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Integration through cross-functional teams in a service company

Abstract

Purpose: The purpose of this study is to characterize the internal dynamics of cross-functional teams (CFTs) in different organizational processes in a service company.

Design/methodology/approach: A case study from a Brazilian service company was conducted. CFTs in five different organizational processes (strategy development, product development, portfolio management, sales channels management, and business analysis) were analyzed through in-depth interviews, documents, and non-participant observation.

Findings: A framework with four pillars was constructed: a) Constitution of the CFT; b) Task Drivers; c) Behavior and Attitudes of the Team; and d) Personal Motivators. It was possible to analyze the process of how a group acts and reacts under changing circumstances based on the pillars included in the framework.

Research limitations/implications: The study is focused on creating analytical generalizability. Several insights in the twelve propositions presented in this study may be investigated in future research in order to validate the identified relationships among the pillars included in the framework. Moreover, the proposed framework allows the teams to be analyzed through a multidimensional view: structure, processes, and impacts.

Practical implications: If the semantic boundaries of the communication are not well delineated, the differences in understanding can generate manifest conflicts. Moreover, the workload in a CFT seems to be larger and more complex than working in a functional activity; however, members perceive that it reduces the risk of unemployment and increases motivation.

Originality/value: The present study contributes to the extant literature with the proposal of a set of new exploratory propositions that can support future quantitative research about the use of CFTs in the service industry context.

Key words: Cross-functional team, Integration, Service company, Brazil.

Paper type: Case study
1. Introduction

Over time, companies have learned to group activities, people, and resources into processes, turning functional silos into cross-functional relationships that, through collaboration, are able to meet the demands of the market (Galpin et al., 2007). The concept of cross-functional integration has emerged from the need to facilitate the coordination between departments within an organization that is necessary to succeed in the market place (Rho et al., 1994; Griffin and Hauser, 1996; Morash et al., 1996; Murphy and Poist, 1996; Krohmer et al., 2002; Daugherty et al., 2009; Pimenta, 2011).

To better understand cross-functional integration, Pimenta et al. (2015) have derived five types of factors present in the cross-functional integration process. These are: points of contact, integration factors, formality/informality, integration level, and integration impacts. The factor “integration factors” brings together a variety of management tools, or states of interpersonal collaboration, which stimulate the existence of cross-functional integration. One of the factors in this category is the cross-functional team (CFT). Even though research exists on CFTs, the service industry is yet to gain attention.

A CFT is a group of individuals with different skills from different functional disciplines, occupations, or roles that aims to fulfill a given task within a given process (Dougherty, 1992; Holland et al., 2000; Edmondson and Nembhard, 2009; Daspit et al., 2013). When members of a CFT try to carry out joint activities, it is not uncommon that conflicts arise (Moses and Ahlstrom, 2008). This may be related to functional interdependence, poorly defined or misunderstood functional strategies, and/or misaligned functional objectives. If the internal dynamics of the team do not support collaborative interactions among the members, the maximum potential of the team will not be reached (Daspit et al., 2013). Better understanding of how to encourage such favorable environments can help to improve operations, and while the understanding is growing, there are still blank areas.

The existing research in the field of CFTs focuses on impacts on the performance of processes or projects resulting from the use of CFTs (Maltz and Kohli, 1996; Krohmer et al., 2002; Webber, 2002; Luo et al., 2006; MatthysSENS and Johnston, 2006; Chernatony and Cottam, 2009; Turkulainen and Ketokivi, 2012), product research and development processes (Hauptman and Hirji, 1999; McDonough, 2000; Love and Roper, 2009; Hirunyawipada et al., 2010), CFTs in the supply chain context (Alvarado and Kotzab, 2001; Gimenez, 2006; Van Hoek and Chapman, 2007), and knowledge management within CFTs (Luo et al., 2006;
The purpose of this research is to characterize the internal dynamics of CFTs in different organizational processes in a service company. The specific research question is: How can the work dynamics of a CFT be explained considering their diversity of characteristics in different organizational processes in a service company? This issue has been examined through a literature review and a single case study including a Brazilian service company. CFTs in five different intra-organizational processes (strategy development, product development, portfolio management, sales channels management, and business analysis) were analyzed.

The next topic provides an explanation of the procedures and methods adopted in field research. In the sequence, an analysis of the literature sheds light on definition issues of CFTs and a framework proposal. After it, the analysis of the results is presented that contains the description of the content analysis and research propositions. The conclusions are presented in the final topic, including the main findings as well as the practical and theoretical discussion.

2. Research method

2.1 Research strategy

The purpose of this research is to characterize the internal dynamics of CFTs in different organizational processes in a service company. According to Yin (2005), a single case study is justified if it is based on a well-formulated theory; that is, when the propositions, as circumstances for which they are true, are clear (Yin, 2005). The single case study brings its own benefits, such as the ability to provide a rich and nuanced description of the studied phenomenon (Dyer and Wilkins, 1991; Eisenhardt, 1991), and is an important tool when trying to improve knowledge on a certain topic (Eriksson, 2015).

In order to select a company for this study, three criteria were used:
1. **Company size**: the larger the organization, the greater the complexity of the processes and the necessity to integrate functions (Ashkenas, 1999; Galpin et al., 2007);

2. **Competitive environment**: the greater the market competition, the greater the need for initiatives to enable integration between functions (Kahn and Mentzer, 1996);

3. **Complex products/services**: the greater the complexity of the product/service, the greater the need to collaborate and integrate functions (Kahn and Mentzer, 1996).

The company chosen is a large company from the telecommunications sector, headquartered in Uberlandia, Brazil. It has a portfolio of critical and complex products including fixed and mobile telephones, broadband, pay TV, and data centers, and is active in an industry that has a turbulent market. The company has been active for more than 50 years, had revenue of USD 900M in 2012, has more than 800,000 customers, and operates in several cities across Brazil.

### 2.2 Data collection

Firstly, exploratory interviews with senior managers were conducted in order to identify the CFTs, which was most interesting to further investigate. It was a question of finding critical business processes with cross-functional features. Senior managers in areas such as strategic development, marketing, information technology, and operations were involved. The exploratory interviews allowed the identification of five critical processes and their respective CFTs:

1. Strategy development assessment (SDA);
2. Portfolio management and retail product development (PMD);
3. Business evaluation committee (BEC);
4. Management of retail sales channels (MRC);
5. Deployment of new technologies (DNT).

Sixteen in-depth interviews were conducted alongside non-participatory observation. Members and leaders of the five selected CFTs were interviewed. The interviews were conducted with support of a semi-structured protocol (Bauer and Gaskell, 2002), whose topics were based on the four pillars presented in the framework of Figure 1. The respondents were questioned about the characteristics with regard to these pillars and also about their respective impacts on the organization. The interviews were audio recorded with the permission of the
interviewees, and lasted between 40 and 75 minutes. Table 1 provides details about respondents.

Insert Table 1 about here.

2.3 Data analysis
A content analysis of the existing literature was used as a reference for the construction of the framework (Figure 1). The content analysis was performed in three steps based on the recommendations of Bardin (1977):

1. **Pre-analysis**: Possible overall categories were identified, providing the basis for how the theory is presented in the framework.
2. **Exploration**: A systematic reading was performed for the separation of reporting units and context, encoding them effectively in analysis dimensions.
3. **Treatment, inference, and interpretation**: The data were quantified according to the frequency of units found in order to present the popularity of categories elected as dimensions of analysis (here treated as: pillars).

Following these steps, interview transcripts were analyzed through the coding and categorization processes. The coding process allowed the identification of specific behavior and respective impacts in the team and/or on the company. The identification of the different reporting units was only based on the content of the field data. The categorization process followed a literature-based criteria. The reporting units, which emerged from field research, were allocated in the four pillars of the framework according to the characteristic of the behavior: Constitution of the CFT; Task Drivers; Behavior and Attitudes of the Team; and Personal Motivators. As these pillars represent characteristics of the operationalization of CFT, the respective impacts of these features were identified. These relationships are presented in Table 6.

2.4 Research quality
In an attempt to overcome researcher and interviewee bias limitations, the technique of triangulation was used based on the following actions (Eisenhardt, 1989; Yin, 2003; Suddaby, 2006; Flick, 2009). 1) Use of complementary data sources: Non-participant observation of the meetings conducted by the CFTs studied and internal company documents describing the activities of these teams. These data sources complemented the main data obtained from the
interviews. Thus, it was possible to compare the data collected from interviews with members of the CFTs against information collected from internal documents and observations. 2) Constructs check: After the coding process, the results were submitted to the interviewees to check accordance of meaning and subsequent adjustment. 3) Audio recording: Interviews were recorded to assure integrity of content in the analysis process. 4) Saturation of responses: Additional interviews were conducted as long as new constructs emerged from field data.

This research is mainly explorative. Accordingly, one of the main goals is to conduct and present the research in such a way that it can be transferred to a different context (Lincoln and Guba, 1989), or perhaps verify the results statistically.

3. Literature review

The literature review has two purposes. It has been conducted to provide an overview of the field, but also to serve an important role in constructing an analytical framework. The review is centered on cross-functional integration and CFTs.

3.1 Cross-functional integration

Kahn (1996) proposed an approach for cross-functional integration based on formal (interaction) and informal (collaboration) initiatives to generate cooperation between areas. Interaction relates to processes that have formal mechanisms to integrate functions, such as: meetings, the exchange of documents, scheduled conference calls, and memos. Collaboration relates to informal processes in which people from different departments interact and help each other to reach the organization’s goals. It is part of an unstructured social system that includes: affectivity, volunteering, mutual understanding, trust, and willingness to share information and resources.

Some studies have been conducted to investigate the integration between marketing and other internal functions (Kahn and Mentzer, 1998; Ellinger et al., 2000). These studies suggest that without collaboration (informal mechanisms), interaction (formal mechanisms) does not seem to have a direct effect on performance. On the other hand, the same studies show that collaboration has a strong positive relationship with the performance of departments and the organization as a whole. Pimenta et al. (2015) identified five types of factors present in the integration processes:
• **Points of contact**: Activities that demand contact between different functions;

• **Integration factors**: Managerial tools, strategies, and cultural aspects that generate integration among functions. The CFT, which is at the center of this research, is included here;

• **Integration level**: Intensity of the relationship between different functions related to the presence or absence of adequate integration factors;

• **Formality/informality**: Related to the division of the form in which the integration factors are applied with regard to the presence of formal and/or informal mechanisms;

• **Integration impacts**: Several papers (Kahn and Mentzer, 1998; Sherman, 2005; Schramm-Klein and Morschett, 2006; Van Hoek and Chapman, 2007; Flynn et al., 2010; Turkulainen and Ketokivi, 2012) suggest a relationship between cross-functional integration and increased performance.

Collaboration has the potential to bring positive and effective contributions to the organization, as indicated by several studies (Kahn and Mcdonough, 1997; Ellinger et al., 2000; Sherman et al., 2005; Meunier-Fitzhugh and Piercy, 2007; Daugherty et al., 2009; Dewsnap and Jobber, 2009; Feng et al., 2010; Turkulainen and Ketokivi, 2012). These studies present factors that influence teamwork and organizational performance, such as sharing general objectives, alignment of functional goals, interdependence between tasks, and common problem solving. These factors suggest congruence between cross-functional integration and the use of CFTs.

### 3.2 Cross-functional teams (CFTs)

Holland et al. (2000) described a CFT as a group of people who apply different skills, with a high degree of interdependence, to ensure effective delivery of a common organizational goal. A CFT needs strategic alignment between functions and a participatory culture that rewards teamwork to support the needs of the project and team. Cordero et al. (1998) highlight that members of CFTs work harder, are more involved in their jobs, and face more pressure since they need to integrate different functional perspectives. However, the authors argue that employees who work as a member of a CFT gain positive work-related outcomes, including professional development, safety, adherence to a successful team, increased earnings, and job satisfaction.

In a quantitative study, Maltz and Kohli (2000) concluded that the use of the CFT seems to be generally effective in reducing explicit conflicts between marketing and other functions.
Additionally, the study suggests that when the internal volatility is high, the CFT has an important conflict-reducing role, due to the consequent increase of opportunities for interactions that help to clarify the changes in the organization. The research of Maltz and Kohli (2000) also shows that the use of CFTs for decision-making appears to significantly reduce conflicts between marketing and three other areas: R&D, production, and finance.

Henke et al. (1993) studied the use of CFTs in the product development context. According to them, CFTs have characteristics such as the structure and composition of the team, system integration, people considerations, and communications and authority issues. They concluded that companies perceive four primary benefits in the use of CFTs. The first benefit is that the shortcomings of hierarchical structures are counteracted by the skills of the teams in crossing the vertical lines of authority. The second benefit is that the decision-making is decentralized. The third benefit is that the overhead of hierarchical information is drastically reduced. The fourth benefit is that high-quality decisions often occur through the use of CFTs.

Proehl (1997) identified four factors significant to the success of a CFT. The first factor is that successful teams have members and supporters who give the project high priority. The second factor is that the successful teams are task-oriented and maintain and fulfill their goals at the right time. The third factor is that the leaders must keep members informed and provide support and recognition. The fourth factor is that respect, open communication, and mutuality among members are key success factors.

Despite the benefits provided by the use of CFTs, many challenges are still faced in the practical field. Edmondson and Nembhard (2009) present some critical points which, if treated properly, can assist in obtaining benefits in the form of new capabilities and resilience of team members. The authors suggest that although CFTs have a great potential to improve the processes of learning and innovation, the realization of benefits is challenged by a list of factors:

- **Complexity of the project**: Tasks that require cross-functional collaboration normally present uncertainty and ambiguity, which members have to deal with;
- **Team diversity**: Differences between functions within the team may positively affect performance. Furthermore, this functional diversity can also cause dissatisfaction, staff turnover, lack of commitment, and stress;
• **Period of performance of members**: Usually, the team members are selected based on their skills and abilities to contribute to a specific project. Some will work until the end of the project, while others will join for short periods. This may generate problems of learning, due to the lack of familiarity among members;

• **Thin line**: The cohesion among members of a CFT is crucial to reaching specific objectives of the team. However, this cohesion may inhibit disagreements and a diversity of ideas among members, who start to act more as colleagues than agents for innovation and change;

• **Organizational infrastructure**: Related to the insertion of a CFT within the organizational structure in such a way that it inhibits teamwork. Sometimes the staff is overwhelmed within the structure and processes of rewards and promotes the individuality of members within their functional structures.

### 3.3 Fundamental components of the internal dynamics of CFTs

Following its purpose, the literature review has been used for the construction of a framework that facilitates analysis of the internal dynamics of CFTs and their impacts. Four pillars were identified for the characterization of CFTs’ internal dynamics in different organizational processes (Figure 1): Constitution of the CFT, Task Drivers, Behavior and Attitudes of the Team, and Personal Motivators. The identified pillars consist of several bricks that help to characterize a CFT.

The pillar Constitution of the CFT comprises the reasons for creating a CFT, that is, team goals (Cohen and Bailey, 1997; Hauptman and Hirji, 1999; Holland et al., 2000; Krohmer et al., 2002; Carlile, 2004; Moses and Ahlstrom, 2008; Love and Roper, 2009; Feng et al., 2010; Hirunyawipada et al., 2010; Jugend and Silva 2012). It contains information about the internal functions that make up the team, the process of selecting members, and the factors related to them, such as: the number of members, training, professional experience, skills, and motivations (Webber, 2002; Randel and Jaussi, 2003; Yeh and Chou, 2005; Moses and Ahlstrom, 2008; Edmondson and Nembhard, 2009; Daspit et al., 2013). Another brick of this pillar is related to the periodicity of teams: that is, whether a team is permanent or temporary (Wang and He, 2008; Edmondson and Nembhard, 2009).
Task Drivers includes the main bricks related to the enablers of and barriers to a CFT succeeding with their task. It contains alignment mechanisms between functional and organizational goals, that is, non-conflicting objectives (Moses and Ahlstrom, 2008). It also concerns how leadership is established and institutionalized, as well as how to identify the leadership style and what type of influence it exerts over other areas, that is, leadership (Webber, 2002; Wang and He, 2008). Moreover, Task Drivers also embrace top management support as well as mutual evaluation and reward systems based on collective results, that is, support, recognition, and rewards toward collective goals (Maltz and Kohli, 2000; Sarin and Mahajan, 2001; Wang and He, 2008; Anthony et al., 2013).

Behavior and Attitudes of the Team relate to the informal characteristics of the relationships between people that contribute to the integration of internal areas. One brick of this pillar is collaboration, which is defined as the initiative to help each other to reach the organization’s goals. Collaboration is well recognized in the literature regarding cross-functional integration (Kahn, 1996; Kahn and Mentzer, 1996; Edmondson and Nembhard, 2009; Ghobadi and D’Ambra, 2012). The quality of communication is an important brick, as it may help to mitigate conflicts (Henke et al., 1993; Maltz and Kohli, 2000; Anthony et al., 2013). It is important to share the expertise from different disciplines, functions, and experiences among CFT members, which can help to reduce the risk of potential conflict by differences in languages and technical expertise, that is, knowledge management and willingness to share information (Carlile, 2004; Kotlarsky et al., 2012).

Personal Motivators provide understanding about the bricks that motivate members of CFTs to work harder than the people who only work with functional activities, that is, higher workload (Cordero et al., 1998; Lichtenstein et al., 2004). An important brick of this pillar concerns the differential status dedicated to members of some CFTs that have strong decision power, that is, differential status (Cordero et al., 1998; Pimenta et al., 2014). Working in CFTs makes it easier to expose specific skills to top management and it may facilitate professional growth, that is, exposure of skills to top management (Edmondson et al., 2001). These bricks may influence the results of the team and its ability to accomplish tasks.

The four pillars can help to characterize processes within CFTs. They represent how the teams are structured and managed and which results are related to its characteristics, that is, the impacts of implementing a CFT. The impacts can be defined as financial and non-financial results, which are facilitated through the management of teams. This allows the
analysis of how a team’s specific characteristics can enable results in the team, as well as its impact on the organization as a whole.

4. Results
This section presents the results obtained with the analysis of the five studied CFTs in the company. As described earlier in the research method section, five CFTs were selected: SDA, PMD, BEC, MRC, and DNT. Figure 2 shows a simplified organizational structure of the company and the location of the CFTs studied in this research.

4.1 Analysis: Constitution of the CFT
The CFTs studied in this research are diverse in terms of constitution. Table 2 shows a summary of the main features and similarities of the five teams studied.

Most of the analyzed CFTs keep their members and their leadership at the same physical location. However, in the MRC team many of the members are geographically dispersed in different regions. The duration of a CFT may be temporary or permanent depending either on the nature of their task or their purpose. A permanent CFT can also divide its processes among several temporary teams, which are led by members of the permanent CFT. These can be seen as task forces, created when permanent teams cannot answer a great volume or a very specific demand.

The study indicates that in most of the CFTs, the marketing function has a central role, as all processes in the surveyed company are initiated based on market needs. In the SDA team, for example, the process starts with market research, trend studies, and competitive intelligence.

“It is important that many areas of the company join that team, in order to speed things up, improve efficiency, and avoid mistakes.” (DNT interviewee)

“I think that people from strategic teams should know about marketing, products, projects; it is a multidisciplinary team.” (SDA interviewee)

In the PMD team for new product development, it is necessary to review the target audience, forecast demand, analyze competitive pricing advantages, and create a business plan. In the
DNT team, the deployment of new technologies is done by defining the geographic reference (with a geo-marketing tool) for each segment answered by the company. In the BEC team, the majority of the members are from marketing, and the evaluation is based on market premises. Likewise, for the MRC team the marketing function should conduct a preliminary process that determines the strategies related to sales and distribution channels and sales targets. Despite the importance of the marketing function for all CFTs, the closer to a strategic objective the team is, the more functions the team should be involved in. That is the case of SDA, which involves members from every functions.

4.2 Analysis: Task Drivers

Table 3 shows a summary of the Task Drivers. It is only in the permanent CFTs that the functional goals of the members are fully linked to the team goals. In temporary CFTs, very few members have their purposes related to the team goals. It is expected that they are aligned, even when a member of the CFT does not have the same explicit goal. However, in some company reports, this alignment does not always occur. In such cases, the role of leadership is crucial to solve conflicts of interest and understanding.

Insert Table 3 about here.

In the case of the MRC team, the distance between the team and its leadership promotes a breach of team-related goals to give focus on functional goals. In the case of the BEC team, the objective is to evaluate, approve, or disapprove the budgeted investments for projects for the organization during the year. Despite being related to the project portfolio, it is not a CFT that has been constituted to drive a specific project.

“Teams help to understand mutual objectives. Top management support may help to reach results to avoid delays.” (PMD interviewee)

Interviewees from all the surveyed CFTs mentioned that the evaluation/rewards system does not consider any difference between a team member and a person that only woks on functional tasks. According to them, it would be important to develop a rewards policy that recognizes the efforts of CFT members, as well as any type of workload increase and respective results.

In the surveyed company, each CFT has its leader. Some CFT leaders also have managerial roles in their functional environment; for example, a marketing manager that is also a CFT
leader has subordinates in the marketing department and also has them within the team. This situation happens in three CFTs: the SDA, PMD, and MRC teams. The members are submitted to the leader of the CFT, and some of them also have a hierarchical relationship in the functional area with the same leader. Due to this double managerial role, the leader increases his or her ability to influence other leaders in the organization, improving the decision power of the team.

4.3 Analysis: Behavior and Attitudes

Collaboration is a brick related to informal cooperation between team members. With the exception of the MRC team, collaboration seems to prevail, even if it takes a while to stabilize, depending on the level of seniority of the staff. In the case of the DNT team, for example, there were reports of a problematic starting to a project, because the professionals that were chosen to join the team did not have enough experience to maintain order and reach objectives. However, when members are experienced and mature professionals, cooperation becomes more natural.

“The informal relationships help to strengthen the team; we have to act with respect and transparency.” (PMD interviewee)

“We complement ourselves with communication and transparency, and it is paramount.” (SDA interviewee)

Another observed brick is the degree of importance of the task performed by the team. When people feel that dedication is critical to the organization, collaboration is greater, because the team member feels more exposed to the immediate attention of superiors and directors. Thus, the leadership has less difficulty in ensuring that these members fulfill their roles and collaborate with each other. Table 4 shows a summary of the main similarities in the surveyed teams.

Insert Table 4 about here.

4.4 Analysis: Personal Motivators

Several motivation items of participating in CFTs are related to the internal environment of the teams. Two items are fundamental to the motivation of members of the CFT, as indicated by the reports and observations made. The first is the possibility of exposing one’s professional image to immediate superiors and sponsors, who are mostly directors. When
selected to participate in a CFT, the member usually perceives a differentiation with respect to other colleagues from his/her functional area. This seems to represent a gain of status for the professional.

“I can have contact with top management. I became better known for what I can do. We can show ourselves”. (SDA interviewee)

The second regards the multidisciplinary and challenging nature of the CFT. Members reported that this characteristic enabled continuous learning, the acquisition of knowledge about new things, and the absence of routines. Although almost all the interviewees agree that more complex and demanding tasks generate motivation. Table 5 summarizes the Personal Motivators.

Insert Table 5 about here.

4.5 Propositions related to the impacts generated by the use of CFTs

This research shows one example of how the implementation of CFTs can help coordinate efforts toward organizational collective goals. Moreover, a CFT’s nature and purpose determine the types of functional members that participate in it. Interviewees from the studied CFTs have the unanimous opinion that CFTs play a key role in reaching organizational goals. As a consequence, the formation of a CFT is essential to the integration between the participating instrument functions. Table 6 presents some exploratory propositions about the linkages between specific characteristics of CFTs and respective impacts over results. Each proposition presents the linkages between the characteristics of the team and its respective impacts according to the perceptions of the interviewees. These links are described in the text of the sentences, and are also marked in each related construct, on the right side. The constructs are based on the four pillars of analysis of the framework proposed in this research.

Insert Table 6 about here.

5. Concluding remarks

This study presents, as a main contribution, a set of categories for characterizing CFTs in different organizational processes in a service company. The studied CFTs can be analyzed from the perspective of four major pillars: a) Constitution of the CFT; b) Task Drivers;
c) Behavior and Attitudes of the Team; and d) Personal Motivators. A CFT can be established through several forms. Positive impacts are generated when the Constitution of the CFT is configured to contain more senior members, with high capacity to perform the demanded tasks, good interpersonal skills and mature attitudes. According to the interviewees, the seniority of the team members and their interpersonal skills are important when constructing a CFT. Task Drivers contain bricks related to the enablers and barriers for the task assigned to a CFT. The leader of the CFT, even when they take on an informal condition, needs to ensure that the team goals are aligned with the functional goals of its members. If the goals are not aligned between the CFT and functional organizational areas, the leader must conduct negotiations to ensure that team goals are reached.

5.1 Managerial implications
When the bricks of Behavior and Attitudes of the Team are managed as a priority for the team, as well as the voluntary collaboration of the functional areas related to the team activities, the members are likely to be cohesive. When there is cohesion in a CFT, the members increase their capacity to spread the team’s interests throughout the organization, influencing people outside the group. Such cohesion is mostly related to the mutual understanding of roles and the quality of communication.

The workload in a CFT seems to be larger and more complex than working in a functional activity, especially in CFTs with a temporary nature. Despite this factor affecting the quality of life of the employee, it is perceived as having a high-value role that gives to the member of the CFT a positive professional image, reducing risk of unemployment and increasing motivation. These impacts can motivate the member and thus increase the productivity of CFT.

5.2 Theoretical implications
As stated in the introduction, several authors have discussed the impacts of the use of CFTs (Maltz and Kohli, 1996; Krohmer et al., 2002; Webber, 2002; Luo et al., 2006; Matthyssens and Johnston, 2006; Chernatony and Cottam, 2009; Turkulainen and Ketokivi, 2012). Few authors (Pimenta et al., 2014) from the extant literature present how CFTs can be characterized from a process and structural standpoint. Moreover, the existing literature focuses on the manufacturing context. The present paper characterized several CFT structures within five processes in a service company. The proposed framework allows the analysis of the teams through a multidimensional view in terms of structure, processes, and impacts.
Through the application of this framework in the case study, twelve propositions were developed with regard to several characteristics, under different contexts, processes, and their respective impacts on performance. These propositions were developed considering an in-depth analysis of CFTs processes, specifically in a service context. Due to that specific and deep character, the majority of their cause and effect assumptions were not mentioned in the studied literature, with the exception of P6 about the diversity of knowledge and performance (Holland et al., 2000; Edmondson and Nemphard 2009), and also P9 with regard to social recognition (Cordero et al., 1998). The present study corroborated these authors’ ideas, and also contributed to extant literature with the proposal of a set of new exploratory propositions that can support future quantitative research about the use of CFTs in the service industry context.

5.3 Limitations and further research
The methods of data collection and analysis used in this qualitative study, by their very nature, do not allow the extension and generalization of the results to the universe of existing organizations. Several of the insights gained, both in the in-depth interviews and in the non-participant observation, may be statistically confirmed with a survey in order to generalize the presented relationships in future research. Specifically, each of the exploratory propositions, described in Table 6, could be tested as a hypothesis through a survey applied in service companies.

References


### Table 1  Characteristics of respondents

<table>
<thead>
<tr>
<th>Cross-functional team</th>
<th>Function</th>
<th>Experience</th>
<th>Company time</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PMD - Portfolio Management and Retail Product Development</strong></td>
<td>Product Analyst</td>
<td>Senior in reformatting product</td>
<td>&gt; 10 years</td>
<td>PMDAN1</td>
</tr>
<tr>
<td></td>
<td>Product Analyst</td>
<td>Senior product development</td>
<td>&gt; 10 years</td>
<td>PMDAN2</td>
</tr>
<tr>
<td></td>
<td>Project Manager</td>
<td>Experience in PMO</td>
<td>&gt; 5 years</td>
<td>PMDPM1</td>
</tr>
<tr>
<td></td>
<td>Project Manager</td>
<td>Experience in PMO</td>
<td>&gt; 5 years</td>
<td>PMDPM2</td>
</tr>
<tr>
<td></td>
<td>Project Manager</td>
<td>Experience in PMO</td>
<td>&gt; 7 years</td>
<td>PMDPM3</td>
</tr>
<tr>
<td></td>
<td>Supervisor</td>
<td>Expert in product development and portfolio management</td>
<td>&gt; 8 years</td>
<td>PMDSU</td>
</tr>
<tr>
<td><strong>SDA - Strategy Development Assessment</strong></td>
<td>Executive Consultant</td>
<td>Company executive with extensive experience in strategic development processes</td>
<td>&gt; 10 years</td>
<td>SDAEC</td>
</tr>
<tr>
<td></td>
<td>Business Specialist</td>
<td>Experience in mergers and acquisitions</td>
<td>For&gt; 15 years</td>
<td>SDABS1</td>
</tr>
<tr>
<td></td>
<td>Business Specialist</td>
<td>Experience in strategic development processes</td>
<td>&gt; 10 years</td>
<td>SDABS2</td>
</tr>
<tr>
<td><strong>BEC - Business Evaluation Committee</strong></td>
<td>Executive Consultant</td>
<td>Executive Manager PMO company</td>
<td>&gt; 10 years</td>
<td>BECEC</td>
</tr>
<tr>
<td></td>
<td>PMP</td>
<td>PMP certified with extensive experience in project management</td>
<td>&gt; 10 years</td>
<td>BECPMP</td>
</tr>
<tr>
<td><strong>MRC - Management of Retail Sales Channels</strong></td>
<td>Management of Direct Channels</td>
<td>Extensive experience in managing sales channels</td>
<td>&gt; 10 years</td>
<td>MRCMD</td>
</tr>
<tr>
<td></td>
<td>Management of Home Channels</td>
<td>Extensive experience in managing sales channels</td>
<td>&gt; 7 years</td>
<td>MRCMH</td>
</tr>
<tr>
<td><strong>DNT - Deployment of New Technologies</strong></td>
<td>Project Manager</td>
<td>MPM Certificate with extensive experience in technology projects</td>
<td>&gt; 7 years</td>
<td>DNTPM</td>
</tr>
<tr>
<td></td>
<td>Marketing Analyst</td>
<td>Experience developing market research for the residential segment</td>
<td>&gt; 5 years</td>
<td>DNTMA</td>
</tr>
<tr>
<td></td>
<td>Supervisor of Sales Channels</td>
<td>Management of sales teams</td>
<td>&gt; 5 years</td>
<td>DNTSS</td>
</tr>
</tbody>
</table>
Figure 1  Framework for the analysis of the internal dynamics of CFTs and its impacts
Figure 2  Organizational structure of the company and location of the five studied CFTs

Table 2  Characteristics of formation of CFT

<table>
<thead>
<tr>
<th>Features of the Constitution of the CFT</th>
<th>CFT</th>
</tr>
</thead>
<tbody>
<tr>
<td>There are permanent CFTs with cores that are formed by other temporary CFTs with informal leadership amongst its members</td>
<td>SDA, PMD</td>
</tr>
<tr>
<td>Some members of the CFT are hierarchically linked to leadership, while others, submitted to the leadership of the origin function</td>
<td>SDA, PMD, MRC</td>
</tr>
<tr>
<td>The members of CFTs are placed in the same geographic location as their leadership are</td>
<td>SDA, PMD, BEC, DNT</td>
</tr>
<tr>
<td>The degree of seniority and interpersonal skills are essential to the Constitution of the team, because it determines behavior that facilitate working in a dynamic CFT</td>
<td>SDA, PMD, MRC, DNT, BEC</td>
</tr>
</tbody>
</table>
### Table 3: Characteristics of the task drivers

<table>
<thead>
<tr>
<th>Characteristics of the Task Drivers</th>
<th>CFT</th>
</tr>
</thead>
<tbody>
<tr>
<td>The goals of the members are totally related to the team only in permanent CFTs, because the alignment of organizational goals depends on the enchainment between strategic objectives and operational goals, defined by the hierarchy to which it belongs.</td>
<td>BEC, MRC</td>
</tr>
<tr>
<td>There are CFTs in which the members and their leadership are allocated in different geographic places.</td>
<td>MRC</td>
</tr>
<tr>
<td>There are CFTs related to projects because they approve new products to the company's portfolio, but they are not the projects teams themselves.</td>
<td>BEC</td>
</tr>
<tr>
<td>There is no differentiation between remuneration for members who work in a CFT and the remuneration of people who act only in functional areas; however, it increases the visibility of the professional in the company.</td>
<td>SDA, PMD, MRC, BEC, DNT</td>
</tr>
<tr>
<td>There are CFT in which some members are hierarchically linked to the formal team leader, while others, submitted to the functions’ leaders.</td>
<td>SDA, PMD</td>
</tr>
</tbody>
</table>

### Table 4 - Characteristics of Behavior and Attitudes

<table>
<thead>
<tr>
<th>Characteristics of Behavior and Attitudes</th>
<th>CFT</th>
</tr>
</thead>
<tbody>
<tr>
<td>In most of the studied CFTs, the collaboration component is predominant to avoid conflict or competition.</td>
<td>SDA, PMD, BEC, DNT</td>
</tr>
<tr>
<td>The seniority is a recurring item in the interviews on all CFTs, as a fundamental factor to enable collaboration and achievement of objectives</td>
<td>SDA, PMD, MRC, BEC, DNT</td>
</tr>
<tr>
<td>The higher the importance of the task for the organization the higher the collaboration level between members of the CFT</td>
<td>BEC</td>
</tr>
<tr>
<td>The degree of seniority of members of an CFT influences leadership, motivating a collegial decision-making</td>
<td>SDA, PMD, BEC, DNT</td>
</tr>
</tbody>
</table>

### Table 5 - Characteristics of Personal Motivators

<table>
<thead>
<tr>
<th>Characteristics of Personal Motivators</th>
<th>CFT</th>
</tr>
</thead>
<tbody>
<tr>
<td>The motivation of a member of a CFT depends on two basic factors: perceived differentiation from peers of the functional area and the multidisciplinary and challenging nature of the CFT environment.</td>
<td>SDA, PMD, DNT</td>
</tr>
<tr>
<td>The workload of working in a CFT is higher than working in functional areas. Nevertheless, members are motivated to work that way.</td>
<td>SDA, PMD, DNT</td>
</tr>
</tbody>
</table>
Table 6  Propositions with regard to the impacts generated by the use of CFT’s

<table>
<thead>
<tr>
<th>Propositions</th>
<th>CFT</th>
<th>Source (interviewees, observation, documents)</th>
<th>Constitution of the CFT</th>
<th>Task Drivers</th>
<th>Behavior and Attitudes</th>
<th>Personal Motivators</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>P1.</strong> When strategic tasks, such as long-term planning and evaluation of competitive signals of mergers/acquisitions, are assigned to a single functional area instead of a CFT, a bias of objectives may occur.</td>
<td>SDA</td>
<td>SDAEC, SDABS1, SDABS2, Observation</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td><strong>P2.</strong> The deadlines for tasks performed by a CFT are impacted by the lack of the necessary functions for its operation. (e.g., a delay in the delivery of results from a non-member function, because its priorities are not the same as the CFT).</td>
<td>SDA, PMD, BEC, DNT</td>
<td>SDABS1, PMDAN1, BECEC, DNTMAT, Observation</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td><strong>P3.</strong> The seniority of the team members enables collaboration and team cohesion. (This characteristic facilitates leadership and reduces the</td>
<td>SDA, PMD, BEC</td>
<td>SDABS2, PMDAN1, PMDPM1, BECEC, DNTMAT, Observation</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Propositions</td>
<td>CFT</td>
<td>Source (interviewees, observation, documents)</td>
<td>Constitution of the CFT</td>
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</tr>
<tr>
<td>P4. The more cohesive the team, the more people can be influenced by the team.</td>
<td>DNT</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>P5. The lack of a distinguished career plan for members of the CFT, mainly those with a temporary duration, generates dissatisfaction. (Because there is no clear definition of where the member will be allocated after the expiration of the CFT).</td>
<td>PMD</td>
<td>PMDSU, Observation</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>P6. The diversity of functions and their specific structures generates enrichment in the environment and builds collaboration.</td>
<td>SDA DNT</td>
<td>SDABS1, TECCR, Observation</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>P7. Methodological misunderstandings among the team members lead to the generation of conflicts. (i.e., when the semantic boundary is not well delineated,</td>
<td>SDA BEC DNT</td>
<td>SDABS1, BECEC, DNTMAT, Observation</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
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</table>

need for top management support.
<table>
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<tr>
<th>Propositions</th>
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<th>Source (interviewees, observation, documents)</th>
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<tr>
<td>P8. Working in a CFT motivates members due to exposure to novelty, learning, and information from different areas of the organization. (e.g., the use of a CFT is often related to a certain degree of innovation and project management in the studied company).</td>
<td>SDA PMD DNT</td>
<td>SDABS2, PMDPM1, PMDPM2, PMDPM3, PMDAN1, PMDAN2, TECCR, Observation</td>
</tr>
<tr>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>P9. The more relevant the tasks performed by the CFT, the greater the sense of professional recognition and projection in the organization. (i.e., participating in a CFT seems to confer a different status for members. It symbolizes a relevant activity to the organization).</td>
<td>SDA PMD DNT</td>
<td>SDABS2, PMDPM1, PMDPM2, PMDPM3, PMDAN1, PMDAN2, TECCR, Observation</td>
</tr>
<tr>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Propositions</td>
<td>Source (interviewees, observation, documents)</td>
<td>Constitution of the CFT</td>
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<td>-----------------------------------------------</td>
<td>-------------------------</td>
</tr>
<tr>
<td><strong>P10.</strong> Lack of alignment between a CFT’s goals and the goals of individual functions of origin generates conflict and negative impacts on team cohesion.</td>
<td>SDA, MRC, BEC, DNT, PMD</td>
<td>PMDPM1, PMDPM2, PMDPM3, PMDAN1, PMDAN2, SDAEC, SDABS1, SDABS2, BECEC, MRCMD, DNTSS, Internal Documentation</td>
</tr>
<tr>
<td><strong>P11.</strong> CFT members that are constantly overwhelmed in their functional area tend to follow functional goals primarily, and this negatively affects collaboration, quality of decision-making, and the motivation of staff.</td>
<td>MRC</td>
<td>MRCMD, Observation</td>
</tr>
<tr>
<td><strong>P12.</strong> The more the leader of the CFT stimulates communication between its members, focusing on the homogeneity of understanding with respect to semantics, the more the team presents collaboration.</td>
<td>PMD, BEC, DNT</td>
<td>PMDPM1, PMDPM2, PMDPM3, PMDAN1, BECEC, TECCR, DNTPM, DNTSS, Internal Documentation</td>
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<th>Personal Motivators</th>
</tr>
</thead>
<tbody>
<tr>
<td>PMDPM1, PMDPM2, PMDPM3, PMDAN1, PMDAN2, SDAEC, SDABS1, SDABS2, BECEC, MRCMD, DNTSS, Internal Documentation</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>MRCMD, Observation</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>PMDPM1, PMDPM2, PMDPM3, PMDAN1, BECEC, TECCR, DNTPM, DNTSS, Internal Documentation</td>
<td>X</td>
<td>X</td>
<td>X</td>
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</table>