

Competency based approaches to leadership - are we focusing on the wrong things?

Most leadership development is over-invested in competence and under-invested in psychological maturity. Organisations build competency frameworks defining effective leadership as strategic thinking, communication skills, emotional intelligence and stakeholder management.



It looks rigorous. It feels structured. It is also incomplete.

As Bob Garvey (2016) argues in relation to the coaching field that competence reflects what can be defined and measured. However, leadership in complex systems cannot be reduced to what is measurable. The uncomfortable truth: “competence does not fail in complexity” - Leaders do: They fail not because they lack skills, but because they lack capacity.

Competence: Can you run the meeting? Deliver the feedback? Apply the change model? Necessary, yes. Decisive, no.

Capability: Can you adapt when the model no longer fits? Navigate paradox? Respond effectively when stakeholder interests collide?

Capacity: Can you stay regulated when publicly challenged? Hold competing truths without collapsing into certainty? Notice defensiveness in real time? Sit in ambiguity without rushing to control? Allow dissent without experiencing it as threat?

Research by Robert Kegan (1980, 2003) shows adults vary dramatically in how much complexity they can hold. Two leaders can possess identical competencies. One becomes rigid under pressure; the other becomes curious. The difference is not skill. It is structure.

Situation 1: Public Challenge to Authority — A high-performing team member questions a senior leader’s assumptions in a strategy meeting. The competent response is polite clarification. The capacity response notices threat, separates identity from role, and allows the challenge to deepen collective thinking.

Situation 2: Inclusion and Cultural Tension — A leadership team navigates rising tension around diversity and inclusion. The leader knows the frameworks and inclusive language. But when emotions spike, capacity is required to hold competing experiences, tolerate discomfort and engage tension without collapsing into sides.

Mapping this to the Four Factor Model[®](Cavanagh, 2016) we see the key role of capacity: Perspective (developmental complexity), Proprioception (awareness of thought

and defensive patterns), Positive Process (engaging tension with safety and challenge), Purpose (holding shared direction without suppressing difference).

The central question for leadership development is no longer: What skills should leaders learn? It is: What psychological and relational complexity can leaders hold?

Because in volatile, polarised, high-uncertainty systems, technical skill may create short-term performance, but only developmental capacity sustains adaptive leadership over time.

Where have you seen competence fail because capacity was insufficient? And what genuinely grows leadership capacity in your experience?

References

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