

COMPETITION IS THE ENEMY OF COMPLACENCY

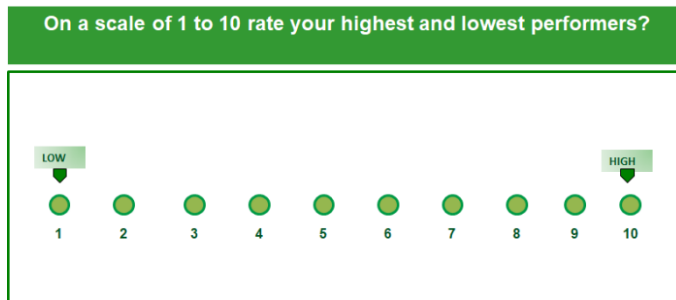
WHY A TIGHT RANGE IS CRITICAL TO HIGH
PERFORMANCE

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On a scale of 1 to 10, where would you place your team's highest and lowest performers?



This is a very revealing question to ask any manager or team leader. The most typical answer we get is a range between 9 and 3 - the top performer is operating at 9 and the lowest performer at 3. The performance gap between best and worst is 6 points on the scale. That is a substantial gap.

This has serious consequences for performance within that team. Our

experience tells us that as long as the gap remains this wide that performance of the team will reduce, over an extending period of time. Why is this the case?

The Impact on Performance

Middling Performers: Think about various people along that scale. If you are in the middle of the scale (say a 6) then you are in a nice little comfort zone and can happily continue as is without any undue pressure to raise your game. The motivation to raise your performance level is limited. Your performance is adequate, if not spectacular. In most cases, these people will continue to operate at this level within the team.

Low Performers: If you are on the low end of the scale i.e. 3, the fact that you are operating at this level over an extended period of time means that the organisation is willing to live with this performance level. These individuals may attract some attention occasionally but in reality they are typically allowed to continue to perform at this level. In some cases, this is because it is perceived to be too difficult to get them to improve their performance significantly. In other cases, they don't receive honest feedback on how they are doing. It is not unusual for low performers to believe that they are much further up the scale than they actually are. Either way, the likelihood is that they will stay at this level unless specific interventions are put in place to address their relative underperformance.

High Performers: Finally, if you are on the top end of the scale, at 9, you are a high performer. However, over time one of three things occurs with this cohort. Firstly, these people might get very frustrated. High performers like to be surrounded by other high performers and they will increasingly recognise that in this team that is not the case. They may feel that the organisation does not value high performers. Ultimately they may opt out and leave if the frustration gets too much. More damagingly, over time, in subtle ways, their performance level drops. They will grow increasingly complacent (consciously or unconsciously) as the pressure within the team and the standards of others affects their sharpness.

Narrowing the Range

The prevailing dynamic of the team is that the mid- and low-level performers stay where they are while the top performers are dropping back due to complacency or because they have left. This is why performance across the team dips over time.

If, by contrast, the performance gap was narrower with, for example, the top performers rated 8 and the bottom performers 6, then a very different dynamic is in play. No matter where you are on the scale, the pressure to perform is much stronger throughout the team. The top performers are pushed by those below them and also recognise that high standards of performance is the norm within the team. They are much less likely to opt out of such a team. Equally the mid and low range performers feel the force of this performance pressure and it creates a positive, reinforcing culture within the team. The prevailing wind of performance blows the whole team on acting as a strong tailwind in contrast to the headwind faced with a wider performance



gap, as outlined above.

‘Competition is the enemy of complacency’

Look at the best high performance teams in the world for evidence of this in action. For example, the New Zealand All Blacks seek to ensure there is strong competition for places in every position across the team. If the scrum half knows there is another player right behind him operating at a similar high standard, it drives him to ensure that he works hard to keep the jersey. Equally the player on the bench is working just as hard to take the jersey off him. They have a saying they use within the squad: “Competition is the enemy of complacency.”

The same principle works in business. In a market where there is a dominant player and the competition are some way behind it is almost inevitable that they will get complacent, lazy, stop improving or innovating. Eventually this catches them out.

In one client example we worked with a team of sales managers. The performance gap was wide. We designed a series of processes to narrow that gap and in particular address the bottom end of the scale. We increased the level of transparency around performance. We made it uncomfortable to remain at the mid or low end of the gap. We gave regular, straight feedback on performance. We supported them all in identifying what good performance in that role looked like and how to get there. Finally, we set a clear, explicit benchmark for minimal acceptable levels of performance.

The effect was dramatic and rapid. In a short space of time the performance level across the team rose and in particular the gap between highest and lowest performer narrowed considerably. Over an eighteen-month period, the team doubled sales.

Look at your team. Honestly assess the performance gap between the best and worst in the team. If it is wide, you need to think about how you can take steps to narrow it before the overall performance of the team drops. Taking moves to narrow the gap will have a dramatic impact on performance.



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