



FQML

Course 1 – Building the foundation for resilient leadership

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Exploring the Pressure performance curve

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In 1908 two scientists called Yerkes and Dodson conducted a series of experiments with ‘dancing mice’. They put mice under pressure and assessed how well they performed. This was achieved by heating the floor of their cage (hence ‘dancing mice’) to see how this affected their ability to perform. Yerkes and Dodson were able to demonstrate a clear and definitive relationship between pressure and performance which has stood the test of time. Since then, this relationship has also been verified for people, computers, complex systems and corporations - as well as mice.

This is not that surprising and when asked to describe the relationship between pressure and performance most people can accurately describe how one affects the other. Most people know that pressure improves performance up to a point and then impairs it and yet few managers, leaders or organisations apply these lessons to their own lives, teams or companies.

We all need some pressure or ‘stress’ in our lives in order to perform well. This is why many of us work well to deadlines. This is the healthy ‘upslope’ of the performance curve and it is often referred to as “good stress”. However, if we become overloaded with an increasing number of tasks, conflicting deadlines and escalating pressure, eventually we will ‘peak’ and find our limit.

The top of the performance curve or ‘peak’ forms an apex because most of us can pin point when we are working at our peak. This is our ‘peak performance’ and represents the physical limits to how much we can do in one day.

So if we’re working flat out at or near our peak and somebody asks us to do an additional task our performance cannot improve any further. All that happens is the pressure increases and performance declines.

High stress employees are more likely to quit.



Pressure Performance Curve

When we are overloaded, (or we overload others), performance doesn't plateau it actually gets worse. We might think our performance is tracking upward along the first dotted line in figure 5.0 but it's not. We have crossed a threshold and entered what we call the 'down slope'. In the early days of impaired performance we may not even notice that we are starting to underperform, partly because the gap between what we intend to do and what we are actually doing is small. In fact most people don't know that their performance has become impaired until they are significantly down the down slope.

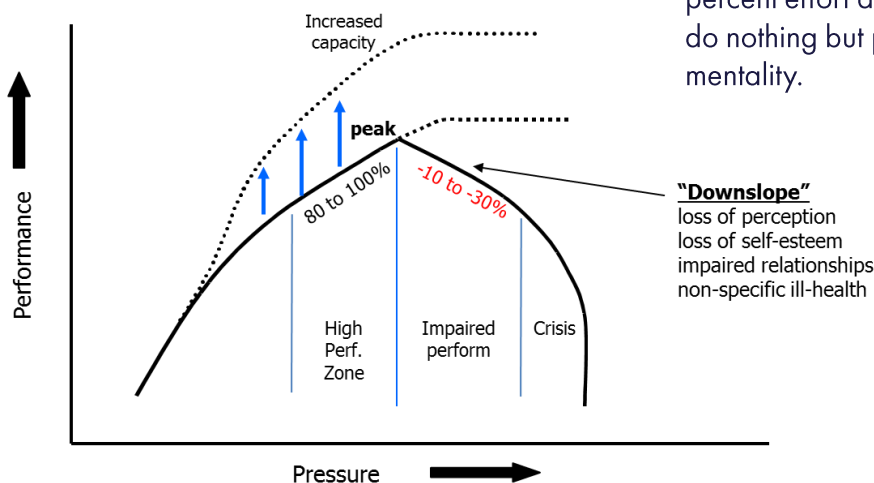
Of course, once we realise there's a gap between our actual performance and our expected performance that often makes us feel dreadful and pushes us further down the down slope.

Getting the Balance Right

Underperformance in any organisation is either due to insufficient pressure or, much more commonly, too much pressure. Unfortunately the commonest organisational response to poor performance is to 'flog it harder', i.e. increase the pressure and demand even more by putting more pressure into the system or onto the person. This approach simply exacerbates the problem still further and drives the individual or team towards failure, even faster.

It is therefore vital that we all understand where we are on the performance curve and how to get the balance right, both for ourselves and our people. Too much pressure results in impaired performance and too little pressure results in sub optimal performance. Most people in organisations live their life on the down slope because there is too much pressure in the system.

Part of the problem is that in business we demand, "110 percent or 120 percent effort". People who make such demands are simply revealing how little they know about performance. It's not possible to deliver a 120 percent effort and such exhortations ultimately do nothing but perpetuate the "not enough" mentality.





Pressure Performance Curve

Any athlete will tell us that it is impossible to perform continuously at 100 percent. Most elite athletes work on the healthy side of the performance curve at 80-85 percent of maximum capacity. This is what enables them to raise their game for competition. Leaders, senior executives and teams need to be doing the same - leaving some spare capacity for a crisis or a busy time of year.

If we put too much pressure on ourselves or our team then our performance will tail off until eventually we can't perform at all. Often this can happen when there is just too much on someone's plate and too many equally important competing priorities. As a result one of the most productive leadership interventions is to narrow the focus by clarifying and simplifying everything. Warwick Brady, the brilliant COO of Europe's leading airline easyJet used this approach to transform easyJet's performance and improve employee morale. easyJet is Europe's leading airline, operating on over 600 routes across 30 countries employing and servicing around 59 million passengers annually. The company employ over 8,000 people including 2,000 pilots and 4,500 cabin crew and has a fleet of over 200 aircraft.

Warwick explains, "Day to day delivery was poor, customer service was low and the business was struggling to control costs. This all culminated in a collapse of performance in Summer 2010. The number of easyJet planes arriving on time dropped to around 40 per cent. Gatwick Airport published the league table of airline on time performance (OTP) and easyJet came out below Air Zimbabwe.

A fact shared with the wider world, when Ryanair, a main competitor used it as a headline in a national newspaper advertisement... The company was not in good shape. I stepped into the COO role in October 2010. What I found was a team of people who had worked really hard for three to four years with little to show for it. For many it had become embarrassing to work for easyJet – performance was poor and everyone knew it... I had a lot to sort out. Despite the apparent scale of the turnaround required, I decided we needed to really focus and fix just one thing: OTP. We needed to keep safety where it was, but essentially we had to fix OTP, that's it, nothing else. The only way to achieve that goal was to work together as a team on that single focus... It worked. Within six months, we had stabilised the operation... Within 12 months we had not only fixed the problem, we had become number one in the industry for OTP. We had fixed the core. Our customers could trust that we would get them to their destination on time. Our crews could trust that they would be able to get home on time after their shifts. Today my top team is predominantly made up of the same people as it was back in the dark days. We went from being the worst performing airline to being the best. Now the team is well respected and operating like a well-oiled machine. All of this was down to the singular focus on OTP and our teamwork."

Having achieved such a dramatic turn-around in performance his team have gone further still by implementing a step change to their meeting process, focus and discipline. This included reviewing all non-critical projects and literally stopping work to enable other projects to really succeed. Getting executives to stop doing things was quite a performance break through.



Warwick explains how that was achieved in his case study detailed at www.coherence-book.com. Chris Hope, a rising star and Warwick's Head of Operational Strategy also provides details of how the team moved beyond an operational focus to implement better quality governance within the team.

When it comes to performance there really is no need to overcomplicate the agenda. When a leader reduces the pressure the performance will often improve immediately without any other intervention being required. Therefore one of the most important responsibilities of a leader is to keep it simple and keep it clear. Getting the balance of pressure right is absolutely crucial for any leader who is interested in increasing their own, their team and their organisation's results.

Living on the Down slope

What happens to many individuals and teams is that they slip onto the down slope and don't even realise they are on the wrong side of the performance curve. In fact many leaders don't notice anything is wrong until things reach a crisis point.

This inability to step in early enough is particularly dramatic in health care systems where we often chart the downward progress of an individual and wait until their health has collapsed before we intervene. Intervening after things have imploded or failed is much harder, more expensive and it takes a lot longer to recover. It would be much wiser to intervene at the beginning of the down slope when things are more easily reversed. This highlights a fundamental principle - if we want to get things working properly early detection of underperformance or 'loss of form' is crucial.

If action is only taken once the system has failed then it will be extremely costly and recovery may even be impossible.

The more perceptive we are the quicker impaired performance will become apparent and the quicker we are able to step in and reverse the trend. Without that expanded perception and awareness of the performance curve we will simply drive harder and shout louder which often brings about the very thing we are trying to avoid. When we ramp up the pressure we simply accelerate and accentuate the loss of form which can in turn create real performance and safety problems. If left unchecked the highly pressurised individual will slide all the way down the down slope toward serious health issues and breakdown. So if we don't want to keel over at our desks, have a heart attack or stroke and we don't want any of our team to suffer the same fate then appreciate the signs and signals of the performance curve and remove pressure instead of adding to it.

There are several key signs and signals that can tell us if we, or our people, have been tipped from peak performance into the down slope. The first is loss of perception. Most people don't even realise they're on the down slope. In fact when challenged they normally deny there is anything wrong. They just don't see their predicament. Remember the bank CEO I referred to in chapter three, who refused to believe there was anything wrong with his ability to foresee the financial crisis and lost his job as a result. The reality was that a number of economists told the G7 leaders that the financial tsunami was coming but leaders in the industry either didn't understand it or didn't want to believe it.



There are also valid and relevant neuroscientific reasons why there is a loss of perception, as discussed in the previous chapter. When we are under pressure the physiological signals generated in our body – particularly from our heart – create an incoherent signal that causes a DIY lobotomy. Unfortunately without access to our frontal lobes and the full depth and breadth of our own intelligence and cognitive ability our perceptual awareness is seriously impaired. In addition to a loss of perception there is often a loss of self-esteem, irritability, and all this can lead to impaired relationships.

Another tell-tale sign of the down slope is non-specific ill health. People on the down slope may wonder if they should “go to a doctor”. Unfortunately doctors are trained to spot pathology and the early detection of dysfunction or instability before pathology occurs is not really part of the training. As a result the doctor will often dismiss the symptoms because there is nothing ‘specifically’ wrong.

Actually it is these non-specific things that doctors should all be paying much more attention to. These are the early warning signs of a destabilised system and the pre-cursors for major disease and ill-health. When things are just mildly dysfunctional and we’re not quite sure what is wrong that’s exactly when we should be paying the most attention because these are the early and highly reversible signs of poor performance and ill-health.

Left unchecked more obvious psychological issues such as depression, dissatisfaction, frustration, pessimism, agitation and demotivation start to occur.

These create behavioural problems in the work force, poor relationships at work, excessive union issues, reduced productivity, impaired or absent creativity, increased aggressiveness, impatience or indifference.

Ultimately the non-specific health issues such as low energy, poor sleep and weight gain will give way to more obvious conditions such as heart problems, high blood pressure and infections. The increased consumption of pills and alcohol is also a clue that we are on the down slope.

In addition to the impairment of individual performance and health there are organisational costs to being on the down slope. At the team level poor system health would be indicated by poor interpersonal dynamics and frequent ego battles. At the business unit level poor health could be indicated by an unhelpful culture. At an organisational level it would manifest as tribal behaviour and turf wars.

Absenteeism is likely to rise because people are de-motivated. This can drift into long term absenteeism and ultimately increased compensation claims against the business for ill health or injuries at work. Such activity also has indirect costs in terms of salary replacement and increased head count required to cover the absence. Staff engagement can be stubbornly resistant to change leading to perpetually sub-optimal performance.

If we want to increase our personal or our organisation’s performance we will need to increase our own and other people’s capacity. This can only be done effectively from the healthy side of the performance curve.



Figure 5.1 Individual Impact of Excess Pressure

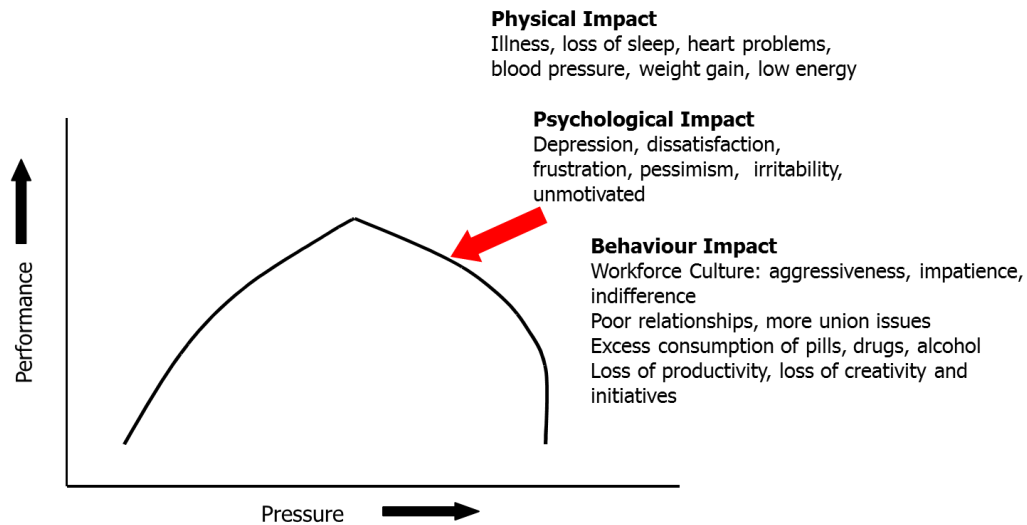
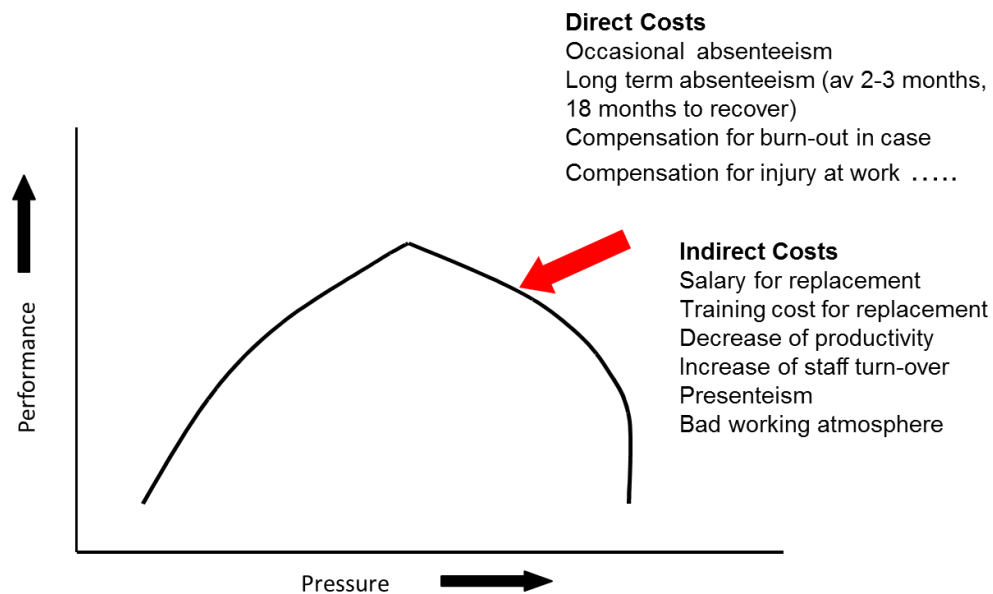


Figure 5.2 Organisational Impact of Excess Pressure





References

- ¹ Yerkes, R M and Dodson J D (1908) The Relation of Strength of Stimulus to Rapidity of Habit-Formation
Journal of Comparative Neurology and Psychology, 18, 459-482.
- ² Lewis, M (2010) *The Big Short Penguin*, London

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