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## People Feature

# Do team-building activities boost employee morale?

By Lin Jing May 11, 2016

Team-building activities, ranging from a quick team lunch to external training programmes, are widely used by asset management companies to try to boost employee spirits and promote better interaction between colleagues.

But such activities can lose their effectiveness when they are used merely as a distraction from deep-seated employee dissatisfaction or when such events become overly political. Companies should allocate a certain budget to team-building and carefully plan these in advance, experts say.



Ben Whitter, University of Nottingham Ningbo China

The goals of team-building programmes range from introducing new ways of working in the office to improving communication across different team members or departments, says Ben Whitter, Zhejiang-based director of organisation and people development at the University of Nottingham Ningbo China.

But ultimately, all team-building activities try to foster a strong and connected team with a real sense of community and shared purpose, says Whitter.



Michelle Mak, Team Building Asia

Michelle Mak, Hong Kong-based head of sales at Team Building Asia (Hong Kong), a team-building programme designer and provider, outlines two basic types of team-building activities.

One is based on training and development and is used to address certain issues or changes within the

organisation, such as new leadership, or to achieve higher collaboration, more effective communication or building trust. The other is an event-based social gathering, such as a celebration of success or a Christmas party.

She adds that the top issue most companies aim to solve with team-building activities is improved communication and trust between departments or team members.

### **“Sometimes political”**

However, despite the noble intentions of such team-building activities, they don’t always have the desired effect of bringing employees together harmoniously.



Anna Tsui, Chinese University of Hong Kong Business School

Anna Tsui, Hong Kong-based assistant dean and senior lecturer at the department of management of the Chinese University of Hong Kong Business School, says that team-building activities, when not well thought through, can sometimes end up being political.

Junior employees with less experience are often more willing to join the staged company-wide or team activities primarily more with a view to maintaining relationships with the management and forging better career prospects, she says.

However, more senior employees, who perhaps don’t have the same impetus to lay the platform for a promotion or a pay raise, may have less personal motivation to join team activities or company events, Tsui says.

Nevertheless, employees can often feel they are under pressures and are obliged to join these formal company team-building events, which are often decreed as compulsory by management, adds Tsui.

She recommends reducing such pressure by trying to ensure that team-building activities are more casual and light-hearted events, such as a team lunch, gatherings or welcome parties.

### **Papering over the cracks**

While some companies use team-building events as a perk or incentive to improve morale in the office, this approach has certain limitations.

Tsui says that, while team-building activities may be seen as a temporary fix to eradicate dissatisfaction or discontent among employees in the office, they cannot serve as a long-term solution to such problems.

There are many reasons for employee unhappiness, from frustration over low salaries and a lack of career prospects, and such issues need to be addressed directly. Team-building might help employees function more happily in the short term, but it is not a retention strategy, says Tsui.

If employee dissatisfaction builds up, Tsui advises that, instead of trying to introduce or diversify team-building activities, management should make more fundamental changes to help employees feel they have brighter career prospects.

But University of Nottingham Ningbo China’s Whitter believes team-building have a role to play as part of an organisation’s wider and connected response to issues such as high turnover rate and low morale.

Nonetheless, these activities can be quite insignificant if other areas of the employee experience are flawed and cannot address the bigger challenges the company is facing, he adds.

## Needs careful planning

Different team-building strategies can produce very different outcomes.

Social gatherings, which are often categorised as team-building events, tend to do little to boost the performance of a team or bring about significant changes in terms of communication or trust, as they do not attempt to address specific objectives, says Team Building Asia (Hong Kong)'s Mak.

However, properly planned and organised training and development-based team building can be a tool to change the mindset of employees and be a solution for issues in the company, such as low morale and high turnover rate, she says.

But it cannot be a one-off activity; it must be a series of training events, which includes many steps, she adds.

Mak says ideally the company should identify the areas requiring improvement, then understand the dynamics, such as relationships and the culture of the team, and finally have customised programmes.

## Dedicated budget

Having a dedicated budget related to team development at the office level is something of value over the year so each team can personalise and decide on the most impactful team-building activities and the best timing for the activities, Mak says.

Mak says the budget of team-building activities varies depending on the occasion of the company. Typically in Hong Kong, it would be about HK\$500 (US\$64.40) to HK\$800 (US\$103.04) per person every time.

She says companies that are successful and have a positive working environment need to hold team-building activities only once or twice a year.

But, Mak argues, for companies with a high turnover rate or a lack of trust of the management or between colleagues, team-building should not be treated as an expense but as an investment in its people to help solve problems within the company.

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