

Spotlight

ARTWORK Andy Gilmore, *Intermezzo*, 2008, digital drawing





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Coming Through When It Matters Most

How great teams do their best work under pressure
by Heidi K. Gardner

AN AUDIT TEAM at a Big Four accounting firm plunges enthusiastically into a small project at an industrial parts manufacturer. “The fees aren’t big,” says Claire, the project leader, at the kickoff meeting, “but the main thing, from my point of view, is that it’s a good developmental opportunity.” Together, team members divide up the work so that each can gain experience in a new area. Mitch, the member most familiar with the client, suggests a novel method for tracking the costs of raw materials that is particularly suited to the parts maker’s approach to work-in-progress inventory. They all agree it’s a great chance to try it out. Things hum along smoothly—at first.

A few weeks later, Claire announces that Fred, the manufacturer’s finance director, is “on our tails”—scrutinizing the team in order, she suspects,

to defend his own tenuous position. He has repeatedly asked Claire's boss to become more involved. The learning goals fly out the window as everyone focuses on wrapping things up. Sam and Rajiv, two junior members, trade their work assignments so that they can handle the parts of the audit they know best. Mitch, after talking things over separately with Claire, advises the team to abandon his new cost-tracking method and revert to its standard spreadsheets. "This isn't the time or place for experimenting," he says. Everyone nods in agreement. What had begun as a fine opportunity for team members to grow, innovate, and increase the audit firm's distinctive value to this customer has become just one more standard engagement.

Most people would like to think they do their best work when the stakes are highest—when the company's success depends on the outcome of their project, when their team's performance will determine if the client renews a major contract, when a promotion is on the line. But all too often, things go the way they did for Claire and Mitch. Just when teams most need to draw on the full range of their members' knowledge to produce the high-quality, uniquely suitable outcome they started out to deliver, they instead begin to revert to the tried-and-true. The more generically inclined the team becomes, the more concerned the client becomes, which adds more pressure, pushing the team even more firmly down the safer, standard road. As a result many good opportunities are wasted.

Welcome to the *performance pressure paradox*. I first encountered this phenomenon in my research on professional service firms like the one Claire and Mitch work for. (Like all the other situations portrayed in this article, this one depicts a real company, though the names and some details

have been disguised.) I have since heard the same pattern described in dozens of interviews I've held with executives, entrepreneurs, and professionals from a range of businesses. (See the sidebar "About the Research.") The problem is as hard to spot as it is common. But teams armed with a clear understanding of the forces behind it can take steps to guard against—and compensate for—the toxic effects of performance pressure and continue to do their best work when it matters most.

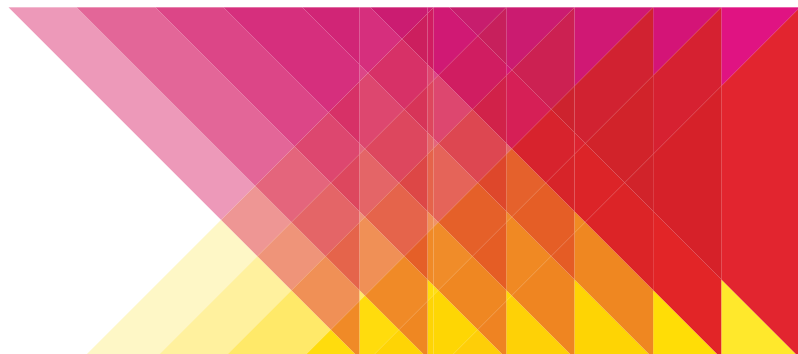
What Happens Under Pressure

When people speak of working under pressure, it's natural to think of deadlines—of time pressure. But that doesn't turn out to be the problem here. Good teams facing performance pressure generally have the time and other resources they need to get the job done, since their projects are so important. The trouble is, they stop using them effectively.

This is profoundly counterintuitive. Shouldn't pressure to do your best work spur you to do your best work? In the beginning it does, my research shows, as people start assignments highly engaged, paying particular attention to project planning and team communication. In early meetings, team members solicit ideas from everyone. They use stories and metaphors to flesh those ideas out and take turns questioning and challenging one another. Team leaders will intentionally stir up the discussion by asking the people with specialized knowledge to play devil's advocate.

But high stakes also commonly breed anxiety among team members, their bosses, and their clients. As the pressure builds, individuals tend to become risk averse, my research shows. Thinking of the project as something so important that it cannot be allowed to fail, teams opt for approaches they can

People discourage alternative views by rolling their eyes, checking their smartphones, and turning their backs on colleagues.



Idea in Brief

Every team would like to think it does its best work when the stakes are highest—when the company’s future or its own rides on the outcome.

But instead, new research shows, the pressure to perform drives people paradoxically toward safe, generic solutions that can be justified because they’ve worked before.

By setting up their teams and measuring each person’s contribution more deliberately, ruthlessly insisting that no one’s contribution be marginalized, and framing new information within familiar contexts, teams can escape the performance pressure paradox and keep doing their best work when it matters most.

easily defend with narrowly defined performance metrics. That’s exactly what happened in the teams I observed, no matter who the client was, how large or small the team, or how complex or simple the project.

Critically, though, this shift was invisible in the moment, as outwardly teams appeared to be carrying on just as they had before. But take a deeper look, as I did, and the elements of the pattern become clear.

As teams push toward completion, they drive toward consensus in a way that shuts down paths to critical information. Every project needs to be finished, of course, so it’s natural that teams at some point try to reach a resolution. In high-pressure situations, however, fewer people participate at the usual meetings, and when they do, they support their responses with hard, usually quantitative, evidence instead of anecdotes and comparisons. Rather than continuing to build on new ideas, team members seek reassurance that others’ suggestions are valid, asking questions like “How does this usually play out?” or “Where else has this worked?” Enthusiasm for innovation and improvisation gives way to concern for strict professionalism and for covering all the bases.

This still seems like discussion to the participants, but in reality it’s an effort to move the project along by getting everyone to agree that the optimal course is less-risky option A and not more-optimized option B.

The signs are there to see—if you’re paying attention. People encourage option A by asking for more details, nodding in agreement when such details are offered, and codifying them on flip charts. They discourage option B (or C or D or anything else) by rolling their eyes, checking their smartphones, failing to take notes, and literally turning their backs on colleagues offering alternative views, reinforcing the point with barbs like “Keep up the debate and we’ll

be here all night” and “If we listened to all your ideas, we’d never get finished.” As a result people simply stop offering up perspectives that are not with the program. Or if they start to object to a point, they rapidly back down (“OK, never mind”) after being rebuffed.

Surprisingly, in my research I found that even senior team members succumbed to those cues, which were often embedded in humor. “I think that’s a bit rich for us amateurs,” one consulting team manager working on a project for an oil and gas client said jovially, interrupting a senior partner who was explaining that expanded ethanol subsidies—the usual

When the Client Is Your Boss

Internal groups, which can be every bit as susceptible to the debilitating effects of performance pressure as teams that work with external clients, can similarly benefit from taking stakeholders on board. But if your team’s client is your boss, you need to think slightly differently about the nature of that participation. Approach your boss too often, and you risk being seen as needy and invite micromanagement. To avoid giving that impression, it’s wise to set expectations explicitly from the start.

A senior researcher in a consumer products company suggests this clever approach: Tell your boss, “You said this project is really critical for you, us, and our organization. Our team wants to be sure that we’re taking various nuances into account,

which means we’ll need ongoing input from you. Let’s book some frequent problem-solving sessions to stay closely aligned.”

This tack has several merits:

- It builds frequent contact with the boss into the project plan, so the team can’t lose sight of her needs.
- It avoids creating the impression that team members approach the boss only when they can’t figure out a solution.
- It positions the time together as an exercise in joint problem solving, which makes it clear that the boss shares accountability for the project’s success. That, in turn, reduces pressure on the team, which no longer feels it’s working in a vacuum while dreading eventual judgment of its work.

Making Smart Use of Inside Information

It's one thing to know that inside information is important to the success of high-profile projects; it's another to use it effectively. Consider how one wise team leader rose to this challenge.

His strategy team was tasked with developing a site-consolidation plan for his company. Eager to impress the CEO with their analytic chops, the team members engaged in a host of sophisticated analyses, conducted elaborate benchmarking exercises, and sought advice from the most highly regarded external consultants. All of this led them to recommend consolidating at a single low-cost location—just what all the other companies in their industry were already doing.

But luckily for the team, its leader, Andrew, the newly minted executive vice president of strategy and operations, was making the rounds of his fellow EVPs to get acquainted. In the process he learned that the CEO had a Texas weekend home, often worked from the backwater office nearby, and was deeply concerned that the company not strip jobs out of the area.

Andrew knew that he couldn't reveal this information directly. So how could he redirect the team's efforts? He postponed the presentation,

caught up with the CEO (in Texas), and asked her to recommend an adviser to help the team explore the widest range of alternatives. She suggested her close associate Martha, who had recently retired.

Martha, a natural conduit into the CEO's priorities, checked in frequently by phone. "Whenever we got too far along a path, we'd almost hear her pushing us to explore options," Andrew says. As a result, the team took into account important factors such as tax breaks and the impact on local communities.

Ultimately, the team members presented the CEO with a set of options. The one she chose—to consolidate some small offices and limit staff growth to lower-cost locations—wasn't the one that would save the most money. "The financial costs are easy to quantify," Andrew says. "That approach resonated with all the ex-consultants in my group, but it's not the only way to look at it. We ended up taking a more holistic approach, which we dubbed the Martha Method."

answer to the client's challenge—faced considerable political obstacles. In another team, members used the quip "Everyone has to lick stamps" to cut off a partner each time he suggested the client might object to the extra work their standard proposal entailed.

The consequences of such behavior can be far-reaching. That's what a trustee of a major museum found, to his regret, when he reviewed transcripts of trustee meetings held during the 2008 financial crisis. "One of my counterparts in particular repeatedly tried to raise different options, but we completely steamrollered him. We got set on a course of action, and it seemed like any new views were threats to our very survival," he recalls. Not only did the group fail to explore alternatives to the drastic staff cuts it en-

acted, but the colleague who was ignored resigned in frustration. "In the end," the trustee concludes, "we lost more than just a set of ideas—we lost the entire source of them. But at the time I don't think we even realized it was happening."

Everyone unwittingly begins to defer to authority. As pressure mounts, teams stop making the effort to sound everyone out and instead default to traditional hierarchical roles. Team experts willingly cede authority to team leaders, and those that don't are chided by their colleagues for stepping out of line. Leaders stop calling on junior members and may take on more of the work themselves—even tasks at the level of running statistical software or copyediting a report.

This pattern was clear in one team of consultants I observed, which was advising a pharmaceutical client. Simon was the senior manager on the team, but Dan, who was relatively junior, knew the most about the client.

In the first third of the project, the pressure was low. Dan was confident, taking the lead in answering the client's questions, contradicting other team members' views, and standing up to illustrate his argument with diagrams on a whiteboard. Others reinforced Dan's position by asking him to help interpret analyses and turning to him before answering a question. Simon, too, was deferential during these meetings, acknowledging other people's superior knowledge ("Don't look at me—Dan is the real pharma expert on the team"), making self-deprecating jokes, and inviting others to present ideas to very senior partners in the firm.

But in week four, Simon's boss, Brent, fresh from his own performance review, suddenly ratcheted up the pressure. "I'm in the hot seat," he announced. Until that point, he'd played a fairly passive role because, by his own account, "I know diddly about pharma. I'm a retail guy. I'm here to learn how to take REpra [the company's framework for analyzing retail profitability] into the world of pills." Suddenly, the project became critical to demonstrating that his expertise working with smaller, mainly family-owned retail clients could translate into enduring relationships with global clients from other industries. What's more, the project was turning out to be crucial to the consulting firm, whose strong relationship with the client had eroded over the past couple of years. "This is a make-or-break study," Brent exclaimed. "If we wow them now, there's a big chance we're back in. If we lay an egg on this study,

A CONTRIBUTION SCORECARD

What's Everyone Here For?

Formal tools like this scorecard can make a simple job of tracking everyone's expected and actual contributions as work progresses. Each team member should fill it in at the outset of the project and revisit the issues raised at least twice more during the project. At each check-in, the team members should meet as a group to discuss their self-assessments.

Kickoff Meeting Check-ins 1 & 2

Your development goals

What competencies do you want to learn? What proficiencies do you need to demonstrate?

How much progress have you made toward your goals? What areas do you still need to work on?

Steps you need to take to move toward your goals

How will you gain experience to move toward your goals? Be specific!

List concrete ways you have made progress.

The knowledge and experience you can bring to bear on this project


What prior engagements have addressed similar issues? What experience do you have with this particular client, and what did you learn from it? With other firms in the sector?

Have you contributed as much as you expected? If not, have the engagement's needs changed? If so, be precise about why your prior knowledge is no longer as relevant as expected.

Ways to leverage the range of your knowledge and experience

What do you know about...
The industry and competitive dynamics?
The client's culture, politics, and decision-making styles? The client's processes, systems, and technology?

Which kinds of knowledge have you brought to bear, and how have they influenced the project? Which knowledge has been underused?

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Dramatic as this shift was, it was never visible to Simon. When asked after the project's completion if he'd deliberately shouldered more of the workload as time progressed, he paused and then said, "I just did it, sort of without thinking, really. Whatever seemed most natural. And I guess it worked, because nobody said otherwise." But it did not work. The team ultimately failed to wow the client, and the firm lost the account. A year and a half later, Brent was no longer with the firm.

Everyone values shared knowledge more than unique expertise. This tendency, which is natural in groups, is significantly magnified under heightened performance pressure. That's unfortunate because one way customers judge the quality of a complex product or service is by the extent to which the solution seems custom-made for them. As one project manager in an office-design company said, "Customers who detect a cut-and-paste job feel unloved."

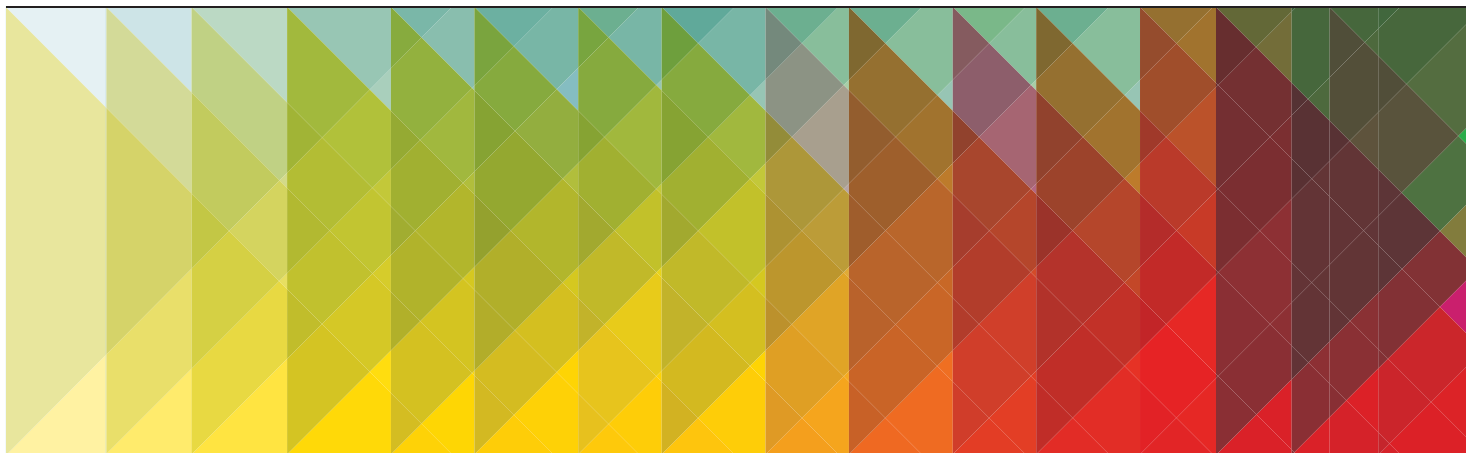
Consider how the managing director and finance director of one company judged the merits of an audit firm it had retained. They clearly took for granted the auditor's knowledge of general accounting requirements like the International Financial Reporting Standards. As one of them said, "Yes, they know IFRS inside and out, and they're expert at applying that to our business. But of course they do; that's why we spend all the money to hire them." What really mattered was that the junior members of the team knew his company well enough to understand that the inventory-tracking system was not as accurate as it needed to be. So rather than rely on it (and thus revert to standard procedure, much as Claire and Mitch did in the cautionary tale I began with), the team went into the warehouse to examine the dust on the boxes to see which inventory was older, a clever and efficient way to determine where to test and double-check the standard data. Its efforts paid off in uncovering some significant errors that could have cost the company later on.

What Can Be Done?

The founder of a software start-up relayed the following story to me. The firm's development team had five members: the two company founders, a highly experienced engineer, and two new junior members. At the outset of a project aimed at winning a contract from a large client where one of the junior team members had worked for four years, all five team members were equally engaged in the

then we're out—maybe not for good but at least for a long time."

Brent started taking a more active role in meetings, notwithstanding the fact that his expertise was still not in pharma. Simon, too, began exerting his authority by interrupting others, giving orders, and arriving late to meetings without explanation or apology. Dan was now contributing less frequently and deferring more to senior colleagues. When he did speak up, he hedged his comments with disclaimers like "It might not be worth mentioning, but..." Senior team members repeatedly cut him off, other colleagues turned their backs to him to face Simon and Brent, and one of his peers even went so far as to shut him down directly, exclaiming, "C'mon, that's enough already."



brainstorming process. But as more of the start-up's resources were poured into the project and the pressure grew, the familiar scenario unfolded: The junior members contributed less, the engineer weighed in more, and the two founders began to rely on what had worked for them in the past.

But then, fortunately for this team, the other founder (the one who didn't tell me the story) was hauled off overseas to attend a family wedding. During this break, he had the chance to mull over the experience with his wife, and as they did, they recognized what was happening. The team was able to correct its participation problems and bring to bear the critical knowledge of the junior employee who'd worked at the client.

This outcome is exceptional: Teams feeling the heat of performance pressure rarely take the opportunity for introspection. But just because they don't, that doesn't mean they couldn't. The key to avoiding the trap, as the founder and his wife realized, is to see yourself step into it. Teams can take a variety of measures to do that and to ensure that they bring on board and do not marginalize people who have vital information.

Put client experts on the team. Although the teams I've described here all included such people, that is not always the case. It's essential that someone on the team does have expertise specific to the client—not just technical knowledge about the client's systems or strategy but also insights into its culture, power structures, informal working relations, individual predilections, and working styles. Such information is just as critical—but is often taken for granted—on internal projects. (See the sidebar "Making Smart Use of Inside Information.")

If no one in your organization has worked with (or for) the client before, try to include a liaison from

the client organization itself. Far from increasing the pressure, as many people expect, including a client on the team lowers it by making everyone focus not on justifying the outcome but on crafting the best solution for the client's needs.

Know what everyone is supposed to contribute from the start. The best teams have a mandatory kickoff meeting for every project, even if team members have often worked together. When colleagues know one another well, it's tempting to skip this step, but that would be a mistake. My research shows that even people who have worked together extensively have disagreements about their teammates' relative expertise, which can be made all the worse by the disbelief and disappointment of discovering that colleagues actually don't know one another as well as they think.

To avoid these problems, one experienced consulting partner has each team member create a contribution scorecard at the outset of a new project to outline every person's potential input on the basis of his or her specific expertise. (See the exhibit "What's Everyone Here For?") These scorecards form the basis for the team kickoff meetings, ensuring that relevant expertise is unearthed and acknowledged. "I think it gets us away from what we do by default," the partner explains. "Relying on status, who talks the loudest, who has the British accent, who speaks eloquently. Instead, our default becomes, Who owns this knowledge?"

Check to see that everyone actually is contributing. Formal checks can be as simple as a review, conducted after one or two interim milestones, comparing each person's expected and actual contributions. (That's what the experienced partner's firm does.) In this way, team members can see if they are giving their client experts enough influence or consider dispassionately whether they shouldn't: Has

About the Research

TO EXPLORE THE EFFECT OF PERFORMANCE PRESSURE ON TEAMS,

I began by conducting a long-term study of more than 600 members of some 100 teams engaged in projects for clients at two professional service firms—a global consulting company and a Big Four auditor. Through surveys of team members and interviews with their bosses and clients, I built up a detailed picture of the context of the projects, the ways in which people's behavior changed as performance pressure increased, and how successful each engagement ultimately was. I then followed six additional teams through more than 80 hours of meetings over the full course of their projects, which lasted three to 10 weeks.

TO EXPLORE SOLUTIONS TO THE PERFORMANCE PRESSURE PARADOX,

I then conducted workshops with more than 200 participants of the Leading Professional Service Firms executive education course at Harvard Business School. To see how the findings, conclusions, and solutions applied beyond professional service firms, I conducted extensive interviews with dozens of executives across a range of fields, including alternative energy, consumer products, the entertainment industry, health care, quality improvement, software, art museums, biotech, and office supplies.

The scorecard, says one executive, helps a team break out of “what we do by default: relying on status, who talks the loudest, who has the British accent, who speaks eloquently.”

the nature of the project changed? Was certain expertise less valuable than anticipated?

One financial services executive takes a more formal approach. “I identify the most trusted person on a team as the coordinator,” she explains, “and make him or her accountable for understanding each person’s potential and seeing that it’s brought to bear. If someone gets steamrolled in a debate, it’s obvious. But the coordinator needs to see the more subtle ways that people fail to get engaged. This has to be the role of a single person. Teams cannot have diffuse responsibility because it just evaporates.”

Take the time to get back on track. The experienced consulting partner put it this way: “If we’ve started to let the wrong people take too much control of the project or send us in a direction that’s right for them but not in the client’s best interest, then we need to stop, reset, change plans, do a rethink about our approach. It’s painful at the time, because it feels like we’re backtracking and wasting resources.”

That rethinking, the partner has found, is likely to require the help of an outsider—a neutral party brought in from a support function like HR or the communications department on an ad hoc basis. “Trying to break patterns without that kind of outside intervention is too tricky, too politically charged,” he explains. The adviser sits in on team meetings and talks with members individually to work out what’s going wrong and then feeds back the findings to the team as a whole. At this point some members may even be asked to leave the team if their offerings aren’t a good match for the client’s needs.

Make unique knowledge more acceptable to the group. Those with rare expertise can take steps to avoid becoming marginalized (beyond simply calling their colleagues to account when they start

tuning out). Presenting idiosyncratic information in the context of more-general frameworks can help their anxious teammates make sense of and value their contributions.

One individual from a health care not-for-profit used that approach to introduce her knowledge of the local situation to her fellow team members from the national chapter, as they considered ways to encourage people in her metro area to exercise more. One suggestion on the table was to encourage people to bike more, but she could see that would never work unless lighting and security cameras were installed along the existing cycling lanes to make them safer. And yet her comments about security concerns fell on deaf ears. Then she realized she needed to be talking not about “bike path security apparatuses,” which seemed off-topic to her colleagues, but about “removing barriers to healthy living” to frame her concerns in a more familiar way. She started couching suggestions to address the lack of fresh vegetables in the local corner markets in similar terms. In this way she was able to help the group adapt its collective wisdom to the issues at hand.

“NO PRESSURE, NO DIAMONDS,” as the saying goes. I’m in no way suggesting that people avoid high-stakes situations. Or even that they try to lower the pressure those situations create. My research also has confirmed what people know intuitively: The chance to come through when it matters most, to do their best work when it will make all the difference, is a fundamental force driving people to be more engaged, work harder, and persevere despite obstacles. With a better understanding of the counterforces that can derail their best intentions, teams working on can’t-fail projects can arm themselves with the tools they need to keep on doing their best work right to the end. ♥

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