many leaders may face the development of negative phenomena in their team or unwillingness to accept changes in order to achieve efficiency. Thus, the objective of this study is to offer team leaders rules and recommendations to achieve effective teamwork, establish a positive atmosphere in the team, implement the required changes, as well as provide practical analysis to evaluate the proposed methods.

Speaking about delimitations, it is necessary to point out that this research does not cover the topic of bringing the entire company out of a state of crisis. This requires a much more

multilateral study, which includes many economic, strategic, and other factors. This study focuses on the issue of team building and its cohesion. It should also be noted that the practical analysis will be carried out within one specific industry.

1.4 Research Questions and Research Methods

This thesis has three main research questions:

- How to build a balanced and effective team with great development possibilities?
- How to maintain the positive attitude of the team in difficult times and how to motivate employees?
- What should a team leader know in order to cope with crisis situations and properly motivate staff?

This thesis is a qualitative research. It includes a great amount of data collection, analysis, and interpretation. The theoretical research is based on the existing literature sources directly related to the topic of personnel management. It allows to create and describe a comprehensive set of methods and practices that managers can use to achieve effective teamwork. The empirical research is based on the analysis of articles, social media monitoring, existing interviews with Zak Brown, CEO of McLaren F1 Team, comments given by employees of McLaren F1 Team and interviews with Formula One media communities. Thus, the theoretical information will receive confirmation of its practicality on the data of the company that has successfully applied these management methods.

2 Human Relations Management Theory

2.1 Understanding the Principle

The theoretical foundation of research is based on the principles of Human Relations Management Theory. It defines a constant relationship between the quality of working conditions, positive attitude, recognition of merit and the provision of opportunities for individual development of the employee and his or her productivity, efficiency, and motivation. Treating employees as individuals gives important benefits for any organization. Individual approach allows leaders to identify the strengths of each employee, understand the direction of development and ensure a good working atmosphere, thereby achieving the highest efficiency from each team member and achieving the ripple effect for the entire organization most effectively. Moreover, special attentions are paid to the meaningfulness of work and use of common values for consolidation of efforts. (Ward 2021.)

Mühlfeit and Costi (2017, 127) emphasize that meaning became new money for the employees. Of course, this statement does not negate the need to provide employees with sufficient finances to ensure the ability to purchase things to meet basic needs. Moreover, wages should provide an opportunity to afford the fulfilment of needs of self-development and aesthetics in the free time. However, money should never be the main engine of motivation. Such motivation is characterized by its fragility, disproportionate growth of needs and additional stress. Thus, it is ineffective in the long run. On the other hand, meaningfulness is much more effective in a long run.

The same idea is confirmed by Mark Murphy (2012) in his research on the topic of personnel hiring. He emphasized that attitude is the most important aspect in organization of the working process, as it defines high and low performance. Each organization has its own culture, attitude, and goals. Thus, all the employees must comply with it. The lack of skill is a much less significant problem than lack of attitude. Moreover, according to the research of author, wrong attitude was the most popular reason of a wrong hire. (Murphy 2012, 3-6.)

2.2 The Positive Leadership

Human Relations Management Theory confirms that positive leadership is a very efficient way for the qualitative development of the organization (Ward 2021). The main idea of positive leadership refers to the use of theories of positive psychology and the positive change. There are three main aspects defining this phenomenon:

- Focusing on a successful performance and aspects that demonstrate positive excellence and outperform the norms.

- Orientation toward the positivity: optimism over pessimism, strengths over weaknesses, etc.
- Focusing on virtue, on the best of human conditions and on what is considered by people to be inherently good. (Cameron 2008, 2.)

It is necessary to recognize the areas with positively deviant performance and use them as a competitive advantage. In this way positive leadership means promoting positivity such as motivation, energetic relationships, individual and collective strengths, vigorous networks, and positive atmosphere in general. The positive approach gives a space for performance development. Development is the key since it is not enough just to fix problems. At the same time, negative aspects cannot be ignored. It is not possible to turn a blind eye to mistakes and problems because they can aggravate the results achieved, block the way for development and achieve full potential of the organization. (Cameron 2008, 5-6.)

Strengths-based approach demonstrates outstanding performance regardless of the application industry. This is not just a theoretical statement; it is possible to confirm these results with statistics. The following list presents the most significant positively deviant aspects of the strength approach:

- Strengths-focused teams demonstrate 12.5 percent greater daily productivity.
- Teams that receive feedback on their strengths have 8.9 percent greater profitability.
- High-performing teams confirm that their employees use their strengths more than 75 percent of the time.
- Teams with high level of employee engagement demonstrate 37 percent lower absenteeism.
- Teams with high engagement demonstrate 12 percent higher customer service scores.
- Employees who receive feedback on strengths have turnover rates 14.9 percent lower than those who do not receive similar feedback. (Buckingham 2007, according to Mühlfeit & Costi 2017, 49.)

It is possible to notice significant rate of positive deviance. It is unwise to ignore such an approach, especially when predicting stagnation. The possibility of development, a high degree of employee engagement and increased performance indicators clearly gives an advantage when faced with any obstacles.

2.3 Increasing the Positive Performance

After presenting the theory, we are approaching the issue of its implementation. Of course, the results and outcome sound very promising, but it is necessary to launch a large cycle of transformations to implement this approach. Thus, the following chapter will consider four main strategies for increasing the positive performance offered by the theory of positive leadership.

2.3.1 Positive Climate

In general words, climate is positive when positive emotions dominate over negative emotions in the organizational environment (Denison 1996; Smidts, Pruyin, & Van Riel 2001, according to Cameron 2008, 17). The key person to facilitate the positive climate within the organization is, of course, the leader. Many people do not understand how much influence a leader has on the climate and atmosphere within an organization through his actions, involvement, and example. Evoking positive emotions of joy, appreciation, or happiness increases abilities of employees to perceive more information, develop cognitive skills and achieve higher degree of effectiveness and creativity. (Isen 1987, 203-253.)

There is another important benefit of the positive climate within the organization. Positive emotions balance negative emotions such as fear, disappointment, or anxiety. Eventually, positivity negates the harmful effects of negativity. (Cameron 2008, 18-19.)

Analyzing psychology research conducted by Baumeister et al. (2001, 323), Kim Cameron concluded that people have much stronger reaction towards negative events than to positive ones (Baumeister et al. 2001, 323, according to Cameron 2008, 19). It is easy to remember many examples of this observation. Remembering studying at school, just one bad mark could spoil the whole perception of the school day, as well as drown out all previous achievements for the day. A similar trend can be seen in various organizations where just one negative review may overshadow several good appraisals, one significant problem may cover several important achievements, one traumatic event may cover several pleasant ones. Negative events trigger more lasting and even obsessive memories than a comparable positive event. That is why it is recommended to brighten the attitude of the employees – to resist negativity and its consequences.

The leader must personally set up the right relationships within the team. He or she should promote this idea and convey its benefits to employees at all levels. Generally, positive climate is promoted by three main emotions: compassion, forgiveness, and gratitude (Cameron 2008, 23).

Compassion promotes the emergence of very close ties in the community. When something bad happens and it affects people, it is very important to realize what is going on. Leaders should allow employees to legitimately share personal problems or worries at work. In this way, colleagues will be aware of the difficulties of others. Moreover, performance interviews from leaders and managers can include both a discussion of personal and professional issues. At the same time, leaders must be sensitive to private concerns. A society is being formed with very close relations, backed up by common values. This approach should be introduced gradually to form, strengthen, and develop trust relationships. The people who make up this society will sincerely treat each other and discover difficulties. (Cameron 2008, 24-25.)

Forgiveness is essential for relations when bad and harmful events happen, such as individual mistakes, cutoffs, etc. Forgiveness allows the team to move forward without feeling the heavy burden of guilt. Cameron quotes Nobel Laureate Desmond Tutu and provides his words as a confirmation of the necessity of forgiveness:

. . . Forgiving means abandoning your right to pay back the perpetrator in his own coin, but it is a loss that liberates the victim. ... We will always need a process of forgiveness and reconciliation to deal with those unfortunate yet all too human breaches in relationships. ... We recognize that the past cannot be remade through punishment. ... There is no point in exacting vengeance now, knowing that it will be the cause for future vengeance by the offspring of those we punish. Vengeance leads only to revenge. Vengeance destroys those it claims and those who become intoxicated with it ... therefore, forgiveness is an absolute necessity for continued human existence. (Tutu 1998, xiii; 1999, 155, according to Cameron 2008, 27-28.)

The first step to develop forgiveness within an organization is to recognize, accept and admit the traumatizing events experienced by employees. Next, it is important to rethink these events as a chance to achieve a new goal and start the development. Focus on the positive future, not the negative past. The following step is to link the results of the organization with a higher goal and correlate it with the personal values of the employees. Individual feelings will be used to achieve a common and unifying goal. At the same time, it is not allowed to forget to maintain high standards. Everyone should understand that forgiveness does not mean tolerance for mistakes, but instead allows employees to achieve better results, leaving behind a load of negative emotions and activating the ability to create, find new possibilities and achieve excellence. Then, convince individuals that their well-

being and condition are as important for organization as the success on the market and profitability. Provide necessary social support to help overcome damaging events and cope with them. Leader should never ignore such events and pretend that nothing happened. Finally, it is needed to pay attention to the wording to ensure that forgiveness is perceived as a legitimate response from organization to the damage caused. (Cameron 2008, 28-29.)

The final aspect of positive climate promotion is gratitude. This sense is born in people when they witness acts of compassion and forgiveness (Cameron 2008, 30). Demonstrating gratitude to other people for their efforts is a much more powerful act than it seems. Simple verbal thanks and letters are very simple, but very effective tools for cultivating gratitude in a team and increasing its productivity and stability.

2.3.2 Positive Relationships

Positive relationships create a thriving field for overall development and prosperity for both employees and organizations because relationships work as reasons for development and successful functioning. Heaphy and Dutton (2008) studied positive relationships and found that they have an exceptional impact on the health of employees. Positive relationships affect hormonal system due to the production of oxytocin, and studies have proven the connection of oxytocin in human relationships, increasing trust and reducing fear. Moreover, it affects immune and cardiovascular systems. Humans experiencing positive relationships tend to have lower blood pressure, stable heart rate, as well as less vulnerable to chronic diseases. (Heaphy & Dutton 2008.)

If people receive love, support, and proper stimulation, then they develop a sense of trust and security. The demonstration of compassion, forgiveness and gratitude creates an atmosphere that is incredibly beneficial for people. Soon, a person begins to adopt this model of behavior, and the leader is assigned the role of the instigator of such transformations.

As mentioned earlier, a personal example is incredibly important and effective. The leader is obliged to follow the set rules himself, as well as to notice and develop the strengths of his employees. It is already known from this study that working on negative aspects teaches to correct mistakes but focusing on strong and positive results opens up great prospects. Considering all of the above, a positive approach should be encouraged in order to gain greater understanding, acceptance and use among employees, as this goes only for the common good. If beneficial conditions and relationships are created in the organization, then progress can accelerate and strengthen to a very significant extent. (Cameron 2008, 40-48.)

2.3.3 Positive Communication

Positive communication is a significant component of the positive leadership theory. The previous two chapters mentioned the importance of communication, but now it needs to be highlighted separately. The positive communication happens when negative and critical method of interaction is replaced by supportive, motivating, and positive. It has been mentioned already that people have much stronger reaction to bad events than to good ones. Positive communication is aimed to ensure the progress of positive climate and positive relations, it is like a binder solution.

Again, leader has the decisive role. The main way of enabling positive communication is to reduce the amount of criticism and negativity and replace them with strength-based feedback and supportive endorsement. However, it is necessary to hold balance since too much positivity may cause arrogance and overestimation of own abilities. On the other hand, too much negativity may cause disappointment and withdrawal. (Cameron 2007.)

The role of leader is to ensure fair feedback, especially when it is required to convey criticism or correct mistakes. Once again, it is necessary to repeat that the principle of positive management is not based on ignoring and avoiding problems. They need to be discussed and commented to ensure the search of solutions. Communication should be based on support, as it is aimed at preserving or strengthening positive relationships, while at the same time solving an actual problem. It must be accurately described, without allowing the individual to be blamed for creating the cause of this problem. Attention is focused on the consequences of mistakes with an appeal to personal feelings. In this case, the main energy of the individual will be directed precisely to the elimination of errors, and not to the mechanisms of his own protection. (Cameron 2008, 60-64.)

2.3.4 Positive Meaning

People must understand what they are doing, what is the higher purpose and personal meaning of their actions. Combined with positive communication, relationships and climate, a positive meaning appears (Cameron 2008, 67).

Individuals may be classified into three groups according to their attitude to work. The former consider work only as work and labor; their main goals are purely material. The latter consider work as their own career; their main goal is to achieve personal success. Still others consider work as a vocation. They see much more in their tasks and understand that they can bring real benefits to society. The very essence of the work is a goal for them.

They get involved in the activities and strive to contribute. This approach creates positivity and commitment to the job, as well as to the company. (Wrzesniewski 2003, 296-308.)

Literally any job may use the benefit of meaningfulness by creating suitable conditions. If employees can notice the impact of their work on others, realize their own contribution to the well-being of society, they grow high sense of importance followed by subsequent growth of productivity and organizational involvement (Cameron 2008, 73). Also, meaningfulness is fostered through the community building. If four described strategies are properly implemented, there is a very strong, reliable, and trusting community of employees. This sense of community is a powerful factor in the efficiency of work and the presence of positive prospects, as well as resilience to crisis phenomena (Rousseau 1992).

2.3.5 Summary

The implementation of these methods requires consistency and repetition. Much of the above has unifying repetition and similar methods of action for the leader. This is the essential principle: consolidation through repetition, so that the meaning clearly penetrates into the consciousness of the audience of subordinates, gain a foothold there and gain meaningfulness. These four strategies are reaching its peak efficiency level when leaders interact with their subordinates on a regular basis and provide them with clear instructions, share details of the plan and, most importantly, charge them with own example, motivate, support and guide.

To sum everything up, it is possible to witness actual comparison between theory and practice. Based on a personal experience of author and his closest colleagues, it is possible to definitely name several distinctive features of an excellent atmosphere and culture in the organization. First of all, people are happy to make new friends and sincerely celebrate achievements of each other. This is a sign of positive relations. Next, all the team members have a high level of trust in each other and their leaders, people can express their honest opinions and concerns. This is a sign of positive climate. Also, the employees feel comfortable to ask for help, not afraid to admit mistakes, trust their own actions and have a feeling of authority within their role. This is a sign of positive communication. Finally, people are able to implement their thoughts and learn new things, and they have a sense of teamwork. This is a sign of positive meaning. Thus, these observations confirm that all four positive strategies are efficient and should be perceived as an essential tool for successive team management.

3 The Leader

It has been repeatedly mentioned in this study that the leader is given the most important role in an effective team building process. This is absolutely logical, because it is the decisions of the leader that guide the entire process of transformation, building relationships and all other actions. However, it is not enough to simply describe the actions that a leader must take to achieve excellence. It is necessary to understand who the leader is and how to be a good leader.

Mühlfeit & Costi (2017, 275) shared their observations followed from their own business experience. They found that a good leader is recognized by three features:

- Substance: Doing things they are good at. They are competent.
- Style: Being a good, authentic person. They have character.
- Service: Giving for the good of others. They are caring.

Good leaders achieve their phenomenal results not by correcting wrong things but building on the right things (Mühlfeit & Costi 2017, Xii). Furthermore, strong leader is always looking for own improvement. In his book "Positive Leadership", Kim Cameron (2008, 1) comes up with a question that every team leader should ask himself: what can I do if I want to become a more effective leader? The answer given by author is to apply principles of the positive leadership since it opens the possibilities for development and extraordinary performance (Cameron 2008, 2). A lot more attention is put on negative aspects compared to the positive. In this way, the key feature of the positive leader is emphasis on the successful and strong aspects of the organization and its activities even in the difficult times (Cameron 2008, 21).

Leader must learn to apply power and dose its level. Strong and devoted leadership is vitally important for innovation development. At the same time this leadership should be authoritative, but not authoritarian. The paradigm of command and control has radically lagged behind the era, it must be abandoned. Actually, rules and regulations should be kept to a minimum. Authoritative leadership is a compulsory prerequisite for creating a favorable and positive climate. The leader must create an atmosphere that encourages people's natural desires to think creatively and implement new ideas. People need space for free creativity, and at the same time they need to see the commitment of the top management to this undertaking. Moreover, authoritative leaders accept pluralism of opinions and encourage people to express their own opinions, using them as a source of new opportunities; they create a feeling of healthy disrespect for unconditional authority in their people. These leaders know how to encourage good work, how to value

achievements and promote people. This is the way innovations are created and effective progress is achieved. (Kets de Vries 2001, 205-206.)

Organizations need authoritative and respected leaders because of their contribution. Such leaders enjoy their own development and the development of their employees, they strive and ready to take on the role of coach, guide and source of support and employee engagement (Kets de Vries 2001, 205-206). We see the absolute importance of personal involvement of the leader. These are the features of charismatic leadership. This style is based on the personal authority of leaders and their ability to lead the team. They give clear plans and tasks but leave communication honest and open. The most valuable and significant thing in such a leader is confidence in his own actions, a sound understanding of his competence, unshakable optimism, and the ability to charge others with his example and passion. Strong charismatic abilities are embedded in a person from early childhood, but they can be developed through psychological emancipation, natural experience, and preparedness (Waters 2021).

3.1 Developing Team Strength

Positive leaders are the most important and inspiring example for the team. Strengths-based approach requires leaders to act as coaches, guides and motivators, not authoritarian rulers. Positive leaders do not spend time on micromanagement, make orders for every step and analyzing every single mistake. Instead, they inspire, motivate, navigate, and support employees in developing their strong qualities. Thanks to this approach, they can dedicate themselves to favorable activities and enjoy them, while increasing their individual productivity and contribution to the team. (Mühlfeit & Costi 2017, 58.)

Mühlfeit and Costi (2017, 58) advice that one of the best ways to implement a strengths-based approach in a team is to start small. Manager can choose two or three areas for each member of the team to develop them through training or coaching. Also, it is possible to try new method on a small project team as an experiment. This start will provide an excellent opportunity for the team to achieve some quick positive results and ensure strong motivation for further activities and achieving results. (Mühlfeit & Costi 2017, 58.)

At the same time, the leader will be able to understand which techniques take root best, as well as what it turns out to cope best. In addition, it will be possible to see how formal processes work, such as performance discussions and compliance with directives. Of course, the leader should not lose sight of the analysis of the own actions: what went well, what did not go well enough, how can the situation be improved. Give clear answers to these questions and develop yourself on the way to success.

Training and learning processes are vital in order to unleash strengths, develop and capitalize on them. To ensure the right flow of development and professional growth, Mühlfeit & Costi (2017, 59-61) recommend following these steps:

- Set goals for learning and training processes
- Create the detailed development plan
- Provide fair feedback and overview for every necessary step

A logical continuation of this idea is that the leader should also develop himself, learn. Successful leadership is built not only from theoretical knowledge, but also from real practice and experience. Job is the best place to deepen the actual knowledge. Practice is the path for a business and management excellence. Knowledge should be used, transferred into actions, practiced, and updated to time. Lack of initial charisma may be compensated by practice, experience, and live interaction (Waters 2021). Next, it is important to remember that the process of learning consists of wins and losses, successes, and mistakes. Self-assessment is a fundamental method of unlocking potential of strengths, understanding the direction of self-development and increasing awareness of areas that need to be improved. This is easier than seems: there is no need to go deep into a massive comprehensive analysis, it is enough to focus on some personal guiding solutions that can be used as cornerstones for the development process. Finally, it is good to learn from role models. Successful leaders came a long way and achieved a lot. Why not take advantage of their experience and explore the qualities that make them unique? Learn lessons, stories and messages about leadership that can be accessed by analyzing selected role models. Use this knowledge to speed up and supplement the learning process. (Mühlfeit & Costi 2017, 61-63.)

Awareness will make skills much broader, more active, and prudent. Thanks to this, it will be possible to quickly respond to negative phenomena, invent and implement actions to counteract the crisis and maintain the mood in the team. The example of a leader is the best bar and scale of measurement for employees. In turn, the responsiveness of the leader will allow them to reach this bar.

3.2 Faith in the Team

Sincere faith of the leader is the most important factor in motivating the whole team. Each team member should feel that leaders believe in him or her. Moreover, leaders are never scared to expect the best from the team and push employees out of their comfort zone. If the leader believes in the unparalleled strengths of his team members, it has a possibility

to become an effective tool, as it demonstrates trust and respect. This is a stimulating factor in achieving incredible goals.

Keep in mind that manager must be as dedicated as the team, and even more. All exceptional leaders, true business professionals, never get tired, bored, and never lose their interest on the road to excellence. They guide their teams and illuminate the way. Their words and actions confirm their commitment and determination to win. Thus, the leader must demonstrate full commitment to the cause and be ready for all the needed actions – to get out of the own zone of comfort, make necessary sacrifices, take risks, accept responsibility, and demonstrate strict self-control. Such dedication and actual presence in the actions of the team will inspire employees to stick to the course chosen by you. If the leader does not stop trying to achieve his best, the team will follow his example. (Mühlfeit & Costi 2017, 111-112.)

4 Establishing a Balance in the Team

4.1 The Mission

It was previously described that meaning and attitude are key elements of motivation and consolidation of individual employees into a team (Mühlfeit & Costi 2017, 127; Murphy 2012, 3-6). To start creating a balance in the team, it is essential to pay attention to another cornerstone of the organization, without which its existence is radically impossible: the mission.

Andrew Campbell created a diagram explaining the concept of mission. It consists of four elements. The first one is purpose. Of course, the main purpose of an organization is to be profitable and provide stakeholders with a satisfying benefit. However, following only the financial benefit can cause deep dissatisfaction among the employees. The purpose may include much more, such as striving to satisfy all their stakeholders and product users, as well as striving to bring benefit for the whole humankind. This is the path of the company, and on this way to achieving the purpose, the company needs the second element, the strategy. It should build strong principles of the achieving the goal, understanding of the competitive advantage, positioning, and ways of acting. (Stacey et al. 1993, 126.)

Purpose and strategy need framework for precise implementation. That is what defines the third element, behavior standards. These standards govern all the processes inside the company, describe the way of action to achieve the goal. They are particular, logical, and precise, but employees are humans with inherent emotions and feelings. Something creates meaning to rules and behavior standards. Thus, there is a need to consider this moral aspect and principles that establish the culture of the company. This is the fourth element. It is called values of the company. (Stacey et al. 1993, 126-127.)

At the same time, employees, as individuals, have their own values. They build their own sense of mission – an emotional commitment to the mission of the company. Here it is possible to catch the core idea: the sense of mission appears when the values of company correlate with the values of employees, so they see the deeper meaning of their work, activities, and involvement. Only in this case it is possible to speak about the development of deep emotional commitment of the employee; it comes when a person can understand and share the values that compile the strategy of organization. Thus, the strategy of the company is no longer a working goal confirmed only by orders and directive, now it has turned into a mission. Sense of mission brings the satisfaction and fulfilment for individuals because it gives them a clear sense of meaningfulness. (Stacey et al. 1993, 126-127.)

The same idea is supported by positive management theories. The positive meaning implies the use of links between things that are significant for individuals and the benefits created by the organization. There is no doubt that people have different values, and their values can vary greatly, but some of them are very common and universal — for instance, kindness, caring, willingness to help, the desire for justice. If organization links work to such values, then, as a rule, its meaningfulness for individuals increases significantly. (Cameron 2008, 74.)

4.2 Building a Balanced Team

It is important to bring balance to the team. Sometimes it is enough to guide people and simply develop their current strengths, but sometimes there is a need to restructure the whole team to ensure the balanced work. The key strategy is to bring together people with different strengths and balance them so that they complement each other in the team. Strong teams are diverse and independent, so managers have to create a team synergy by positioning each member of the team to the position where the person does what he or she does best. (Mühlfeit & Costi 2017, 50.)

The process of organizing a team and building a balance is not only due to the individuality of each team member and the environment, but also has clear goals and methods. Next, the methods of effective team building will be described, which will lead to the creation of a balanced team.

4.2.1 Combine Strength of the Team Members

All team leaders should identify the strengths and weaknesses of their employees and understand their individual contributions. By combining individual data from the scores of individuals, leader gets an overview of the collective features of the entire team. (Mühlfeit & Costi 2017, 50.)

There are many different grids and strategies for this evaluation. The idea behind this is that it becomes possible to capture and understand the current features of the team in a simple visual form. It is a necessary information to consider before setting the plan of actions for each individual to reach the goals of the organization.

As an example, it is possible to use the expertise level model. It allows the manager to divide employees into groups according to their fields of activity and skills, providing the result in a simple and understandable form. The model has four categories:

- *broad expertise (e.g., industry experience, market knowledge or competitor insight)*
- *specific functions (e.g., technical, finance, marketing, administration, etc.)*
- *soft/people skills (coaching, negotiating, relationship building)*
- *overall approach/inclination (e.g., strategic, action-oriented, structured, hands-on)* (Ashman, J. & Shelly, S. 2011, according to Mühlfeit & Costi 2017, 50-53).

If the research requires more detailed information, it is possible to mark the level of expertise in the field of every team member. (Ashman, J. & Shelly, S. 2011, according to Mühlfeit & Costi 2017, 50-53.)

4.2.2 Who Does What?

In a well-functioning and effective team, it is necessary to understand who does what in a teamwork. A great method for evaluation is Belbin's Team Roles model. Dr. Meredith Belbin found out that individuals may be divided into three groups by the distinct orientational patterns: action-oriented, people-oriented, and thought-oriented. In turn, each of three groups is divided into three roles. Action-oriented group has the roles of shaper, implementer, and completer-finisher. People-oriented group has the roles of coordinator, team-worker, and resource investigator. Thought-oriented group has the roles of plant, monitor-evaluator, and specialist. These nine roles have to be covered to ensure the balanced teamwork. However, it is important to remember that some members of the team can combine several roles successfully.

The following graph demonstrates the grouping and brief description for every role:

Table 1. Belbin's team roles (adapted from Belbin.com 2022)

Action-Oriented	Shaper	Challenging and dynamic. Thrives on pressure. Has the drive to overcome obstacles.
	Implementer	Disciplined and reliable. Converts ideas into practical action.
	Completer-Finisher	Conscientious and accurate. Ensures timely completion of tasks. Polishes and perfects.
People-Oriented	Coordinator	Mature and confident. Clarifies goals and acts as a chairperson. Delegates effectively.
	Team-Worker	Perceptive and diplomatic. Encourages cooperation, builds morale, and averts friction.
	Resource Investigator	Outgoing and communicative. Explores new opportunities and develops contacts.
	Plant	Creative and free-thinking. Generates

Thought-Oriented		ideas and solves difficult problems.
	Monitor-Evaluator	Serious minded and strategic. Analyses the options and judges accurately.
	Specialist	Dedicated and self-starting. Provides in-depth knowledge and specialized skills.

Belbin's team roles classification is a great tool for a manager to analyze the team, considering their stronger and weaker sides (Mühlfeit & Costi 2017, 54-55). When looking at this classification, it becomes obvious that different roles fit best for different circumstances. Speaking about crisis conditions, a team especially requires:

- A strong plant to generate innovative and effective ideas.
- A strong monitor-evaluator to examine threats and risky areas.
- A strong coordinator to ensure the flow of change.

Other team roles should also be fitted with competent professionals to ensure balance and prevent lag and desynchronization. Once again, individual balancing is very important for the implementation of this strategy since the mission is to distribute activities and tasks among the team members to use their strengths and provide space for development. (Mühlfeit & Costi 2017, 55.)

4.2.3 Getting the Balance Right

Famous psychoanalyst Wilfred Bion described the internal confrontation of the individual caused by the basic instincts:

The individual is a group animal at war, not simply with the group, but with himself for being a group animal and with those aspects of his personality that constitute his “groupishness” (Bion 1961, 131, according to Stacey et al. 1993, 99).

Newborns have no sense of self. It is developed as life progresses, gaining a unique experience, and establishing relationships with other people (Stacey et al. 1993, 99). Human is a social animal, but developed brain created the strong sense of individuality. This is an internal fight that every person faces to a certain extent. Each team is an association of individuals, and then internal conflicts create external ones. That is why balance and positive atmosphere help to reduce this fight.

Effective team is a combination of styles and approaches that equilibrate each other. People should have different types of behavior. Otherwise, the team will be unstable, heeling and drowning. A good example is a team full of introverts. This team will lack open communication and will struggle to introduce rapid changes. A balance is necessary. Moreover, it is vitally necessary. These mentioned problems may be covered easily, as in the balanced team strengths of each member can overcome the weaknesses of the others. The same applies to leaders, as there is a need to split areas of leadership: strategic thinking, influencing, relationship building and executing. (Mühlfeit & Costi 2017, 56-57.)

4.3 Psychological Balance of Individuals

4.3.1 Positive-Energy Networks

Positive-energy networks are based on the positively deviant performance approach and help to bring balance to the team. Baker, Cross, & Wooten (2003, 328-342, according to Cameron 2008, 42-43) claim that individuals in the team can be described as positive energizers or negative energizers. Even from the first guess it becomes clear that these groups are polar, and that is why balance is strictly required here.

Positive energizers are people with strong vitality. They literally “charge” others with their energy, interaction with them awakens feelings of cheerfulness and activity. Their key features are openness, optimism, honesty, attention to others and activity. On the contrary, there are negative energizers. They literally “sap” energy and enthusiasm from others, interaction with them awakens feelings of fatigue and emptiness. Their key features are low activity, isolation, skepticism, and distrust. (Baker, Cross, & Wooten 2003, 328-342, according to Cameron 2008, 42-43.)

Positive energizers take active roles within their organizations and inspire others for better productivity. Such people have a very high degree of success and result achievement due to their inspiring approach to business. Moreover, their energy is transferred to others and provokes them to improve their own results. (Baker, Cross, & Wooten 2003, 328-342, according to Cameron 2008, 43.)

Since positive energizers are able to affect other employees in the positive way. Management should benefit from positive personalities by placing them in positions with more contacts and interactions. They can become direct distributors of ideas of the leaders. Positive energizers can accelerate the dissemination and acceptance of these ideas among employees, as well as help and train them. Thus, they are a perfect tool for promoting positivity within the organization. (Cameron 2008, 44.)

In their turn, negative energizers may cause communication problems. Such negativity does not reflect the skill level, it reflects the personality of the individual. Most of negative energizers are highly qualified specialists, but at the same time they produce a danger for the organizational balance. They cannot be completely eliminated, because all people are different, and diversity is necessary for balance. However, it is possible to apply specific methods to optimize their position in the group. To combat this phenomenon, the leader needs to be as honest as possible and explain to the employee that his approach is destructive and explain the possible consequences. Then, it is necessary to provide opportunities for development. Carefully and unobtrusively present the benefits of a positive approach and inspire the employee to self-improvement. If the situation does not improve, then such an employee should be separated from important communication nodes in order to avoid "infecting" the entire network with this approach. At the same time, it is necessary to leave the opportunity to engage in preferred and professional activities and simultaneously try to improve the situation. If it does not work out either to change the approach or to reduce the damage to the team, the employee should be offered to try his hand at another organization with more beneficial possibilities for functioning. (Cameron 2008, 44-45.)

It is natural that positive energizers differ in their "range", so they can energize only some people, not all. To have a clear and easy understanding on the situation, managers can create an analysis of networks to understand zones of positive grouping, zones of negative distribution, as well as isolated individuals. For example, it can be an interview with employees, where they will be asked to evaluate people by their energizing or deenergizing influence. Also, it is possible to ask them to name the most energizing

employees in the organization. After that, it remains only to systematize knowledge and use it competently. (Baker 2000, according to Cameron 2008, 45.)

4.3.2 Hypomanic and Alexithymic

From the psychological point of view, positive and negative energizers are important and balancing types of behavioral patterns. However, these two groups have two extreme and very dangerous degrees of development described by psychology: hypomania and alexithymia.

Hypomanic people are inspirational and self-confident, but at the same time they are very unpredictable and explosive, an outburst of emotions and energy can occur at any moment. However, thanks to their charm and charisma, such people can influence others very effectively. Of course, these people can be very easily identified anywhere as objects of attraction. These people can easily assume leadership roles and have the ability to stretch and form the people they operate with. They charge with their energy, have the highest dedication, and motivate others to make efforts that go beyond their official duties. Their emotional enthusiasm and involvement may be a key component in ensuring the maximum experience and company performance, as well as building positive-energy networks (Kets de Vries 2001, 55-58). These qualities make them extremely good at envisioning due to their ability to find unique solutions to problems and choose the right ideas from all the variety. In addition, they are very perceptive in assessing the heterogeneities of the environment thanks to the ability to recognize serious changes in the surrounding world (Kets de Vries 2001, 67).

Hypomanic behavior may become confusing for others and cause difficulties. These people are tireless and charismatic, but they often influence people in an aggressive way and seek to spread their influence; they also tend to be extremely confident in themselves. Thus, hypomanics may be very exploitative, authoritarian, and manipulative (Kets de Vries 2001, 65). If such phenomena are not managed, hypomanic people will soon be ignored and avoided by colleagues, which will cause active rejection, exclusion, and closure of development opportunities (Kets de Vries 2001, 72).

Kets de Vries (2001, 73) advises to use universal and clear method for hypomanic tendencies recognition. To understand whether a person develops hypomanic phenomena, it is necessary to evaluate a person with the help of specific questions such as:

- Is this person overly talkative?

- Does this person aggressively contact others to such an extent that they feel a personal invasion?
- Does this person make inappropriate jokes?
- Does a person express a feeling of excessive well-being?
- Does this person have an inflated sense of self-esteem?
- Is this person making unrealistic plans?
- Is this person short-sighted?
- Does a person get annoyed quickly when something goes wrong the way he wants?

It is necessary to recognize the danger signs and manage the negative phenomena. The possible treatment is psychotherapy supplemented by required sedative medication and social support. (Kets de Vries 2001, 73-90.)

Alexithymic people demonstrate completely opposite picture. They have a weak manifestation of emotions, and this can cause problems. Their emotions are suppressed, and now they barely distinguish them and practically do not experience them, despite various provoking and vivid events. As a result, they are “invisible” to others and create the impression of passive and un initiative personalities. (Kets de Vries 2001, 55-56.)

For these people, emotions are something out of place, dangerous, chaos inducing. Such people turn away from emotions, believing that feelings have to be controlled or suppressed. They refuse emotions and believe that feelings have to be controlled since they perceive emotions as something inappropriate, dangerous, and chaotic. Thus, connections of alexithymic people are based on facts and necessity, so their cooperation becomes depersonalized, formal, and emotionless. They simply do not understand the feelings of others, but these others notice that approach. Lack of emotional connection, if it lasts long enough, can be highly contagious, demotivating people and contribute to organizational underperformance by causing alienation and negativity. (Kets de Vries 2001, 59.)

Apathy may be very dangerous for balance. Supportive psychotherapy is the most effective therapy in a time-effectiveness outlook. Group and family therapy can also be helpful when relatives, group members, and leaders provide assistance in teaching emotions. (Kets de Vries 2001, 90.)

4.4 Factors of Teamwork Destruction

There are several factors that destroy balances teamwork. There are covert and overt conflicts that are destroying communication and teamwork. Teamwork may be destroyed by the accumulation of power by one individual, accompanied by a loss of objectivity in the senior and an increase in the dissatisfaction of subordinates. A similar cause of conflict may be a difference in status when certain team members begin to consider themselves much more experienced. They actively demonstrate their “superiority” by suppressing less experienced team members. Another factor is self-censorship, when some individuals may avoid activity in the group and conceal questions and problems that may disappoint the group. The last factor is also related to the group. Groupthink occurs when an individual submits to the pressure of the group and does not resist even if they disagree, silently obeying the “party line”. (Janis 1972, according to Kets de Vries 2001, 189-191.)

These factors should be under the constant supervision of the leader. They should be found out through careful observation, interviewing employees for problems, as well as getting a new picture thanks to the view and opinion of an independent appraiser. Strong and cohesive groups demonstrate an excellent ability to level potential conflicts due to attention to employees and competent leadership.

In his study, Kets de Vries (2001, 192-203) shared seven main lessons that ensure effective teamwork and reduce the possibility of the manifestation and development of destructive phenomena:

- *Members respect and trust each other*
- *Members protect and support each other*
- *Members engage in open dialogue and communication*
- *Members share a strong common goal*
- *Members have strong shared values and beliefs*
- *Members subordinate their own objectives to those of the team*
- *Members subscribe to the distribution of leadership.*

These factors are already well known from the previous chapters. Now they receive additional confirmation of their effectiveness thanks to psychological research. Therefore,

taking this opportunity, it is necessary to repeat once again: the role of the leader is key in the implementation of all these events.

4.5 Motivation

It is possible to define motivation as something that energizes, leads, and supports human behavior. From the Human Resource Management perspective, motivation may be described as the desire of a human to do the job in the best possible way and achieve the goal set, regardless of the efforts made. Motivation theory seeks to study and describe why employees are more motivated, happy, and satisfied with a certain type of work, but lose all these advantages with another. It is required for managers to have a good understanding of motivation, because employees with high motivation are more likely to achieve much more and outperform employees with low motivation. (Gomez-Meija, Balkin & Cardy 2009, 86.)

It is enough to take a superficial look at the Maslow's hierarchy of needs to realize that money is not the main motivator (Maslow 1943). Even colossal amounts of money cannot satisfy the need in self-actualization and even some esteem needs. At the same time, it is important to understand the basic needs of a person. There will be no satisfaction without the sufficient and timely salary, as every person needs the money to satisfy the basic needs and open the way for self-development and self-esteem. Even with the highest motivation, employees can lose it due to dissatisfaction with the fulfilment of their basic life needs. The idea and values of the company are becoming increasingly alien to employees because they do not feel the material value of their work and respect for the company at this very basic level. If the salary was low initially, then the level of commitment to the company and its ideas may significantly drop when some negative phenomena occur. (Mühlfeit and Costi 2017, 127-129.)

However, if the initial salary and social bonuses were one of the factors that distinguish the company from competitors, the employee will take the internal behavior of the organization more personally. Even a possible salary reduction due to crisis phenomena will be perceived as a contribution to the benefit of the entire organization, the idea and attitude are more important than money. The conclusion is obvious: in order to form a strong involvement in the activities of the organization and activity, it is necessary to meet the basic needs of employees in money, social conditions, occupational safety, and positive communications.

It is required to designate that these aspects itself do not bring enough importance and sustainable motivation. The most successive and pleased leaders are not motivated by

money and corresponding objects, but they build long-lasting successful progress on helping people identify themselves, strive for self-realization and achieve it. Thus, people grow as individuals and become highly effective. Nowadays the purpose attracts much more than profit, as well as the need for social interaction, flexible working conditions and ability to learn new skills. (Mühlfeit and Costi 2017, 127-129.)

The same idea is supported by the Two-Factor theory by Frederick Herzberg. Gomez-Meija, Balkin & Cardy (2009) took a personal interview with Herzberg to get the insights of the theory.

This theory of motivation provides the basis for a better understanding of what employees consider satisfactory and motivating or unsatisfactory and destructive motivation. The first group consist of motivational factors. They include values, the desire to create new things, pleasure of professional activity, respect for their work and recognition of achievements. These are the core factors that make job satisfying and boost the motivation. If there are no such motivators, then employees, with a high probability, will not be satisfied with their job. Also, there will be no motivation for them to achieve the highest possible result. (Gomez-Meija, Balkin & Cardy 2009, 86.)

It is remarkable that salary and payments is not included in the motivator list. Financials are related to another group of secondary factors. Herzberg called them hygiene or maintenance factors. These factors are external to the very essence of the work, they compile the work environment. They include salary, benefits, workplace safety, different working conditions, and also relationships with leadership and other employees. If these factors are not provided, then employees will experience very high dissatisfaction and lose any motivation to achieve suitable results and even contact within the working collective. At the same time, if management provides decent factors of the second group, employees will not be dissatisfied, but they will not be motivated to reach their full potential. In order for employees to perform their work efficiently and be satisfied, management must provide some motivational factors of the first group. (Gomez-Meija, Balkin & Cardy 2009, 86.)

As a result, jobs should be designed in such a way as to provide employees with as many motivational factors as possible in order to achieve maximum efficiency. Also, there is another conclusion, and it was already mentioned before. Author designates that bringing changes to maintenance factors is not likely to sustain improvements in employee involvement and motivation in a long run. The only option is to bring changes to the work itself through main motivational factors. (Gomez-Meija, Balkin & Cardy 2009, 86.)

Another major aspect of motivation lies on an important leadership factor. This is the need to create an environment that allows and encourages employees to enjoy their work.

Based on the examples of the most effective leaders, it is possible to conclude that people are much more productive when they experience joy. The feeling of pleasure from work increases productivity and encourages creativity and freeness. This is due to one of the main systems of motivational needs of humanity: the need for research and exploration (Lichtenberg 1989, according to Kets de Vries 2001, 113). In this way, the ability to create enjoyable atmosphere in the workplace is an essential factor of effective and productive leadership (Kets de Vries 2001, 113).

4.6 Summary

The most important conclusion from this chapter is that a team cannot be strong without balance. First, the team is united by common values. The peak of efficiency is achieved when the values of the organization and the values of employees are balanced. Further, a clear distribution of roles and identification of strengths and weaknesses of each employee is required. Through balancing techniques, the strength is multiplied, and the disadvantages are leveled.

All people are individuals. They are distinguished by a unique set of qualities, including an attitude to communication, openness or closeness, and many others. All these qualities must be taken into account in order to build the most effective and comfortable structure of interaction in a team. Also, people need to be motivated. Strong motivation gives tremendous opportunities for the development of the team, strengthens the balance, and allows the team to better resist negative phenomena.

5 Need for Change

If an organization faces problems, it strives to find a solution to overcome them. There are various reasons for crisis phenomena. Overall, there are six main types of changes grouped by the triggering factor:

- Organisational
- Market-led issues
- People issues
- Technology
- Entrepreneurial-creative
- Economics. (Wille 1989, according to Stacey et al. 1993, 30.)

Change is not just about creating new goals and striving to achieve them. Change is about understanding yourself: organization, employees, management. Regardless of the problem factor, special departments conduct the necessary research, prepare plans and strategies to overcome the crisis. The role of the team leader in this process becomes critical because he not only participates in the development of the strategy, but also works directly with the team to ensure the smooth execution of the change plan. If the organization diagnosed the need for change, it faces new issue: how to create the necessary change within the organization.

It is not easy to start the process of change. Individuals tend to hold on to certain well-known patterns. These patterns may be described as irrational and erroneous by outsiders, but they are completely normal for the group members. (Kets de Vries 2001, 216-219.)

It has already been described that changes can be grouped by triggering factor. They characterize the reasons why changes may be required. When the process of preparing for their implementation within the organization begins, a new classification arises. Within the organization, there are two types of change: personal and individual. It is necessary to understand that without creating a competent strategy for both aspects, a qualitative process of change is impossible. They should be introduced together since they have many complementary factors. They will be described in detail below.

5.1 Personal Change

Personal change has three preconditions:

- Discontent crystallization. Realization that neither minor changes in behavior nor the passage of more time would improve the situation.
- The focal event. A tipping point that can demonstrate the depth of the problems and set the stage for change. Emotional energy is transferred from the aspects of the past to the aspects of the present and future.
- The public declaration of intent. A direct indication and statement that previous mechanisms of defense, such as denial and projection, have exhausted themselves. (Kets de Vries 2001, 216-219.)

5.1.1 Phases of the Personal Change:

Shock. The person is not ready to understand and realize that anything is wrong. However, there is a vague sense of discontent. This sense can be hidden or ignored until it becomes so strong that it is no longer possible to ignore it. (Kets de Vries 2001, 222-223.)

Disbelief. This stage includes the denial of unfavorable conditions. The feeling of confusion and disorientation dominates. At the same time, there is a search of missed aspects followed by sadness and disappointment. (Kets de Vries 2001, 222-223.)

Discarding. There is a gradual rejection of the old models of thinking, feelings, and actions. The individual undertakes preliminary research aimed at exploring new possibilities and establishing a new balance. (Kets de Vries 2001, 222-223.)

The final stage implies a change in the inner world of a person and acceptance of a new reality. Individual has accepted and took the proactive position. The former patterns of thinking, feeling, and acting thrown away because individual adopts a more forward-looking orientation. (Kets de Vries 2001, 222-223.)

5.2 Managing the Organizational Change

5.2.1 Organizational Resistance to Change

Many people of organization start to experience a fear of the unknown and lower their job security when the process of change is enabled. Some people are stuck to the old patterns of behavior, so they are afraid of new changes. Some fear that the change will reduce their

authority and benefits, some fear the change will require them to work in a different way and learn new knowledge.

These factors of resistance could and should be managed. Change manager has to make it clear that the current state of affairs is much more dangerous than it seems, and the exploration of the unknown will have less problems. It is needed to reduce the stress and inspire hope, the link between preparation and implementation. (Kets de Vries 2001, 225.)

5.2.2 Inciting Discontents

Discomfort with the current state of affairs is the great motivator for the change process of individuals. In turn, stress drives organizational change. Pressure, which comes from both outside and inside the organization, is the main tool of creating awareness for the need of change. There are many stress factors such as morale problems, labor problems and inefficient management (internal problems), as well as high competition in the market, decrease of the market share and political instability (external problems). These factors increase the frustration among the employees. In the end, it is no longer possible to ignore the problems, so the vast majority of people realize and support the need for change. (Kets de Vries 2001, 226-227.)

5.2.3 Fostering the Hope

Leaders must create and provide protection against excessive stress. To ensure that, it is necessary to present a strong and viable alternative to the current situation. Leaders need to rethink familiar and established cultural guidelines. It is also incredibly important to try to rethink the positive aspects of change efforts and use them. They have a mission to establish pride in the history of organization but at the same time notice that there is a need to move forward without being tied to the past to reach. At the same time, it is good to refer to the legacy of the organization and its past achievements in order to use it together with the presentation of a new way of acting. In this way, a hope will be created. This dual approach creates a meaningful opportunity for a fresh start. (Kets de Vries 2001, 227-229.)

Cognition without affect cannot lead to changes. In this way, leaders should strengthen emotional commitment, thereby creating energy to support the process of change. Leaders should explain to all employees that they are not perceived as simple, uninvolved, and faceless elements of the change process. On the contrary, leaders should involve all employees in the development and implementation of change efforts as it has a high emotional impact. In addition, the involvement of all employees creates a sense of control

over the process, which, in turn, has a significant impact on reducing stress. (Kets de Vries 2001, 227-229.)

5.2.4 Emotional Commitment

The next aspect to consider is the cultivation of emotional commitment. It generates the necessary energy among the employees to participate and support the process of change. It is impossible to achieve understanding without involvement. Thus, to create a deep emotional impact, it is necessary to convey to employees the idea that they are all perceived as important parts of the company, that they are relied upon and needed for planning and implementing changes. In an attempt to enlist the support of employees in the process of change, leaders should create their message with simple language and repeat it for employees. People need to have a clear understanding of the message and receive confident confirmation of the course because they are already dealing with the consequences of the losses caused by the process of change. Leaders should use every possibility to get their message across to reinforce people. Moreover, leaders should become examples of a new approach and new values that describe the organization. It is forbidden stay behind, as they need to back up their words with actions and behavior. (Kets de Vries 2001, 227-229.)

Leaders should provide employees with clear and comprehensive reasons for change, so they will have no fear that traditions are simply abandoned and exchanged for something unintelligible. To create additional protection from these worries, leaders can use acceptable aspects of the present culture as cornerstones. In this way, team members will assume that the whole process of change is guided by strong corporate values and based on a detailed vision. (Kets de Vries 2001, 227-229.)

5.2.5 Carrying Out the Transformation

The following step of the organizational change management requires fostering commitment to the new culture, new vision, and new method of acting. First of all, leader must establish cooperation with the main powerholders in the organization to facilitate the change process. This alliance will assist in spreading ideas and increase commitment to the change. However, using alliances with people in power, leaders must not forget about direct subordinates. Taking advantage of the increasing power of transfer processes, change managers should empower their subordinates. It consists in a strategy of trust and open behavior, the absence of secrets and delegation of authority. This should be remembered well: open and honest communication builds the trust. Leaders should set clear expectations and maintain a continuous and genuine two-way dialogue.

It is necessary to motivate people by demonstrating their positive results of their work. Small, but visible improvements demonstrate people that their efforts are paying off. While having a big goal and setting high performance expectations, small achievements will increase the motivation of employees to achieve a larger goal and make it easier to accomplish. The leader should be there and keep the motivation going. As it was noticed earlier, the key drivers of the process need to back up their words with actions and behavior. To reach the goal, every person in the organization should be involved in the process of change and understand it. This is the key to organizational commitment. (Kets de Vries 2001, 229-231.)

5.2.6 The Focal Event

The following step requires leaders to stage a focal event. This phase demonstrates a parallel between organizational and personal change processes. This event can be used if managers need to facilitate and accelerate the process of change.

There are many possible ways to prepare and implement this event. For instance, the simplest method is to conduct a general meeting where management announce new ideas and need for change. Also, there may be a speech or a series of meeting by an outside specialist to introduce another point of view. In any case, this event should introduce deep cooperation between top management and their subordinates. The key tool of consolidation is to convey to all levels of the organization that “we ourselves are the cause of our problems”, and it is wrong to blame others for our own mistakes. At the same time, there should be no excessive negativity to avoid depression and lack of confidence. The key mission of focal event is to launch the process of self-analysis, awareness of own positive aspects and shortcomings. Reflection process should include understanding what made the organization strong in the past, what remains positive today, and an understanding of changing circumstances to develop a new way of acting. (Kets de Vries 2001, 231-233.)

5.2.7 Changing the Corporate Mindset

Finally, it is necessary to change the corporate mindset. Employees are required to honestly understand their role in the process of decline. In successful cases of organizations where changes were initiated on time and in a proper way, employees themselves came to that realization, and began to act in accordance with it. They understood that there is no *Deus ex machina* to fix everything in an instant. Positive events happen to people who are try, work, act and support each other. The actions necessary to change the situation must be taken by themselves, and it is ineffective and even disastrous to fight against changes. The more people adopt this way of thinking, the sooner the mindset of the whole organization

changes. The degree of resistance gradually decreases until the moment when a careful adaptation to the new order begins. Despite the fact that during the adaptation a certain degree of doubt and rejection of the new remains, in the final people adopt a new method of thinking. They have rethought their existence in the organization, adopted new methods, developed positive aspects, and forecasts for the future give them hope, motivation and interest. (Kets de Vries 2001, 235.)

5.3 Change Facilitation

There are two main factors of change facilitation. The first one is social support. Without the support from the environment, individuals become more stressed and change resistant. In this way, support is vitally needed. Instrumental support refers to the work-related issues: project assistance, instructions and so on. Emotional support facilitates the self-esteem of the individual. It helps maintain self-confidence and self-value. (Kets de Vries 2001, 236.)

The second factor is hardiness and locus of control. The whole group of employees may be divided into internals and externals (Rotter 1966, according to Kets de Vries 2001, 237). It means that people have more internal or external locus of control.

Employees with internal locus assume that their own decisions affect their lives, and external factors have little influence. They see the surrounding situation through the prism of their actions. They have a strong self-belief, what makes them confident, independent, proactive, achieving and less stressful. At the same time, they are strict with themselves and control themselves well. These people are an important tool in the change process. Internals are much more stable during the change than externals. It is easier for them to start and experience personal change. When they realize the necessity of change, they express the internal desire to go along with the process. They are not waiting for an external force to push them into the change and do not see the change as a threat. (Kets de Vries 2001, 237-238.)

Hardiness means that individuals have a firm commitment to their life activities. They are curious, initiative, open for new experiences. For them, change is a good opportunity for further development and a personal challenge. These people are perfectly aware of the situation that is happening around them and affects them. They have a lower need for additional supervision and need much less security. (Kets de Vries 2001, 238-239.)

These people are a good tool for change implementation, since they are able to demonstrate stability to themselves in a changing process, and at the same time be committed to it. In this way, they can motivate other employees and be a good example for them.

5.4 Conclusion

Now it is clear that enabling change within any organization is a difficult, time consuming, comprehensive, but vitally important process. A lot of factors and conditions have been described that must be taken into account for the successful implementation of the plan.

One interesting and simple model of change process implementation will be presented as an output. Beer, Eisenstat, and Spector (1990) created a scheme that can be a useful tool for managers in change control. They emphasise the importance of leadership in the implementation of this model and explain that it is necessary to build the right structural conditions to promote individual employee change and achieve overall organizational change.

Step 1: Mobilization of dedication to change through collective detection and analysis of problem.

Step 2: Establishing a common vision of reorganization and management in order to achieve effectiveness.

Step 3: Fostering consensus for a new vision, ensuring competence for its adoption and solidarity for development.

Step 4: Spreading resurgence to all departments without authoritative pressure.

Step 5: Institutionalization of resurgence through legal regulations and different structures of the organization.

Step 6: Monitoring the situation and using various actions and strategies as a response to obstacles to the resurgence process.

6 Case Company

6.1 Case Company Introduction

Creation of a balanced team with positive internal relations and atmosphere, clear goals and inspiring leadership is a very difficult task. However, it will be even more difficult to bring all these changes to a company that is extremely committed to its methods and finds itself in a deep crisis. However, there are many examples when such companies were able to regain their positions as a result of restructuring, as well as use the principle of a positive approach in their team activities. One of these companies will be used in this study as the research case.

This company diagnosed the need for change and implemented it. In the actions to bring the company out of the crisis, the management clearly relied on the principles of building positive management. The team clearly lost its balance and confidence in its actions, but was able to realize the need for changes, get rid of the heaviest burden of past achievements and begin a revival. Moreover, at the head of all the transformations was a strong, responsible, and charismatic leader who, by his example, charged subordinates and motivated them to achieve better results. This company is McLaren Formula One Team.

Since nineteen seventies, McLaren became one of the major Formula One teams. By 2008, it had collected eight Constructors' Championships and twelve Drivers' Championships, making McLaren the second most successive Formula One team after Ferrari (Racefans 2021). However, back in 2013, the company faced a serious crisis. Now it was able to be reborn and aspires to heights again.

The laws of management apply to all organizations in business, even for such a specific field as motorsport management. Of course, there are many features that have to be taken into account. At the same time, knowing the events that have occurred and gaining an understanding of the leadership theory being studied, the chosen case company give an excellent research opportunity. Invaluable experience of McLaren will be used for the practical study of the theory outlined in this work.

6.2 History and Background

McLaren started its journey in 1963 as a small garage team created by New Zealander Bruce McLaren. Bruce started his racing career at the age of fourteen. In 1958, thanks to solid results in local racing series, he entered Formula One, won his first race in 1959 when he was only 22 years old, finished second in 1960 championship standings and third in 1962. (Green 2019.)

At that time, it was normal for racers to simultaneously participate in several racing series throughout the year. The breaks between races were large, and major championships specially built their schedules so that the stages did not overlap. Thus, Bruce decided to compete in Tasman Series championship. He hoped that the team with which he competed in Formula One, Cooper, would provide him with a car and prepare it for the competition. Due to different motor regulations, the team refused Bruce. However, they agreed to provide him with the main parts of the car and allowed to hire several mechanics. So, Bruce McLaren Motor Racing was founded to build custom cars for Tasman Series. The car was successfully prepared, and 1964 Series were won by Bruce and his maiden team. (Green 2019.)

After 1965 Formula One season, Bruce McLaren parted his ways with Cooper and decided to participate with his own team. 1966 and 1967 seasons were pretty unsuccessful, the newborn team was struggling with engine suppliers and reliability issues. However, this did not stop the enthusiasm. The team prepared an updated car for 1968 season and signed a deal with Cosworth as an engine supplier. Their powerful and practical motors soon became the benchmark in the entire championship. The first win was secured by Bruce himself in Belgium. McLaren team finished second in overall championship standings. Since then, the team has gained a foothold in the championship and has become considered an essential participant. (Green 2019.)

Soon a tragedy occurred. Bruce McLaren died on 2 June 1970 during tests of a new racing car (Green 2019). Upon the death of Bruce, Edward Mayer, his friend and one of the first employees of the team, took on the role of the leader and head manager. Four years later, in 1974, the team secured its first Constructors' Championship and Drivers' Championship with Emerson Fittipaldi. (Racefans 2021.)

The team faced its first severe decline in 1978. The team could not cope with significant and stable drop in results. New ideas were required. Thus, the initiative came from the title sponsor of McLaren, Philip Morris. Having a lot of influence on the team, director Joe Hogan proposed a merger with another team also sponsored by them. It was Project Four Formula Two team lead by Ron Dennis. They tried to implement bold technical solutions, but they lacked sponsorship and technical base. Thus, two teams were merged into one, headed by Ron Dennis who became the undisputed leader of the team. (Henry 2003.)

Soon the results began to grow. Dennis decided to attract additional investments and offered the entrepreneur Mansour Ojeh and his TAG Group S. A. to purchase fifty percent of the team. This offer was accepted. The team demonstrated incredibly high results in 1984 and 1985, winning both championships as constructors. On this wave of success, it was

decided to create a new company engaged in the development of road vehicles. McLaren Group became the parent company with two subsidiaries: McLaren Cars and McLaren Racing. (Companies House 2022.)

In late 1980-s and beginning of 1990-s McLaren was a dominant team in the championship winning four consecutive Constructors' Championships in a row from 1998 to 1992. Honda was an engine supplier and McLaren-Honda alliance became an extremely successful technical cooperation (Formula 1 2022). After 1992 Season Honda decided to quit Formula one because of the stagnation of Japanese economy and McLaren had to find a new technical partner. After two years unsuccessful spent with Ford and Peugeot respectively, the team partnered with Mercedes. Despite the problems and unreliability of the engines at the initial stage, the joint work made it possible to return to a high level already in 1997, as well as to achieve victory in the championships of 1998 and 1999 (Formula 1 2022). Another decline was avoided. Moreover, in 2000 DaimlerChrysler Group, parent company of Mercedes, bought forty percent stake in the team becoming an exclusive partner (The Guardian 2000).

The team met the beginning of the two thousandth in an attempt to win the championship, but could not break the dominance of Ferrari, and then impose a Renault fight. In the beginning of 2007 Dennis and Ojeh sold half of their sixty percent stake to Mumtalakat Holding Company (Noble 2007). The same year the team was inches from claiming both titles, but Drivers' Championship was won by their former driver Kimi Raikkonen from Ferrari in the final race of the season. Moreover, McLaren was disqualified in the Constructors' Championship and received a one hundred million dollar fine for industrial espionage (Shaw 2009). It was an important moment in the history of the company, which was accompanied by the beginning of the growth of disagreements in the team. Despite that, the team made a great effort to restore reputation and develop their car. Finally, next year McLaren was able to claim the Drivers' Championship with Lewis Hamilton, their latest as of 2022.

Before selling a stake to Mumtalakat Holding Company, Dennis tried to convince Mercedes to buy out the whole stake of McLaren and create full partnership. However, the board of Mercedes decided to establish their own Formula One team. They bought out Brawn GP in late 2009 and entered the 2010 Championship as Mercedes GP Petronas Formula One Team. Same year McLaren bought back forty percent stake of Daimler AG, but Mercedes remained their technical partner and engine supplier until the end of 2014 (Racefans 2022).

Despite leaving the post of team principal in 2009, Ron Dennis retained a great influence on the entire team (Bryant 2009). After an unsuccessful attempt to sell the team, he chose a course away from Mercedes. Until 2013, McLaren was giving obvious hints that they do

not want to be just a motor client without a deep partnership. Moreover, their 2012 championship year was successive, but a bit disappointing, as their fast car faced some reliability issues. In this way, they finished only third in the Constructors' championship (Formula 1 2022). As a result, there was a growing desire for qualitative improvement of results through radical technical transformations. In this condition, the team entered in 2013.

6.3 Crisis Situation Development

The team approached 2013 championship with the expectation of an exceptionally high result, because of the new approach to the car development. However, their results collapsed. Championship ambitions were smeared by the real result of the fifth place in the Constructors' Championship, a threefold reduction in points and a lack of single podium. Payments from the championship, depending on the number of points and on the place in the championship, have decreased. The team also lost its title sponsor Vodafone, which did not renew the contract. (Formula 1 2022).

Using the poor performance as a reason, Ron Dennis replaced Martin Whitmarsh as CEO and returned to the actual management (Benson 2014). This caused confusion among shareholders, and also greatly strained relations with Mansour Ojeh. However, then the conflict was somewhat extinguished before the new season of 2014. A big change in the technical regulations was planned for that year, and therefore the team reiterated its championship ambitions, claiming that their performance in 2013 was a single mistake. However, their forecasts turned out to be wrong again. Technical errors, as well as the conflicts that began among the top management against the background of new unsatisfactory results provoked continued stagnation. Moreover, before 2014 season, it was decided to create an alliance with Honda as an engine supplier. This one was positioned as a recreation of the legendary McLaren-Honda championship-winning alliance that operated in 1988-1992. (GPToday 2013.)

However, their result was a total failure. Honda was not ready to enter the championship since their engine project was too raw. Despite huge investments and the involvement of new engineers, the team fell to ninth place in the championship in 2015, briefly rose to sixth place in 2016, and then collapsed back to ninth in 2017 (Formula 1 2022). That year, the crisis was felt most strongly. McLaren finally fell out with Honda due to the unsatisfactory pace of engine development and lost a very large financial support of the automaker (Formula 1 2017). The results were the worst in the history of the once champion team. Thus, the decision of a unified restructuring was made.

6.4 The New Beginning

The beginning of successful reorganization is directly associated with the name of Zak Brown. In his youth, Zak was a professional racing driver and spent ten years racing around the world. Soon, he changed his attention toward the marketing field, so in 1995 he founded JMI agency. Thanks to his active motorsport network, it became the most successful motorsport marketing agency in the world. (McLaren Racing 2022.)

In 2016 he was invited to McLaren Group as executive director. The team really needed a confident and experienced leader. Being a big fan of the team, Zak agreed and was appointed director.

When he came to McLaren, the situation was far worse than expected. In addition to poor results on the track, deep conflicts of decomposition took place within the team. In his podcast with Beyond the Grid, Zak Brown described the situation in 2016:

When I came in at the end of 2016, the team was in complete turmoil, really ... what I have found when I joined was the lack of leadership in direction because there was a lot of infighting, the people were not paying attention to Formula One team, they were all by "I buy you out, you buy me out" (Formula 1: Beyond the Grid 2020).

Simultaneously with the appointment of Zak Brown, it was announced that the old head of the team and shareholder Ron Dennis will leave his post (Bradley 2016). His old management methods did not bring improvements, and his constant attempts to retain authoritarian power destroyed relations with the board of directors and shareholders. A year later Dennis sold his stake back to McLaren Group (Cooper 2017). It was the first and main action to get rid of the state of "tug of war" within the shareholders of the company and focus on correcting the crisis phenomena.

In April 2018, Zak Brown was appointed CEO of McLaren Racing. It was a part of the big restructuring for McLaren. Simultaneously, McLaren Group was divided into three companies instead of two: McLaren Applied Technologies, McLaren Automotive and McLaren Racing. As CEO of McLaren Formula One Team, Brown became responsible for all operations of the team including marketing, finances, commercial development, operational performance, and strategic planning. (Noble 2018.)

He was entrusted with the hard work of returning to victory. He started work with a staff restructuring, as due to the chaos of previous years, many employees were constantly

transferred from department to department in an attempt to increase efficiency. The team also accepted the fact that it temporarily ceased to be the “champion” McLaren, and therefore it became possible to change the whole approach to the work. The proof of this is also the fact that McLaren abandoned the search for exclusive technical partners and in 2018 concluded a partnership agreement with Renault for the supply of engines (Formula 1 2022). Three years later, the team returned to using Mercedes engines exclusively on customer rights. This decision was justified by the good performance of the Mercedes motors and the layout that allowed the most efficient integration of the engine into the chassis (McLaren 2019). In this way, McLaren shifted the focus from prestige and uniqueness to efficiency and performance.

In two years, the team has turned from one of the most conservative teams to one of the most positive. Changing the image of the company, reducing the psychological burden on the staff, as well as competent restructuring and other techniques made it possible to ensure internal stability and start working on mistakes. As a result, in 2020, the team was able to cope with severe financial shortfalls due to the coronavirus, attract a large number of partners and sponsors, and also take 3rd place in the championship at the end of the year. In 2021, the first victory in 9 years was achieved (Formula 1 2022). All this would be impossible without competent work with the staff. The managers were able to motivate the employees, improve their conditions and convince them that this time everything will work out.

6.5 Research Methodology

After the background of the case company has been described, as well as its problem presented, it is necessary to answer the question: by what methods was the team able to return to victory? Thanks to the large number of available resources, clear and understandable answers can be given to this question.

Since this thesis is a qualitative study, it requires in-depth qualitative content analysis. This study created a significant theoretical basis for balanced team management and implementation of changes. In this way, methods used by McLaren leadership will be analyzed and evaluated through the prism of provided theoretical research.

Thesis methodology is very extensive and comprehensive. All the topics described are essential for management when working with the team. The analysis of the McLaren team will demonstrate the importance of these aspects. Despite the fact that some theoretical topics will only be mentioned in the practical analysis, their importance remains incredibly high due to the complete interconnectedness of all processes.

The McLaren team crisis is a very well-known topic for study in the environment of motorsport journalism. There are many articles written by professional journalists who have studied various economic, managerial, and technological aspects of events within the team. Analysis of these articles helps to get a deep and detailed look at some aspects of the functioning of the team, and therefore they are incredibly important for this study.

Deep study of the topic became possible thanks to a large number of available interviews and podcasts of McLaren Racing CEO Zak Brown, in which he described his managerial actions and his leadership approach. These interviews provide an important basis for analysis, but they are not a sufficient source of information on their own. Confirmation of some events was obtained by the author through a personal dialogue with one of the McLaren employees, who allowed his words to be quoted in this study but asked to remain anonymous. These data will allow the author to assess the real state of affairs in the team and provide the research with the third-party opinion of an employee about the actions of top management. Also, author took personal interviews with admins of Formula One media communities Formula Moments and News Daily Formula. Having extensive information about all the events that happened to the team, as well as deep knowledge of the industry, their comments are an important addition to this analysis.

7 McLaren Data Analysis

Nowadays McLaren demonstrates great results both on and off the track. In just four years, the team has been completely reborn. This is not magic or chance; there is a huge amount of hard work behind the achievement of such effective functioning. It is necessary to understand how the staff was able to gain new confidence to achieve positive results and how they were able to accept the need for change. It is also important to understand how management was able to establish internal relationships, establish a positive atmosphere in the work team, how balance was achieved and how the team became cohesive and solid.

7.1 Introduction of Changes

First of all, McLaren faced the need for a change. Being at the very end of the team standings and chaos in management were the key problems. Moreover, according to Formula Moments (2022), the team atmosphere became very toxic because of Fernando Alonso, a famous and very ambitious racing driver who worked with McLaren in 2015-2018, who demanded high results and blamed the whole team for poor performance. Alonso was extremely skeptical about the possibility of positive changes and had an extremely negative impact on the team. Being an extremely authoritative and powerful person, Fernando could not become part of the process of building a renewed team, because his presence would create opposing groups in the team.

This was an important issue that needed to be dealt with. Largely due to influence and persuasion of Zak, Fernando Alonso decided to leave McLaren and take a break from Formula One. McLaren promised him cooperation in other racing series. For example, in 2019 Fernando participated in the Indy 500 race with a team supported by McLaren. Despite the fact that McLaren and Alonso parted ways in the same year, their farewell to Fernando was painless (Hughes 2019). Zak realized that Fernando acted as a negative energizer, and it was impossible to change his approach. Despite his incredible racing skills and impressive results on the track, it made no sense for Alonso to stay with the team and wait for the processes of positive changes to work in full force, because his perception of the situation was initially out of sync with the team. Therefore, it was necessary to change the composition of the team. That is why, when Fernando was completely dissatisfied with the team, he was asked to leave the team to look for new opportunities in other racing championships and was offered with support. After departure of Alonso, the situation in the team became much more relaxed and positive.

Also, Zak Brown introduced some changes to the top management. These changes were dictated by the need for simplified structuring, because previously many top managers

combined various positions and could not work effectively. Zak described his restructuring actions this way:

...Not that many changes from a people standpoint because you have a lot of people that have won our twenty world championships that are in the factory, but just cause simplified the leadership. I brought in Andreas Seidl, brought in James Key, so ultimately brought some clarity to organization; changed the marketing department, changed my leadership team, all but Laura, our Financial Director. It worked for creating a team atmosphere. (Formula 1: Beyond the Grid 2020.)

It can be noted that Zak analyzed aspects that remained positive in the period before his appointment. Formula Moments (2022) explained that financial capabilities and financial management of McLaren remained good even during the crisis, so the person responsible for that department, Laura Bowden, remained in her position. She continues to work in the team to this day. Moreover, most of the staff members were decent, as they had extensive experience and were professionals in their field. However, they lacked clear management, which reduced the efficiency of work and brought a negative into the working atmosphere.

As Zak told during his podcast with Formula One: Beyond the Grid (2020), he needed to make management system simpler and clearer. To start a new stage of technological development, Zak lured James Key away from Toro Rosso and appointed him Technical Executive Director (Beer 2019). He trusted his vision of technological development and gave James new opportunities to implement his ideas. At the same time, he promoted Head of Race Operations Andrea Stella to Racing Executive Director. This position has become such an important link between the technological and managerial parts of the team.

Finally, all the departments were united under the lead of newly appointed Andreas Seidl, who became McLaren F1 Team Principal (McLaren Racing 2022). Zak Brown had a lot of experience managing organizations, but he had no experience directly managing a motorsport team during races. He needed a person who would take on these tasks. Andreas had an impressive track record of managing racing teams, and therefore Zak decided to use his experience and shared with him the tasks of managing McLaren Formula One Team. At the moment, it is Andreas who is actively working with the team during all the championship races, while Zak occupies a higher position, supervising the work of the entire organization.

Such a management structure has become very simple and understandable for all employees. Thanks to active work of Zak Brown to establish relationships and increase trust between the departments of the team, the very next year after departure of Alonso, the team was able to earn its first podium in six years. It was a clear demonstration of the positive results of the implemented changes. The growing positivity of the team atmosphere and the achievement of results provided the management course with the support of the team, which was inspired by the hope of further improvement.

Returning to the topic of team employees, there was almost no resistance to change. Indeed, as it was told in the industry description, people working in Formula One are very passionate about their jobs (McKeon 2016). For almost every employee, this job was a dream, and therefore employees sought to satisfy their needs for self-actualization. The main manifestation of this need is the high results of their team. Strong discontent from failures matured in people, which increased their degree of awareness of the need for change and the desire to implement it. At the same time, there was no need for the leaders to stage a focal event. In fact, people understood the situation within the team and sincerely wanted changes.

After many years of failure, the team still remained motivated to achieve goals. Despite weak results, the organization met all the basic financial needs of the staff, so there was no dissatisfaction in basic needs. However, communication was becoming somewhat negative due to confusion in management. Also, the highest motivating goal in the form of team victories became more and more distant for the team members. This unavailability, of course, had a certain depressing effect. The further continuation of the crisis could significantly reduce the motivation of the team, but the top management of the organization made a decision on restructuring in time. After appointing Zak and his actions for streamlining the system, communication became much more positive, so the team members felt the actual positive change and increased their commitment to the established approach. At the same time, it has already been said that the team managed to achieve visible results in the championship in the very near future, which helped restore the feeling of attainability of the highest goal. It has also become an important motivational boost and a team-building aspect.

As Zak described, the management was in complete turmoil, but the shareholders took the initiative and appointed him to the position with great responsibility, but also provided him with great authority, trusting in his vision and skills. In his podcast with Beyond the Grid, Zak described how the situation has changed over the four years of his work in the team:

... In Formula One, if you do not get results right away, the pressure is on. But I had an immense support from the shareholders, and they have been around the sport long enough to know that you don't turn things around. So, I have always felt comfortable, I had the support in the runway to show that I could lead, getting the team going back in right direction, but there is nothing fun about going to a racetrack when you know you are going to be out of Q1, or strong result is that maybe you will get a point. Because I am a racer, I want to win. I want to be at least competitive, and these early days were just brutal. But I like a good challenge, so it did not get me down, it was just frustrating, and let's turn the corner, I would say these couple years have been really enjoyable... and there is a lot of harmony in the racing team, so I would say I am happy, and I feel like we have momentum, and we just need to keep this momentum. (Formula 1: Beyond the Grid 2020.)

It becomes clear that Zak Brown established cooperation with the main powerholders in McLaren and received their full trust to facilitate the change process. Furthermore, he was able to quickly enlist the support of employees, inspiring them with hope for achieving the desired results and explained to them his vision of the team.

As a part of the restructuring process, Zak paid special attention to the people who surrounded him, supported him in his decisions, and also demonstrated great professionalism. This was important aspect of the process of change introduction. Zak explained it this way:

You got to have a great team around you because when you have a large organization and you need to implement change or a decision, you need to have the right people make those decisions with you, you need to have the right people caring out those decisions, you need really strong communication, so that all employees, partners, and fans (Autosport F1 & Motorsport 2020).

At the same time, there was a change the corporate mindset. As it was mentioned before, the team officially accepted that they are actually a new team that starts from the beginning (Van Ufford 2018). Their achievements are in the past, so they should be used for inspiration, not as a burden for employees.

With this new approach, the team became more open and public and opened to feedback and connection. The team began to actively communicate with fans, being inspired by their ideas and suggestions for finding new ideas. Digitalization has become an important factor contributing to the development of such communication. In his interview with Oxford Union, Zak explained its importance:

Digital changed the landscape of the world. 10-20 years ago, we would have talked to our fans, but we could not hear them, and now we are digital, and you can feedback very quickly (Oxford Union 2022).

Also, Zak gave an example of such feedback and open connection:

...we changed our color to papaya because it is what our fans wanted, our historical colors (Oxford Union 2022).

In this way, it is possible to notice that most of the described steps of the change making process were used by the leaders of McLaren. At the same time, some steps, such as staging a focal event, were skipped or only a little attention was paid to them. However, some steps, such as qualitative improvement of communication with fans, were added. This is justified by the specifics of the industry and the analysis of the state of the team. The final conclusion for managers of a wide variety of enterprises and teams is that the change process implementation plan can and should be edited depending on the situation. Each step is incredibly important to create a final balance, but each leader needs to measure the degree of importance of each step for his individual case, adapt the system and achieve the best results.

7.2 The Positive Approach and Leadership

Zak Brown is a clear authoritative leader. He relies on his own charisma and demonstrates his strong position. This approach was especially important at the very beginning of his actions as a leader, as it allowed him to clearly gain a foothold and begin development in a crisis. Zak described his approach with these words:

You know, in the time of crisis, people react differently, but it is scary. People are scared, and they are looking for leadership. People want to know “what should I be doing”. So, I think we have done really good job with that clear decision making. (Autosport F1 & Motorsport 2020.)

People want to be led; people want to have clarity. They want to know when they are doing a good job, or they are not doing a good job. In Formula One, it is truly a team effort... so everyone’s job is to perform at the highest level, it is critically important. (Oxford Union 2022.)

In the motorsport industry, the personality of the team leader, his individual qualities and approach are very important. After several years of chaos, the team members felt somewhat lost, because the previous leaders were constantly competing for power against the background of problems. After appointment of Zak and the introduction of a clear leadership system, employees felt confident in the leadership and in his actions. According to the information obtained from the personal talk with one of the McLaren employees, author was told that people inside the team were happy to be led by such a personality.

At the same time, Zak demands results. McLaren employee confirmed that their leader is very clear in providing plans, and very closely monitors their execution. Fair feedback, pointing out mistakes and encouraging the desire to correct them describe an effective approach to team development. Zak confirmed that he uses this approach:

Then giving constant and quick feedback in a productive manner, but not holding back from giving the constructive criticism, but letting people know it is only because we are trying to improve, and I am doing this myself... and constantly critiquing myself (Oxford Union 2022).

As an efficient leader, Zak believes in the team. This is his team. He is confident in their professionalism, and therefore trusts them with the most important work, shares his power with them and does not try to interfere without understanding the processes since he evaluates the approach to the case and the result. Zak described his approach with these words:

... so, you got to learn to trust people, hire the right people. I am not the one who is going to pretend that I know something I do not or pretend that I can contribute to the area if I, quite frankly, do not know what engineers are talking about. (Formula 1: Beyond the Grid 2020.)

I think the way I have taught myself more patience is to lean into the people that I am working with, trust them, empower them and kind of let them do their thing. That has forced me not to be the sole decision maker. So, I think I have learned more patience by leaning into people. (High Performance 2022.)

In this manner, it is possible to notice that Zak understands the need for self-development, is aware of the zones of his unprofessionalism and diversifies power so that professionals take the necessary positions and ensure the competent work of the entire organization. Employees, doing their favourite professional activities, willingly develop and improve their skills. As a result, the leader develops his own strengths and the strengths of his team.

Formula Moments (2022) confirmed that Zak brought some great new energy to the team. The troubled times have somewhat confused people. They needed a strong example of a leader who would lead them along. Zak has become such a leader. He is energetic, active, passionate about his work and constantly contacts the team on a variety of issues. He literally charges everyone around him with his energy. Such an example was incredibly important at the start of his work when it was necessary to overcome uncertainty about the future and doubts about actions. This leadership approach allowed the team to act creatively and confidently, which brought results. Now Zak continues to motivate and charge his employees for further development. Despite the fact that the crisis has been defeated, the team has higher goals that have yet to be achieved.

Special attention was put towards the positive communication and positive approach itself. It is an important basis for the effective work of the team. New ideas are needed to achieve results, and a positive approach helps to develop internal communications, expands trust, and strengthens the open exchange of ideas and opinions. In his interview with Oxford Union, Zak confirmed that positivity allows to increase productivity, build proper relations, and opens opportunities for development:

We are racing 23 times around the world, we are working 24/7 all the time, so if you are not a pleasant person to be around, or having fun, or looking after your teammates, then I do not think you get the most out of people (Oxford Union 2022).

Thanks to the streamlining of the management structure and getting rid of the main negative energizer, Fernando Alonso, the team was able to establish a positive climate and activate positive communications. As previously described, the team employees realized the deep meaning of their jobs and wanted their team to achieve high results. Zak used this commitment and boosted it thanks to the positive approach. The team began to unite due to getting rid of negative aspects, achieving quick visible results, as well as the involvement of leaders in the feelings and emotions of subordinates. Thus, a sense of community arose, and the meaning became positive.

Zak believes that honesty and openness play a very important role within the team. He understands the importance of listening to people as a leader needs to understand what they are thinking, feeling, and going through. Open interaction allows leaders to analyze the situation and make positive changes. Employees feel valued because managers care about them, their feelings, and thoughts. The level of mutual trust increases, which leads to high productivity and coordination. (Kelly 2021.)

Formula One world is much more stressful and difficult than it seems. Some of the employees work tirelessly at the factory if improvements and changes in the car are required. A large number of employees spend about eight months constantly traveling around the world. In 2021, the championship was held in 21 countries from March to December (Formula 1 2021). Sometimes only a week passed between stages in different countries, and the team had to transport all the equipment from one circuit to another and prepare for the race in a matter of days. Of course, such conditions were very stressful for the employees, as they worked at the limit of their capabilities and were at work for a long time without the opportunity to see their families.

The championship takes place every year, and every year the workload on employees only grows. Therefore, Zak is very attentive to the emotional state of his employees. In order to avoid emotional burnout, Zak offered his subordinates a system of psychological perception and assistance through compassion, forgiveness, and gratitude. Each employee has the opportunity to share their problems and concerns to receive help and assistance from managers or medical specialists. Also, McLaren practices the principle of psychological safety. It implies understanding in response to mistakes. There is no punishment, but it is necessary to learn the lesson and continue moving on. This enhances the feeling of support

among employees. As long as they feel confident, they can take risks and try new things in search of results. If they make a mistake, then it will not be a big deal, since they are trying for the good of the team. A healthy mental state of employees means the health of the whole team. (Kelly 2021.)

Positivity had a great impact not only on the employees, but also on external relations. In the same interview with Oxford Union, Zak shared the results of a positive approach:

The past year was the largest ever F1 study done on favourite drivers, favourite teams, and we came up on top as the most popular team and the most popular line-up (Oxford Union 2022).

Moreover, it is necessary to mention the economic benefits. The positive approach allowed the team not only to achieve extremely effective and involved work of employees, but also to create an extremely attractive image for both fans and sponsors. Thanks to his extensive experience in the marketing field, Zak made McLaren one of the most popular teams among sponsors and a team with a high income from advertising contracts (Velasco 2022). The positive approach has made the company an extremely attractive advertising investment.

7.3 Balanced Work

In the end of 2018, after the careful team evaluation with his management team, Zak presented a plan to start winning races again. He stated that the goal of this plan is to achieve victory and the opportunity to fight in the same group with the leaders of the championship. The plan was designed for five years, but Zak emphasized that his plan for return to the wins may vary:

So, there is not a specific timetable in that X has to be achieved by Y date. I think what they want to see as we all want to see is us moving forward, but there is no specific timeline on that (Van Ufford 2018.)

As it turned out, McLaren was able to claim a win just three years later, in 2021. However, McLaren is still on the rise since the new technical regulations presented for 2022 Formula One season set the team back somewhat (Sky Sports 2022). However, this plan set the direction towards development and important milestones for the whole organization

including shareholders, employees, the management team, and even fans. The final goal is to win the Constructors' Championship and the victory of the McLaren driver in the Drivers' Championship. This goal remains incredibly ambitious, so the leader used a strategy to achieve smaller goals on the way to the outcome. At first, the team began to steadily gain points in the races, then began to win the first podiums, then came the constant podiums and active struggle in the leadership group, and then came the victory (Formula 1 2022). The team employee confirmed that, despite a slight decrease in results in 2022, the team has a very positive outlook on the future and is making every effort to achieve the highest goal.

The people are motivated by Zak and his actions. A clear plan of action, personal conviction, and visible results markedly increased employee support for the leader. They share one vision and have a common goal. A sense of unity enhances balance and stability. A special role in creating unity is given to trust. As it was mentioned before, Zak trusts his team and empowers them. This level of trust stems from the principle of appointing the right people to the right positions and giving them appropriate roles in the team. Moreover, this approach allows Zak to gather and balance most talented people from different departments and combine their strengths in one endeavor. This principle was explained during the podcast with Formula 1: Beyond the Grid:

I think you got to hire the best people possible in these big organizations, so you got to get the best talent possible. I have always had an advisory board which is about dozen who-is-who CEOs and CMOs from around the world, and I have always believed in having smarter people around you, having a lot of smart people around you, lot of experienced people around you, and then put your view in and meddle, if necessary, but not try to meddle for meddling sake, I am not a micromanager in that state. (Formula 1: Beyond the Grid 2020.)

It can be proved that the Zak backs up its words with actions. For instance, Zak entrusted Andreas Seidl with the management of the team during the championship. It was described before that Andreas was much more experienced in motorsport team management than Zak. Thus, Zak Brown shared his authority with a more experienced person to achieve the best possible result. Zak is well aware that he is not omnipotent and cannot be an expert in everything. He trusts his team and monitors its work, providing the necessary support and evaluating the effectiveness. This balance allows McLaren to avoid conflicts among

directors. According to the team employee, there are no conflicts within the team management.

If changes are required in the team, including personnel, then they should be implemented based on the situation and requirements. Each leader creates his own team. After that, it will be strange not to trust it, because for the manager it will also mean distrust of himself, of his own actions. It is necessary to allow the team to work, implement ideas and demonstrate results. Thanks to this, the manager will be able to learn a lot and concentrate on essential issues, not on performing basic tasks.

To sum everything up, the methods described in this study were used in the McLaren case, even despite the peculiarities of the industry. Moreover, it confirms the full relationship of positive leadership, establishing a balance in the team, proper motivation, building the work of a leader, as well as change processes within the company. People are the key drivers in every process.

As evidence of the effectiveness of described methods, it is possible to use the example of the recent industry shock in the form of the coronavirus pandemic. It was the McLaren employee who was the first to become infected during the 2020 championship, which led to the cancellation of the first Grand Prix of the 2020 season and the postponement of the championship for several months (Barretto 2020). McLaren Group began to suffer large losses due to the lack of demand for road cars, which for some time raised the question of the independent existence of the team (Shukla 2022).

Zak faced two major problems. He had to solve financial problems and also support his employees. First of all, Zak, top management, and drivers decided to reduce their own salaries, demonstrating their commitment to the team. Zak completely closed the factory and sent all employees on vacation. That was necessary to reduce costs and preserve the jobs of employees and the safety of their health (Barretto 2020). Zak was as honest as possible with his employees, explaining the depth of the new crisis, but at the same time he assured the employees that all the jobs would be saved, and the team would function. He was charging and motivating everyone with his own resilient example. Soon, methods of remote work and cooperation were developed. By the summer, some of the employees began to return to work, at the same time, the shortened racing season of 2020 started. As a result, it was in this season that the team achieved the highest position in the Constructors' Championship in eight years, finishing third.

In 2020, Zak was able to negotiate a fifteen percent buyout of the team stake with MSP Sports Capital investors, and in 2022 was able to negotiate the sale of the McLaren factory building for \$240 million on a long-term leaseback (Shukla 2022). Formula Moments (2022)

explained that the action to sell the factory building was a very original decision, and it was the most important for the further development of the team. He turned the real estate asset into real finance, which the team desperately needed. Ability of Zak to think outside the box helped him find additional funds to cover losses and continue to bring changes and updates to the car. Creativity allowed him to find a non-standard way out of a very difficult situation.

8 Summary and Conclusion

This thesis set the goal to define management methods for building a positive, balanced, efficient and stable team. Thanks to a large study of literature and articles, as well as subsequent comparison and confirmation of data through case company analysis, it was possible to successfully answer this question and provide an answer in the form of a holistic structure.

First of all, it was found out that changes are required every time an organization faces difficulties. Change introduction process starts from understanding, what is wrong and what is right. After the evaluation and preparation of the plan, changes may be introduced. However, it is not that simple. While individuals can relatively easily embrace change with the proper support from leaders, it is necessary to deal with organizational resistance to change. This resistance may be managed by fomenting discontent to the current crisis situation, fostering the hope for better future, development of emotional commitment to change, conducting transformation processes, staging the focal event, and changing the corporate mindset. These are the main processes for implementing changes that can be changed, supplemented, and adapted.

Balance is a vital aspect for every team. First of all, all members of the team are united by the same goals and values. These values must match with the values of organization, so the synergy is achieved. However, every team member is individual with unique beliefs and skills. The main balance strategy is to bring people with different strengths together, combine their strengths, define their exact roles, use positive energizers to facilitate productivity, but at the same time balance employees with destructive tendencies and negative energy. There are many factors of teamwork destruction, so the team managers must do everything possible to avoid conflicts and deal with problems. Moreover, managers should give employees energizing and unifying motivation and try to increase the level of happiness of each team member. This is how both employees, and the organization will be able to achieve maximum efficiency and the highest benefits from their cooperation.

Positive approach is one of the most efficient principles of human relations management theory. This tool is a powerful motivating factor that ensures balance in the team, as well as provides stability in times of crisis. In general, positive approach means switching the focus from negative phenomena and weaknesses to positive phenomena and strengths of the team. This approach activates development, increases productivity, and allows to achieve the desired results. There are four main tools of the positive management: positive climate, positive relationships, positive communication, and positive meaning. These strategies allow you to create the most open, honest, and favourable atmosphere in the team, in which

you want to work effectively and which you want to preserve and develop. This awakens in people their best qualities. All four positive strategies are effective, so leaders should consider them as the most important tool for consistent team management.

Finally, there is a leader. This aspect was specially brought out at the very end to indicate its significance. In order to deal with crisis situations and motivate employees, it is important to understand that the role of a leader is the most important in the team. The success of the implementation of all of the above lies with the leader and his actions.

Leader is an example for the whole team, its main motivator, coach, visioner, and guide. Leader should trust his team and do everything to develop their strengths by setting goals for training processes, creating the plan for development, and providing fair feedback. By enabling the team to achieve small victories on the way to a big goal, the leader will encourage and fuel the motivation of the team. Successful leadership takes its value both from theoretical knowledge and real experience, practice makes everything perfect.

The leader must be completely dedicated to his work. Successful leaders never get bored, get tired, or lose interest in their business and their team. On the contrary, they charge everyone around them with their energy, motivate by their example and support with all their might. The leader is not afraid to challenge himself and his team, boldly and thoughtfully getting down to business and discovering new things.

This research has shown that the theoretical framework is practicable and efficient. Through the example of McLaren, it was confirmed that these methods and principles work and demonstrate excellent results. The organization faced a complex crisis and confusion in management. The main factor in the rescue was the appointment of a professional, strong, and charismatic leader who was able to launch the process of change and reinforce positive approach within the team. A clear plan of action, personal conviction, and visible results markedly increased employee support for the leader. Thanks to the competent use of the described strategies and their adaptation, McLaren was able to achieve high results again, at the same time creating a wonderful atmosphere and balance within the team. Thus, the methods described in this study received practical confirmation and proof of effectiveness, which was the main purpose of the study.

This thesis provided a decent research that can be useful for managers and team leaders seeking to improve their own efficiency and effectiveness of their team. This topic is very relevant for all management, as it affects its fundamentals: teamwork efficiency, effectiveness, and productivity. Moreover, it is important to consider the fact that one of the limitations of this thesis is the analysis of only one specific industry. Thus, having great

potential, this topic can be explored further and supplemented in accordance with current data.

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