Confronting Reality -
The Knowing Doing Gap

Shaun McCarthy
Chairman
Human Synergistics Australia & New Zealand

Presentation to HRINZ Conference
September 2005

The Knowing Doing Gap

Knowing what is not the same as knowing how

Knowing how is not the same as doing

It is only in doing that we reflect our true beliefs and habitual ways of thinking and behaving
The Leadership/Impact® Model

- Leadership Strategies
- Impact on Others
- Leadership Effectiveness

© 2005 Human Synergistics International | Research and Development by Robert A. Cooke Ph.D and J. Clayton Lafferty Ph.D
The leader motivates or drives people to behave in certain ways
Leaders ideally want to motivate people to......

- Set challenging goals
- Be creative
- Be supportive/encouraging to others
- Work co-operatively
The Impact Leaders have on others

Ideal Impact

Actual Impact

N = 2191

N = 14708
The Impact Leaders have on others

Ideal Impact

N = 2191

Actual Impact

N = 14708

© 2005 Human Synergistics International | Research and Development by Robert A. Cooke Ph.D and J. Clayton Lafferty Ph.D
The Impact Leaders have on others

Leaders actually motivate people to……

" Refer to rules & procedures to justify their actions
» Clear decisions with superior
... Avoid blame
The Impact Leaders have on others

Ideal Impact

Actual Impact

N = 2191

N = 14708
The Impact Leaders have on others

Leaders actually motivate people to......

- Gain status by being critical
- Constantly compare themselves to their peers
- Set unrealistically high goals

Actual Impact

N = 14708

© 2005 Human Synergistics International  Research and Development by Robert A. Cooke Ph.D and J. Clayton Lafferty Ph.D
The Leadership/Impact® Model

Leadership Strategies → Impact on Others → Leadership Effectiveness
The Leadership/Impact® Model

Leadership Strategies → Impact on Others → Leadership Effectiveness
Those Rated the Most Effective (Top 10%)

Ideal Impact

Actual Impact

N = 219

N = 1752

© 2005 Human Synergistics International  Research and Development by Robert A. Cooke Ph.D and J. Clayton Lafferty Ph.D
Those Rated the Least Effective (Bottom 10%)
The Knowing Doing Gap

**Ideal Impact**

**Actual Impact**

N = 2191

N = 14708

© 2005 Human Synergistics International  Research and Development by Robert A. Cooke Ph.D and J. Clayton Lafferty Ph.D
The Knowing Doing Gap New Zealand

Ideal Impact

Actual Impact

N = 265

N = 2120
We need to be careful what we wish for

Compared to ‘the rest of the world’:

<table>
<thead>
<tr>
<th>Ideal</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>We want more</td>
<td>We get more</td>
</tr>
<tr>
<td>” Conventional</td>
<td>” Conventional</td>
</tr>
<tr>
<td>Oppositional Power</td>
<td>Power</td>
</tr>
<tr>
<td>Competitive Perfectionistic</td>
<td>Competitive</td>
</tr>
</tbody>
</table>

But also...
We get less
- Humanistic-encouraging
- Affiliative
- Achievement
- Self-Actualising
We need to be careful what we wish for

Compared to ‘the rest of the world”:

Therefore we are seen as more

• Traditional day-to-day managers, than visionary leaders
• Micro-managers, rather than making people feel empowered and
• Reinforcing rigidity rather than adaptability
So….. What are the implications for culture and leadership throughout the organisation?
How Senior Executives want their managers/leaders to behave

Leadership/Impact
Ideal Impact

What behaviours Senior Executives believe will best help the organisation achieve its objectives
Preferred Culture (OCI)
The Leadership Culture Connection

Ideal Impact (L/I)  N = 2191

Preferred Culture  N = 10801
The Leadership Culture Connection

How Senior Executives want their managers/leaders to behave

Leadership/Impact
Ideal Impact

What behaviours Senior Executives believe will best help the organisation achieve its objectives
Preferred Culture (OCI)

What behaviours Managers/Leaders say their leaders actually promote
Leadership/Impact
Actual Impact on Others
The Leadership Culture Connection

**Ideal Impact (L/I) N = 2191**

**Preferred Culture N = 10801**

**Actual Impact (L/I) N = 14708**
How Senior Executives want their managers/leaders to behave

Leadership/Impact
Ideal Impact

What behaviours Senior Executives believe will best help the organisation achieve its objectives
Preferred Culture (OCI)

What behaviours Managers/Leaders say their leaders actually promote
Leadership/Impact
Actual Impact on Others

What behaviours people see their leaders/managers using
Life Styles (LSI)
The Leadership Culture Connection

Ideal Impact (L/I)  N = 2191

Preferred Culture
N = 10801

Actual Impact (L/I)  N = 14708

Life Styles (LSI)
N = 51250 by 271135

© 2005 Human Synergistics International  Research and Development by Robert A. Cooke Ph.D and J. Clayton Lafferty Ph.D
The Leadership Culture Connection

How Senior Executives want their managers/leaders to behave
Leadership/Impact
Ideal Impact

What behaviours Senior Executives believe will best help the organisation achieve its objectives
Preferred Culture (OCI)

How people believe they are expected to behave in order to fit in and get on within the organisation
Actual Culture (OCI)

What behaviours Managers/Leaders say their leaders actually promote
Leadership/Impact
Actual Impact on Others

What behaviours people see their leaders/managers using
Life Styles (LSI)

© 2005 Human Synergistics International | Research and Development by Robert A. Cooke Ph.D and J. Clayton Lafferty Ph.D
The Leadership Culture Connection

Ideal Impact (L/I)  N = 2191

Preferred Culture

N = 10801

Actual Impact (L/I)  N = 14708

Organisational Culture (OCI)

N = 146225

Life Styles (LSI)

N = 51250 by 271135
The Leadership Culture Connection

Ideal Impact N = 265
- Set challenging goals
- Be creative
- Be supportive & encouraging to others
- Work co-operatively

Actual Impact N = 2120
- Use rules to justify actions
- Strictly adhere to standard operating procedures
- Do things to be seen and noticed
- Be indirectly critical of others

Organisational Culture
N = 40097
- Be critical of others
- Avoid blame
- Compete against peers/others
- Always follow procedures
Be demanding & uncompromising of others

Leaders Styles
N = 12566
- Self-protective
- Critical & fault-finding
- Comparative & vying
- Controlling & forceful
- Risk averse
The Leadership Culture Connection

Impact of Senior Executives

A reinforcing loop of Defensive behaviour

Leadership Styles

Organisational Culture
The Leadership Culture Performance Connection

Leadership Culture Performance
### Culture and Profit at Lion Nathan

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>REVENUE</td>
<td>-0.9</td>
<td>-0.8</td>
<td>1.8</td>
<td>1.2</td>
<td>6.2</td>
<td>1.0</td>
<td>8.6</td>
<td>6.0</td>
<td>3.9</td>
</tr>
<tr>
<td>EBITA</td>
<td>-1</td>
<td>-12</td>
<td>4.0</td>
<td>5.1</td>
<td>7.3</td>
<td>11.0</td>
<td>5.1</td>
<td>9.1</td>
<td>4.3</td>
</tr>
<tr>
<td>NPAT</td>
<td>-26</td>
<td>-16.1</td>
<td>7.5</td>
<td>7.8</td>
<td>6.2</td>
<td>14.0</td>
<td>19.6</td>
<td>11.2</td>
<td>12.5</td>
</tr>
</tbody>
</table>

*Before significant items

The Culture Performance Connection

Culture and Profit at Lion Nathan

Culture and Profit at Lion Nathan


Net Profit After Taxes in Millions of Australian $

© 2005 Human Synergistics International  Research and Development by Robert A. Cooke Ph.D and J. Clayton Lafferty Ph.D
Bank
OCI - Actual Culture

Statistically significant
 Ø Increase in all Constructive Styles
 Ø Decrease in Passive/Defensive Styles of Conventional
 Ø But also increase in Aggressive/Defensive Styles Competitive & Perfectionistic
Statistically significant

- Increase in all Constructive Styles
- Decrease in Passive/Defensive Styles of Approval & Avoidance
- Decrease in all Aggressive/Defensive Styles
Credit Card Company
OCI - Actual Culture

Test: January 2003; \( N = 21 \)

Retest; May 2004; \( N = 26 \)

Statistically significant

- Increase in all Constructive Styles
- Decrease in all Passive/Defensive Styles
- Decrease in Aggressive/Defensive Styles of Oppositional, Power & Competitive
The Knowing Doing Gap

Knowing what is not the same as knowing how

Knowing how is not the same as doing

It is only in doing that we reflect our true beliefs and habitual ways of thinking and behaving