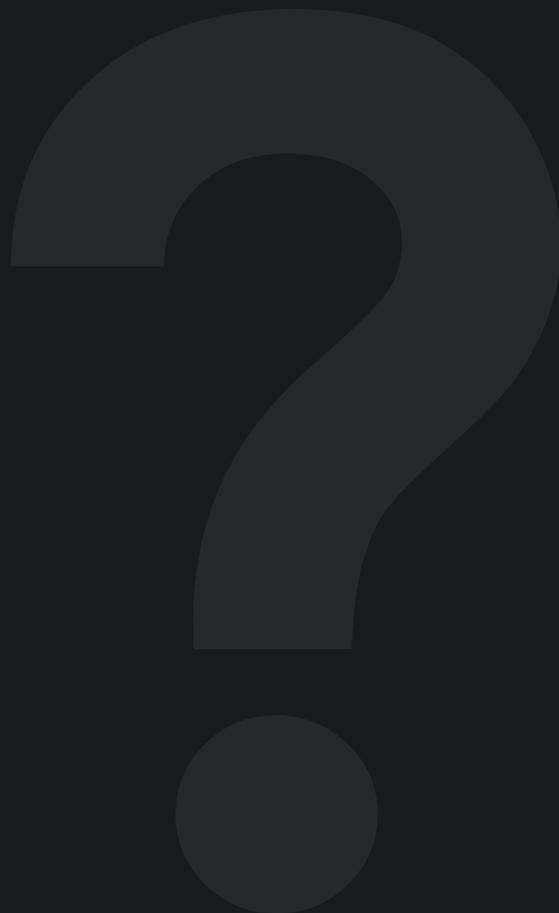


# WHAT'S THE REAL CHALLENGE HERE?

*A new perspective on people  
development*



Shane Michael Hatton

*This framework was developed as both an identification tool and a development tool. A lens through which to view your current team members coupled with strategies for their development.*

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### **Asking the Right Question**

Managing performance and the ability to bring out the best in people are both critical components that form the role of an effective leader. Having the right perspective, or lens to view your situation through, can help ensure you make good decisions that build for a better future in your organisation.

In the late '90s Christopher Chabris and Daniel Simons released the findings of an experiment conducted at Harvard University testing how the brain processes visual information. In this 60-second test, participants were asked to watch a video and to count the number of times a basketball was passed between six people – three in black shirts and three in white. If you haven't seen this video, I suggest you take a moment to watch it before I reveal the secret of the experiment..

At some point in the 60-second video, a person dressed as a gorilla walks into the centre of the action, beats its chest and then leaves, spending nine seconds on screen. You may think it would be impossible to miss a gorilla standing in full view, but surprisingly half of the people surveyed who concentrated on counting the passes, were completely unaware of the gorilla's cameo. The term for this is inattentional blindness or perceptual blindness, defining the event in which an individual fails to perceive something unexpected that is in plain

sight. This psychological lack of attention is surprisingly not associated with any vision defects or deficits.

As a leader, it can be easy to fixate on a single aspect of performance. We can fail to take that simple, valuable step back to assess the bigger picture. This framework seeks to provide a new perspective on people development, a new lens through which to view your team and open your eyes to the bigger picture in plain sight. Through this model I intend to offer a new perspective on capacity and capability.

To gain a new perspective, we must begin by asking the right question: What's the real challenge here?

Are the frustrations you're experiencing towards the performance of a team member the result of capacity? Or could this be an issue of capability? Perhaps it is both or maybe neither, but the answer to this question forms the pathway forward.

### **Capacity vs. Capability: What's the Difference?**

In my experience, we tend to use these words interchangeably. While by definition there may be some overlap, it is important to understand the implications and differences of both.

Capacity by definition has two key components: the volume that can be contained and the volume that can be produced. Put in the context of leadership, capacity speaks of a person's ability to both manage and execute a high volume of work.

Capability on the other hand is defined as the power, skill or ability to get things done. In a leadership context, capability speaks of one's ability to execute work that is of high value due to the skills required to complete that work.

Understanding these definitions reinforces the importance of asking the right question relating to team member performance.

When comparing capacity and capability, what we are aiming to compare is a person's ability to produce either high value work or high volume work. A person with high capability utilises those skills to produce work that is highly valuable, whereas a person with a large capacity can take on and execute high volumes of work.

### So why does it matter?

Without knowledge of the differences between capability and capacity, we may write off a team member for having low capacity, without realising we have just lost a highly capable person with the ability to contribute high value outcomes.

This framework (*fig.1*) was developed as both an identification tool and a development tool; a lens through which to view your current team members coupled with strategies for their development.

## Capacity vs. Capability Framework

### Low Capacity / Low Capability

#### Profile

People within this quadrant are likely to lead to your biggest frustrations. Not only is this team member unable to execute a high volume of work, they also lack the skills and abilities to produce work that is of high value to the organisation. Perhaps this person was initially recruited for a particular skillset that in time became redundant, or they may have never possessed the skills required in the first place.

#### Pathway: Replace / Reposition

My initial response to this person was to replace them. A person who is underperforming due to a lack of both capacity and capability is most likely not the type of person you want on your team. I later changed my response to include consideration for repositioning them. My reasoning for this is that while a person may have low capability for a role within YOUR team, this does not mean that they will have low capability in ALL teams. A lack of skills in one area does not automatically disqualify a person's skills for other areas. Repositioning isn't always possible, but can be explored as an option.

#### Questions to ask:

- Is this person better suited to another role?
- Is this the best person for this team?
- What was the initial reason for recruiting this person?
- How has the role changed since this person was recruited?

### Low Capacity / High Capability

#### Profile:

People in this quadrant are highly capable, despite being unable to execute a large volume of work. It can be easy to label this person as an underperformer and miss the high value of the work they are contributing. This person works effectively as part of a team and offers a wealth of skills and expertise.

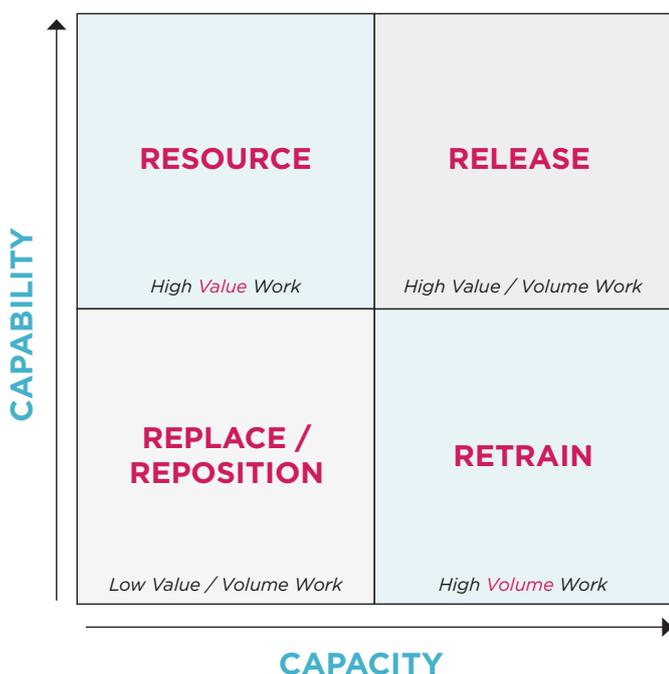


Figure 1. Capacity vs. Capability Framework

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### **Pathway: Resource**

While this person may not be able to execute high volumes of work, that isn't to say they can't make a valuable contribution to the organisation. People with limited capacity but high levels of capability should be given the space to focus on highly skilled tasks that will produce the most valuable outcomes for the organisation. They need to be empowered to do what only they can do and equipped with the tools or support to take on responsibilities that those less skilled could achieve. This may sound unrealistic in small organisations, as you can't just hire an administrative assistant to help carry the load of someone's shortfall, however, maximising this person's strengths by partnering them with people who may lack the required skillset but can execute the task well may be a winning combination.

#### **Questions to ask:**

- What does this person need to manage their workload more effectively?
- What tools or support can I offer this person to ensure their role is manageable?
- What responsibilities produce the highest return on investment for this person?

### **High Capacity / Low Capability**

#### **Profile:**

As a team leader, you know that you can delegate multiple tasks to this person and have no issues with them getting the job done. Often known as the workhorse on your team, this person has the ability execute high volumes of work, however it is likely that the work will have limited value – this is where your biggest frustration lies. Perhaps you're able to delegate multiple tasks to this person, tasks that require limited skill, yet in any attempt to delegate a higher level of work, they are unable to rise to the challenge. This person might be an administrative genius, but when asked to step into a position of leadership they struggle with the competencies required to execute the role.

#### **Pathway: Retrain**

Where is this person lacking the competency to execute their role effectively? If a person is working an assigned role, it can be assumed that at some stage they completed at least a basic level of training required for it. If they are unable to take on work which

requires a set of skills beyond their current competency, I recommend retraining. The pathway forward for this person requires a thorough understanding of the skills required to perform their role and an analysis of their current capabilities. Taking this path will lead to closing the gap between their current skills and the required skills.

#### **Questions to ask:**

- What skills does this person require to perform their job more effectively?
- What skills are required for this role?
- Have I made clear the capabilities required for this position?
- What can we do to close the gap between current skills and required skills?

### **High Capacity / High Capability**

#### **Profile:**

How can we take a sample of this person and clone them? This quadrant of people not only produce highly valuable work, but they do so in high volume. This is likely the smallest group of people on your team, but they are well worth the investment of your time. These are the future leaders within your organisation.

#### **Pathway: Release**

People of high capacity and high capability need to be released to function as high achievers. Without opportunity to grow and utilise their skills effectively, these people will quickly become bored, feel under utilised and begin to explore other opportunities. As a team leader, you can trust that this person will handle the workload and get the job done well. Leaders reproduce leaders, which is why it's important to look for opportunities to partner high potential team members with this quadrant of people.

#### **Questions to ask:**

- How can I further release this person for growth?
- Who could this person invest into?
- Is this person being fully utilised in their role?

## **Making Progress**

As previously mentioned, this framework is not only designed to assess how your team

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is functioning, but also to identify pathways for development. It may be fine for your team to continue functioning the way it is, however there is always opportunity for development. Some people may respond well to development, others may not, but it's important to know the strategies you can employ for growing capacity and capability in order to progress.

## **Growing Capacity**

As we now know, capacity is about volume: contained volume and produced volume. To increase one's capacity, a person needs both experience and tools.

### **Experience & Tools**

We grow through experience. In time, we learn how to work smarter not just harder. Getting hands on experience helps stretch us, just like lifting weights; you don't get any stronger by watching, only by doing. We're able to enlarge our capacity when we are given responsibilities that stretch us beyond our current capacity. As team leaders, the challenge is in learning how to stretch our teams without snapping them, because a person can only learn that they are capable of carrying more when they are given more to carry.

Our capacity increases when we have the right tools, and we can do more when we have the right support. On a practical level, this involves learning to time manage, learning to improve efficiency and having the right support staff. Technology such as task or time management software, better resources or more advanced equipment to optimise workflow are all useful tools that will enable an increase in capacity.

## **Growing Capability**

Capability on the other hand is about the skills that enable high value work. To increase capability, a person needs education and training.

### **Education & Training**

What area of knowledge may be lacking and in-turn preventing a member of your team from making progress? Education and

training is all about helping people acquire the skills needed to produce high value work. It provides the way for people to gain the knowledge required to execute their role well, and to train by putting that knowledge into practice within the working environment.

## **What Next?**

Adopting the right perspective, or lens to view your situation through, can help ensure you make the right decisions that will build a better future for your organisation. The next time you find yourself frustrated with the performance of someone on your team and notice that your natural inclination is to lean towards a familiar perspective, stop for a moment and reflect on this framework. Ask the question: What's the real challenge here? Then determine if it is an issue of this person's capacity or capability. Identify a strategy for fostering their development in order to bring out their potential. If you can't afford for them to continue to function as they are, then prioritise the time to sit down to develop a strategy that aims to grow their capacity, their capability, or both. You may just find that the pathway to their greatest potential has been in plain sight the whole time.



# ABOUT THE AUTHOR

*Shane Michael Hatton*

I help individuals and organisations make progress.

That is at the core of what I do. I am passionate about making a difference by influencing and building leadership and culture. With an undergraduate degree in business I connect with practice and with a postgraduate degree in counselling I connect with people, together these make a powerful combination for development.

I believe in the great potential inside of every person. The solutions to your greatest challenges are already inside of you waiting to be recognised. I'm not here to give answers, I am here to help create learning opportunities for individuals and groups to unlock the potential within.

I look forward to beginning the conversation with you about how I can help you or your team make progress.

*Shane Hatton*

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