CENTRE FOR LEADERSHIP PSYCHOLOGY

Rethinking Leadership Development:

Why developing leaders isn't the same as enabling leadership

An Applied Psychology Perspective on Leadership Investment and a practical framework for identifying where leadership systems lack coherence. and how organisations can address this before investing further in capability building.

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Author's Note

This paper has been shaped by two complementary sources of insight.

The first is a series of conversations held over the past year with professionals responsible for leadership development across a range of organisations. These individuals. Heads of Leadership, L&D Directors, HR Directors, and their teams. generously shared their experiences, frustrations, and aspirations. Their candour has been invaluable, and I am grateful to each of them for their time and willingness to think openly about what is working, what is not, and what needs to change.

The second is my own experience working inside and alongside organisations as an occupational and leadership psychologist. designing, reviewing, and advising on leadership strategy, capability, and culture across a range of sectors and contexts.

The organisations that have informed this work are largely medium to large, complex organisations operating across multiple geographies, functions, and strategic contexts. However, the patterns described in this paper are not confined to organisations of a particular size, sector, or industry. The underlying dynamics. the relationship between strategy, systems, and capability. are present wherever leadership development exists. The foundations set out here are intended to be applicable across different types of organisations.

This is not an academic paper in the traditional sense. It is a practice paper. informed by evidence, grounded in applied psychology, and shaped by what I am seeing in real organisations. My hope is that it proves useful to those responsible for leadership investment: that it names something they recognise, offers a language for what they are experiencing, and provides a structured way to think about what to do next.

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Executive Summary

Organisations invest significantly in leadership development. Globally, spend exceeds $366 billion per year. Yet evidence of sustained, meaningful behaviour change remains uneven. Only 11% of senior executives strongly agree that their leadership development efforts achieve desired results (McKinsey, 2017).

The prevailing explanation for this gap is a deficit in individual capability. The prevailing response, accordingly, is more development: more programmes, more frameworks, more investment in skills. What is far less common is a structured examination of what all that activity is actually connected to.

This paper argues that the problem is not primarily one of capability. It is one of coherence.

Across the organisations I have worked with and spoken to over the past year, a consistent pattern emerges. Programmes do not speak to each other. Frameworks are inherited rather than derived from current strategy. Values, competencies, and development portfolios were built at different times, by different people, for different reasons. The result is activity that accumulates without strategic logic. well-intentioned, often high-quality in isolation, but collectively fragmented and difficult to connect to business outcomes.

Drawing on research from applied occupational psychology, behavioural science, and organisational theory, this paper proposes a different design logic for leadership investment:

The Core Argument
Coherence first. | Capability second. | Impact third. Before investing further in capability, organisations need to step back and ask: what are we actually trying to achieve through leadership? Do our frameworks, culture signals, and development activities support that. or compete with each other? Where is there duplication, contradiction, or noise? And what should we stop, simplify, or redirect before we build anything new?

This paper sets out the evidence and the practical rationale for that approach. and offers a structured way for practitioners to bring coherence to their leadership investment, including a Coherence Diagnostic Framework and a four-level Leadership Architecture Maturity Model.

Key Findings at a Glance

$366bn Global annual spend on leadership development	**11%** Executives who strongly agree programmes achieve results (McKinsey)	**75%** Leadership knowledge forgotten within a week without application	**70%** Team engagement variance attributable to manager quality (Gallup)
$8.9tn Annual cost of disengaged employees (Gallup)	**74%** Companies struggling to scale value from AI (BCG)	**83%** Leaders who say psychological safety measurably impacts AI success (MIT/Infosys)	**Only 6%** Organisations seeing 5%+ EBIT from AI. all redesigned workflows, not just trained people

1. The Leadership Investment Problem

Leadership development is one of the largest and most enduring areas of organisational investment. The United States alone accounts for more than $166 billion annually. Across sectors, geographies, and organisation types, leadership quality is consistently ranked among the most pressing strategic concerns.

Yet the return on that investment is, at best, inconsistent. Research suggests that only 10–20% of leadership training produces sustained behaviour change. Research consistently finds that leadership course content is designed around skills acquisition with little reference to business outcomes (Beer, Finnström & Schrader, 2016). The DDI Global Leadership Forecast reports that leadership quality ratings dropped 17% in just two years. the largest decline in a decade. and only 12% of organisations express confidence in their leadership bench.

> *The problem is not that leadership development doesn't work. The problem is what happens. or doesn't happen. before the development begins.*

The framing matters. This is not a failure of the profession. It is not a reflection of poor training design or uncommitted learners. The programmes themselves are frequently well-designed and well-received. The facilitators are experienced. The content is credible.

What is missing is the work that should precede it: a structured, rigorous examination of what leadership the organisation actually needs, whether its systems support or undermine that, and whether the existing portfolio of development activity is coherent, aligned, and serving a clear strategic purpose.

Without that work, capability building operates in a vacuum. Investment accumulates. Activity multiplies. But nothing quite connects.

2. What We're Seeing in Practice

Over the past year, I have spoken with professionals responsible for leadership development in organisations of varying size, complexity, and maturity. I have also worked alongside HR and leadership teams navigating these challenges in real time. A number of patterns emerge with striking consistency.

2.1 Programmes That Don't Speak to Each Other

Most organisations of any complexity have accumulated multiple leadership programmes over time. There may be an executive programme, a new manager programme, a high-potential pathway, a values-based leadership initiative, and various skills-based offerings. Each was commissioned in response to a real need. Each may be well-designed in isolation.

The difficulty is that they were rarely designed as part of a coherent whole. They were built at different times, by different teams, sometimes by different external providers, each with their own language, models, and assumptions. The cumulative effect is a portfolio of activity that does not tell a consistent story about what leadership means in this organisation.

Leaders attending these programmes receive different messages about what matters, depending on which programme they happen to be on that year. The lack of a unifying narrative makes it difficult for individuals to integrate what they are learning, and difficult for the organisation to assess whether the investment is moving leadership in a coherent direction.

2.2 Reactivity Rather Than Strategy

A second pattern is the tendency toward reactive commissioning. A new business priority emerges. a restructure, a culture initiative, a digital transformation, a new CEO with different expectations. and the response is a new programme or a new framework. Each response is understandable. But over successive cycles, the leadership development landscape becomes layered, crowded, and difficult to navigate.

Year on year, there is a different emphasis. This year it is resilience. Last year it was agility. The year before, it was coaching skills. Each wave adds something without removing what preceded it. The architecture accumulates without a mechanism for review, simplification, or retirement.

The result is not just inefficiency. It is confusion. Leaders and managers. already under significant operational pressure. struggle to identify what is expected of them amid a dense and shifting landscape of expectations.

2.3 Development Disconnected from Strategy and Culture

Perhaps the most consequential pattern is the disconnection between capability building and the two things that should anchor it: strategy and culture.

Research consistently shows that strategic clarity is far rarer than assumed. McKinsey has found that fewer than a third of senior leaders can articulate their organisation's strategy clearly enough to translate it into action. If strategic clarity is limited at the top, the chances of leadership development being meaningfully derived from strategy are low.

Similarly, many organisations have articulated values and cultural aspirations. But the degree to which these are reflected in leadership frameworks, translated into observable behaviours, and reinforced through development varies enormously. In many cases, values and frameworks exist in parallel rather than in integration.

The consequence is that development becomes generic. It builds skills that are broadly admirable but not necessarily the skills this organisation, at this moment, in this strategic context, most urgently needs. Without a clear line from strategy through culture through framework through to development, there is no basis for evaluating whether the investment is serving its intended purpose.

2.4 L&D Teams Under Pressure

This is not a criticism of the people doing the work. Leadership development professionals are, in most organisations, operating under considerable pressure: delivery timelines, stakeholder expectations, budget constraints, and the constant demand to demonstrate relevance.

Many describe being stuck in delivery mode. responding to requests, servicing internal clients, managing logistics. with little space to step back, think strategically, and assess whether the portfolio as a whole makes sense. The CIPD's Learning at Work Survey (2023) found that perceived alignment between L&D strategy and organisational priorities declined from 77% to 67% between 2021 and 2023. L&D teams know the architecture is not right. They often lack the mandate, the time, or the structured approach to fix it.

> *The issue is rarely a lack of effort. It is a lack of coherence. And coherence cannot emerge from within a system that never pauses to examine itself.*

3. Why This Happens: The Capability-First Trap

The patterns described above are not the result of poor judgement. They are the natural consequence of a deeply embedded assumption in how organisations approach leadership: that if leaders are not performing as needed, the solution is to develop them.

This assumption has a certain logic. Capability is visible, purchasable, and demonstrable. It generates activity. It produces completion data. It feels like action. In a climate where leadership development professionals are under pressure to demonstrate value, commissioning a programme or refreshing a framework feels more defensible than pausing to conduct a diagnostic review.

The problem is that the assumption rests on an incomplete account of how behaviour works.

3.1 What the Transfer Literature Tells Us

The most consistent finding in the learning and development literature is that transfer of training. the extent to which learning translates into sustained behaviour change in the workplace. is the exception rather than the rule. Research estimates that approximately 75% of learning is forgotten within a week of completing training without structured application and reinforcement.

Baldwin and Ford's foundational work (1988) identified three clusters of factors that determine transfer: trainee characteristics, training design, and the work environment. Of these, the work environment. the conditions surrounding leaders when they return from development. consistently emerges as the most powerful predictor.

Burke and Hutchins (2007) reinforced this finding in their integrative review. Manager support, opportunity to apply learning, and organisational reinforcement all carry more weight than the quality of the training itself. Saks and Belcourt (2006) found that only a minority of organisations take systematic steps to create these transfer conditions.

Key finding

The post-training work environment weighs as heavily and directly on training effectiveness as the quality of the training, mode of delivery, and relevance of content. Manager support is the single strongest predictor of whether learning transfers into sustained behaviour change.

3.2 Systems Shape Behaviour

Applied psychology offers a more fundamental challenge to the capability-first approach. Behaviour is not simply a function of knowledge and skill. It is shaped by the environment in which it occurs.

Lewin's (1951) foundational insight. that behaviour is a function of the person and their environment. remains empirically robust. Under conditions of pressure, uncertainty, and competing demands, its influence intensifies. Cognitive load research demonstrates that executive function degrades as demands accumulate, and individuals default to habitual patterns and system cues: what is rewarded, what is modelled, what is tolerated.

Schein's work on organisational culture (2010) makes the same point from a different angle. Culture is reinforced not by what organisations say but by what they do: who gets promoted, what gets resourced, what is said in formal and informal settings. When cultural signals contradict development messages, culture wins.

Argyris (1991) described the gap between espoused theory and theory-in-use. the often significant distance between what an organisation says it values and what its day-to-day systems actually reinforce. When this gap is wide, development programmes are asking leaders to operate against the grain of the organisation. Some will manage it, for a time. Most will default to the signals that carry consequence.

Beer, Eisenstat, and Spector (1990) described this as a fundamental error in change management: addressing individual behaviour without attending to the organisational context that shapes it. More recently, Beer, Finnström, and Schrader (2016) identified what they termed the "six silent killers" of strategy implementation and leadership effectiveness, all of which relate to system conditions rather than individual capability.

3.3 The Evaluation Gap

A further factor sustaining the capability-first approach is the absence of meaningful feedback. Research indicates that nearly 90% of organisations measure training effectiveness at the satisfaction level. whether participants enjoyed the experience.

Only 22% measure business impact. The absence of robust evaluation means that organisations lack the data to tell them whether their investment is working.

Leadership development content is frequently designed without reference to business outcomes or a clear theory of change. When development is not designed with a clear theory of change. a specific account of why this intervention will produce this behaviour in this context. evaluation cannot be purposefully designed. The absence of impact data is a downstream symptom of an upstream coherence failure.

In effect, organisations continue investing because there is no structured mechanism telling them to stop or redirect. The system reinforces itself.

4. What's Actually at Stake

The cost of incoherent leadership investment is not abstract. It is measurable, significant, and cumulative.

4.1 The Engagement and Productivity Impact

Gallup's research consistently demonstrates that 70% of team engagement variance is attributable to the quality of the manager. This finding has been replicated across countries, sectors, and organisation types. When leadership is inconsistent, fragmented, or misaligned, engagement suffers. and with it, productivity, retention, and discretionary effort.

Globally, Gallup estimates that actively disengaged employees cost the economy $8.9 trillion in lost productivity annually (Gallup, 2024). Organisations with ineffective leadership experience a 29% reduction in productivity and a 23% increase in employee turnover. Replacing a leadership-level employee costs between 90% and 200% of their annual salary.

Manager engagement itself has declined. falling from 30% to 27% in 2024, with the steepest drops among young managers and female managers. This is not a peripheral concern. It is a cascading risk: disengaged managers produce disengaged teams, creating a downward spiral that no amount of capability training can reverse if the underlying conditions remain unchanged.

4.2 The Financial Performance Link

The connection between leadership quality and financial performance is well-established. Meta-analytic evidence from Lacerenza et al. (2017) demonstrates that well-designed leadership development produces significant performance gains, while transformational leadership has been shown to account for a 23% increase in bottom-line financial results.

When leadership is incoherent. when frameworks don't reflect strategy, when signals conflict, when development activity is fragmented. the organisation is not simply wasting training budget. It is undermining the behavioural infrastructure through which strategy is executed. The cost is measured in decision friction, cultural drift, leadership burnout, and strategic failure.

4.3 The Direct Cost of Wasted Investment

If global leadership development spend exceeds $366 billion annually, and research suggests that only 15% of skills taught are subsequently applied on the job, the arithmetic is sobering. Roughly $310 billion of annual leadership investment produces no measurable change in workplace behaviour.

This is not an argument against investment. It is an argument for ensuring that investment is coherent, strategically grounded, and designed for conditions that allow transfer. The waste is not in the development itself. it is in the absence of the diagnostic and alignment work that should precede it.

> *The largest line item in most L&D budgets is not the cost of programmes. It is the cost of programmes that don't connect to anything.*

5. The Case for Coherence: Doing the Work Before the Work

The evidence points consistently toward a different approach. one that begins not with what leaders need to learn, but with what the organisation needs leadership to deliver, and whether the existing architecture supports that.

Coherence, in this context, refers to the degree to which an organisation's leadership framework, development activity, cultural signals, performance systems, and strategic expectations are mutually reinforcing rather than competing. A coherent leadership architecture is one in which everything tells the same story and makes consistent demands on leaders.

Coherence of this kind does not emerge naturally. It requires deliberate diagnosis, disciplined simplification, and periodic review.

5.1 Start with Strategy: What Does Leadership Need to Deliver?

The starting point for coherent leadership design is a question that is rarely asked with sufficient rigour: what does our strategy actually require of leaders?

This is not a question about generic good leadership. It is a specific, contextual question about behaviour. Different strategies create genuinely different leadership demands. An organisation pursuing rapid growth needs leaders who can tolerate ambiguity, make fast decisions with incomplete information, and build teams quickly. An organisation navigating restructuring needs leaders who can hold difficult conversations, maintain trust under uncertainty, and execute with precision. An organisation in transformation needs leaders who can challenge established practice, hold paradox, and sustain motivation through sustained disruption.

Weick's research on sensemaking (1995) explains why this matters psychologically. Leaders need to interpret what is required of them. When the system sends mixed or unclear signals about what strategy demands, sensemaking fails. Leaders default to their own interpretation. which produces the inconsistency organisations then try to solve through training.

Making strategic demands explicit. articulating the specific behaviours, trade-offs, and judgements strategy requires. is not a precursor to developing a competency framework. It is a discipline in its own right. And it is one that most organisations skip.

5.2 Map the System: What Is Actually Being Reinforced?

Before designing any development intervention, there is a more fundamental question: what is the current system producing?

By system, we mean the full set of organisational conditions that shape how leaders behave day to day: the decisions they are empowered to make, the behaviours that earn recognition, the norms governing how conflict is handled, the degree to which role expectations are clear, and the structural loads leaders are carrying.

Each of these elements sends a behavioural signal. When these signals contradict stated leadership expectations, the system creates what psychologists describe as “double binds” situations in which individuals are asked to behave one way but rewarded for another. Common examples include encouraging empowerment while retaining centralised decision rights, promoting collaboration while rewarding individual performance, and expecting openness while penalising challenge or dissent.

The Job Demands-Resources model (Bakker & Demerouti, 2007) provides a further lens. When the demands placed on leaders. cognitive, emotional, relational. consistently outstrip the resources available to them. clarity, autonomy, support, recovery. performance degrades and burnout accelerates. Currently, research indicates that 56% of leaders face burnout, up from 52% the previous year (LHH, 2025). Leadership development that adds demands without adjusting resources accelerates rather than reverses this pattern.

Understanding the system is not simply preparatory work. It is itself a strategic intervention, surfacing information that organisations rarely make explicit and that is essential to designing anything that will sustain.

5.3 Assess Coherence: Do the Pieces Fit?

Between the diagnosis of strategic requirements and the design of development sits the step that most organisations skip entirely: a structured assessment of whether the existing leadership architecture is coherent and fit for purpose.

This means examining whether the framework still reflects strategy, whether values and competencies are aligned, whether development programmes reinforce each other or compete, whether performance and promotion signals are consistent with leadership expectations, and whether the cumulative effect of the architecture is clarity or confusion.

In practice, this step frequently surfaces opportunities for simplification that have more immediate impact than any new development initiative. Reducing duplication, resolving contradictions, consolidating overlapping models, retiring programmes that no longer serve their original purpose. these interventions reduce cognitive load on leaders and create the conditions under which new development can function as reinforcement rather than noise.

A note on simplification

Organisations rarely suffer from too little leadership thinking. They more commonly suffer from too much. too many competencies, too many frameworks, too many programmes operating without clear integration. Removing duplication, consolidating, and reducing the cognitive load placed on leaders is not a reduction in ambition. It is a precondition for it.

Coherence review is not a one-time exercise. It is a discipline. a periodic, structured assessment of whether the leadership architecture remains aligned to its strategic context. As strategies evolve, operating environments shift, and organisations grow, the risk of accumulation and drift is constant. Regular review interrupts that drift and creates a sustainable, repeatable process that organisations can conduct year on year.

5A. The Coherence Diagnostic Framework

One of the most common questions practitioners raise is: how do we actually conduct a coherence review? The following framework provides a structured approach. It is designed to be conducted in a focused session of two to three hours with the core L&D or HR leadership team, optionally supplemented by structured interviews with a sample of line managers and senior leaders.

The framework examines five coherence domains. For each, it identifies the key diagnostic questions, the most common red flags, and what a high-coherence state looks like in practice.

Coherence Domain	Key Questions	Red Flags	What Good Looks Like
Strategic Alignment	Does the leadership framework reflect current strategic priorities. not those from 3 years ago?	Framework predates last major strategy shift; no mechanism to update it	Leadership expectations derived directly from strategic planning cycle; reviewed annually
Cultural Signal Consistency	Do performance, promotion, and recognition decisions reinforce the stated leadership expectations?	Values say 'collaboration'; high performers rewarded for individual delivery only	HR processes, reward decisions, and informal recognition visibly model the stated expectations
Portfolio Integration	Do our development programmes reinforce a single coherent narrative about leadership?	Multiple providers; conflicting models; no shared language across levels	Clear through-line from new manager to executive level; shared language and mutual reinforcement
Transfer Conditions	Do leaders have the structural conditions to apply what they learn?	No manager briefing pre/post programme; learning not connected to live challenges	Managers actively support transfer; learning applied to real work within 30 days
System Load	Are the demands placed on leaders matched by the clarity, autonomy, and support available to them?	Leaders report role ambiguity, decision rights confusion, and insufficient recovery time	JD-R balance maintained; role clarity high; support structures in place and used

How to Use the Framework

The framework is most useful when used as a facilitated conversation rather than a self-completion survey. Rate each domain from 1 (low coherence) to 5 (high coherence) based on evidence. not aspiration. Where ratings diverge between team members, that divergence is itself a data point worth exploring.

Prioritise the domains with the widest gap between current and desired state. In most organisations, Portfolio Integration and Cultural Signal Consistency are the highest-leverage starting points, as they are often the most visible to leaders and the most immediately improvable.

A practical note on timing

A coherence review does not need to be a large-scale intervention. A half-day structured workshop with the right people. L&D leadership, an HR director, and two or three senior line leaders. can surface the most significant misalignments and generate clear priorities for action. The goal is not perfection; it is informed direction.

The Leadership Architecture Maturity Model

Alongside the diagnostic framework, the following maturity model provides a rapid self-assessment of where an organisation currently sits and where it is aiming to be. Most organisations beginning a coherence review find themselves operating at Level 1 or Level 2. The goal of initial coherence work is to reach Level 3.

Level 1 Fragmented	Level 2 Partially Aligned	Level 3 Coherent	Level 4 Adaptive
Programmes built reactively. No shared framework. Each initiative operates independently. Leaders receive conflicting messages.	A leadership framework exists but was built in a previous strategic context. Some alignment with culture; development not consistently derived from it.	Framework reflects current strategy. Development portfolio aligned. Transfer conditions in place. Annual coherence review conducted.	Coherence is a standing discipline. Architecture evolves in real time with strategy. Leadership development is a strategic function, not a service line.

Movement from one level to the next does not require a complete overhaul. In most cases, it requires a focused intervention: a framework refresh, a portfolio rationalisation, a transfer conditions audit. The maturity model is designed to make the destination concrete and the progress legible.

6. Capability Third: When Development Actually Works

This paper does not argue against leadership development. It argues for placing development in its proper position: as the third element, not the first, within a coherent leadership strategy.

When capability work follows strategic alignment and system coherence, its character changes. It becomes more focused, more contextual, and significantly more likely to produce sustained change.

6.1 What the Evidence Says Works

Research on leadership training effectiveness points consistently to a cluster of design features that distinguish programmes producing genuine behaviour change from those producing only transient learning.

- **Spaced learning over single events.** Research demonstrates substantial advantages for spaced repetition: double-spaced learning produces significantly higher performance on both learning and transfer compared to single events. The forgetting curve is well-established. approximately 75% of learning is lost within a week without structured reinforcement.
- **Manager support as the critical transfer lever.** Supervisor support before, during, and after training is the single strongest predictor of transfer. This includes direct assistance, guidance, and emotional support. Yet only 36% of line managers actively support transfer back to the workplace (CIPD, 2023).
- **Psychological safety as a foundational condition.** Edmondson's research (1999) established that teams with high psychological safety demonstrate significantly greater learning behaviour, experimentation, and willingness to take interpersonal risks. Development that asks leaders to practise new behaviours requires an environment in which doing so feels safe.
- **Coaching aligned to organisational goals.** Meta-analytic evidence shows that coaching produces significant positive effects on performance, wellbeing, and goal-directed self-regulation. Critically, impact is strongest when coaching is aligned to organisational strategy and supported by accountability structures, rather than operating as a standalone individual intervention.
- **Deliberate practice and behavioural rehearsal.** A growing evidence base suggests that deliberate practice. breaking complex leadership behaviours into specific, practisable components with immediate feedback. outperforms standard training approaches. Leadership development designed around real moments of difficulty, not abstract principles, produces stronger transfer.
- **Learning in the flow of work.** Despite widespread recognition of its importance, only 12% of organisations implement learning in the flow of work effectively. Microlearning approaches show significantly higher completion rates and knowledge retention compared to traditional formats. The average employee has only 24 minutes per week available for formal learning. development must be designed for that reality.

6.2 What Works Less Well Than People Think

The evidence also challenges some widely-held assumptions:

- **The 70-20-10 model lacks empirical validation.** Despite near-universal adoption, the model is based on retrospective self-report by approximately 200 executives in 1996. It remains a conceptual framework without robust empirical support.
- **Single-event programmes produce limited sustained change.** One-off workshops and retreats generate satisfaction and short-term insight, but rarely produce lasting behaviour change without structured follow-up, application, and reinforcement.
- **Generic competency frameworks are insufficient.** Research increasingly distinguishes between competency (knowledge and skills for the current role) and capability (capacity to take on greater complexity). Development focused on building capacity for complexity is more predictive of leadership success than competency mastery alone.

6.3 The Shift: Development as Reinforcement, Not Remedy

When coherence has been established. when strategic demands are clear, system signals are understood, and the architecture is aligned. development becomes reinforcement of what the system now enables, rather than remedy for what the system is preventing.

Under these conditions, capability building is precise: focused on the specific behaviours, decisions, and moments that matter most in this organisation, at this time, for this strategy. Leaders are not developing generic skills in a vacuum. They are practising what the organisation has already made possible.

When organisations invest in capability to compensate for an incoherent system, they place an unreasonable burden on individual effort. Leaders are expected to transcend their environment through competence alone. Some will manage it, for a time. But it is not a sustainable model. It produces burnout, frustration, and the kind of cynicism that spreads quickly through a leadership population.

Coherence makes capability possible. Without it, development is aspiration without infrastructure.

6A. Addressing the Counterarguments

Any argument that asks organisations to do something before their default response will encounter resistance. The following objections are common, legitimate, and worth addressing directly.

"We don't have time for a coherence review. the business needs action now."	"Some organisations have incoherent systems and good leadership anyway."
This is the most frequent objection, and it deserves a direct answer. A coherence review does not need to take months. A focused half-day with the right people can identify the highest-leverage misalignments. The question is not whether organisations have time to do it. It is whether they can afford not to. The evidence is unambiguous: investment in capability without coherence produces activity, not change. Every week spent delivering incoherent programmes is a week reinforcing the system that makes those programmes ineffective. Speed of action and quality of action are not the same thing.	This is true. and worth acknowledging. Highly capable individuals can and do transcend incoherent systems, for a time. Strong leaders make meaning in ambiguous environments, model coherence personally, and compensate for structural gaps. The problem is that this is not a sustainable model. It is expensive in human terms. burnout, attrition, and cynicism are consistent by-products. And it is not scalable: what works when one outstanding leader holds the system together rarely survives their departure. Coherence is the foundation for systematic, sustainable leadership effectiveness. not a prerequisite for all leadership effectiveness.

"Won't a highly aligned system become rigid and slow to adapt?"	"This sounds like it requires significant investment before any development happens."
This is a genuine risk, and it is why the framework emphasises coherence as a regular discipline rather than a fixed state. A coherent architecture is not a static one. It is one that is reviewed annually, updated as strategy evolves, and designed with explicit mechanisms for revision. The maturity model in Section 5A distinguishes between Level 3 (Coherent) and Level 4 (Adaptive) precisely because the latter requires coherence to be dynamic, not merely achieved. Rigidity emerges from coherence pursued without review. The antidote is not incoherence. it is regular, structured examination of whether the architecture still fits.	The coherence-first approach does not mean delaying all development. Organisations can and should continue delivering necessary capability work in parallel. What changes is the sequencing of new investment. Before commissioning new programmes, refreshing frameworks, or expanding the portfolio, a coherence review is conducted. The aim is to ensure that what is added reinforces rather than competes with what already exists. In practice, coherence reviews frequently result in rationalisation. fewer programmes, simpler frameworks, redirected spend. The review often pays for itself within the first cycle.

7. AI Adoption: A Live Test of Whether We've Learned

If the argument of this paper holds. that capability without coherence produces waste and frustration. then the current wave of AI adoption provides a vivid, real-time test case.

The pattern is strikingly familiar. Organisations recognise that AI adoption is critical. Investment accelerates. Training programmes are commissioned. And yet results remain elusive. The response, overwhelmingly, has been to treat AI adoption as a capability problem: if people are trained, they will adopt. The evidence suggests otherwise.

7.1 The Scale of the Adoption Gap

The data is sobering. BCG's research with over 1,000 C-level executives found that 74% of companies struggle to achieve and scale meaningful value from AI. MIT's 2025 research found that 95% of corporate AI projects fail to create measurable value. McKinsey's State of AI report (2025) identifies that only 6% of organisations are seeing 5% or more EBIT impact from AI use.

Meanwhile, 75% of knowledge workers now use AI at work and adoption has nearly doubled in six months (Microsoft, 2024). The technology is present. The usage is growing. The value is not materialising.

McKinsey describes this as the "genAI paradox": rapid technological breakthroughs delivering slow productivity gains. Seventy-nine percent of leaders agree AI adoption is critical to competitiveness, yet 60% say their company lacks a vision and plan to implement it. Sixty-four percent of CEOs acknowledge that success depends more on people's adoption than on the technology itself.

7.2 Why Capability Alone Cannot Solve This

The barriers to AI adoption are not primarily technical or skill-based. They are psychological, behavioural, and systemic. precisely the factors this paper has been describing in relation to leadership development.

- **Fear and identity threat:** 53% of AI users worry that using it on important work tasks makes them look replaceable. 52% hesitate to disclose AI use on critical tasks. 22% of leaders have avoided leading an AI project for fear of being blamed if it fails.
- **Psychological safety:** 83% of business leaders say psychological safety has measurable impact on the success of AI initiatives (MIT/Infosys, 2025). Yet only 39% rate their organisation's psychological safety as "very high". Research published in Nature (2025) reveals a concerning pathway: AI adoption that reduces psychological safety significantly increases depression risk among employees.
- **System signals:** 78% of AI users are "bringing their own AI" to work, suggesting that organisational strategy, infrastructure, and governance are not keeping pace with individual experimentation.

- **Workflow versus training:** McKinsey's 2025 research found that among 25 attributes tested, workflow redesign had the biggest effect on EBIT impact from AI. High-performing organisations are nearly three times more likely to have fundamentally redesigned how work gets done. The 6% of companies seeing real value are redesigning workflows, not just training people.

> *If we approach AI adoption the same way we approach leadership development. capability first, system second. we will get the same results.*

AI adoption is not a skills programme. It is a behavioural, systemic, and leadership challenge that requires exactly the kind of coherence-first approach this paper advocates. Understanding the psychological barriers, aligning system signals, creating conditions of safety, and then. and only then. building capability is the sequence that the evidence supports.

AI is, in this sense, the most current and visible example of the broader argument. When organisations treat complex human challenges as training problems, they replicate the same pattern of activity without impact. When they invest in coherence first, the conditions for genuine adoption are created.

8. Implications for Practitioners

The argument advanced in this paper has concrete implications for those responsible for leadership strategy and investment. These implications are not primarily about doing different things. though some reorientation may be involved. They are about sequencing, emphasis, and the questions asked before investment decisions are made.

8.1 Diagnose Before You Design

The single most impactful shift available to most organisations is to build diagnostic discipline into their leadership investment process. Before commissioning new development, refreshing a framework, or designing a new programme, pause and ask:

- What is our strategy actually asking of leaders right now?
- Does our leadership framework still reflect that reality. or does it reflect a previous strategic moment?
- What do our systems actually reinforce? Where are leaders receiving conflicting signals?
- Where is there duplication, overlap, or contradiction across our development portfolio?
- What can we stop, simplify, or consolidate before we add anything new?

These questions can be explored informally or through a structured diagnostic process (see Section 5A). Either way, asking them before investing further in capability is the most direct route to improving return on investment.

8.2 Simplify Before You Add

In most organisations, the greatest immediate gains come not from new investment but from rationalisation. Review the existing portfolio. Identify where programmes overlap, where frameworks contradict, and where activity has accumulated without clear strategic purpose. The act of simplifying. reducing competencies, consolidating programmes, retiring what no longer serves its purpose. is not a reduction in ambition. It is a precondition for effective investment.

8.3 Build Evaluation Into Design, Not After

If development is to be connected to outcomes, evaluation must be designed from the outset. At the point of commissioning, be clear about what behavioural indicators would signal success, what organisational metrics are expected to shift, and over what timeframe. Without this discipline, impact measurement is retrospective guesswork rather than strategic oversight.

8.4 Create a Coherence Rhythm

Coherence is not a project. It is a discipline. Build a regular review cycle into the annual leadership strategy process. At least annually, assess whether frameworks, development activity, and system signals remain aligned to strategic context. This does not require a large-scale intervention. It requires a structured conversation that asks: does this still make sense?

Use the Coherence Diagnostic Framework in Section 5A as the basis for this annual review. Over time, the review itself becomes a leadership practice. modelling the kind of reflective, evidence-based decision-making the organisation is asking leaders to develop.

8.5 Treat AI as a Leadership and System Challenge

If your organisation is investing in AI adoption, resist the temptation to treat it as a training programme. Address the behavioural and systemic conditions first: psychological safety, workflow redesign, leadership modelling, and clear governance. Then build capability in context.

8.6 Protect Your Budget by Protecting Your Logic

In a climate of sustained budget pressure, the strongest defence of leadership investment is a clear articulation of its strategic logic. If you can demonstrate that your leadership architecture is coherent, aligned to strategy, and designed for transfer. and that you have a structured mechanism for reviewing and refining it. you are in a significantly stronger position than if you are defending a portfolio of activity that has accumulated without clear integration.

Managing resource effectively in the current climate is not about doing less. It is about doing what matters, in the right order, for the right reasons.

9. Conclusion

Leadership does not fail because people lack commitment, intelligence, or skill. More often, it fails because the investment designed to support it was never connected to a coherent whole.

Programmes accumulate. Frameworks proliferate. Year on year, a different emphasis is layered onto what already exists. The result is activity without architecture. well-intentioned, often high-quality, but collectively fragmented. Leaders navigate a dense and shifting landscape of expectations, struggling to identify what truly matters in the noise.

The evidence from applied psychology, behavioural science, and organisational research is consistent: behaviour change is sustained not by knowledge or good intentions, but by the coherence of the system in which it must occur. When strategy, frameworks, culture signals, and development tell the same story, leaders can act on what they learn. When they don't, investment is absorbed without impact.

The argument of this paper is simple

Before investing further in capability, invest in coherence.

Understand what your strategy requires. Map what your system produces.

Align the architecture. Simplify where you can. Then build capability that sticks.

Use the Coherence Diagnostic Framework and Maturity Model in Section 5A to assess where you are. and to structure the conversation with your senior team about where you need to be.

This is not a counsel of perfection. Organisations cannot wait for complete alignment before developing their people. But they can build diagnostic rigour and coherence review into the rhythm of their leadership investment, ensuring that development is grounded in strategic reality and designed for the environment in which it must land.

When leadership investment is designed in this way, the outcomes are not only more sustainable. They are more efficient, more defensible, and more humane. less reliant on individual heroics to compensate for structural shortcomings, and more likely to create the conditions in which capable people can lead well.

How the Centre for Leadership Psychology Can Help

The Centre for Leadership Psychology provides strategic advisory support to organisations seeking to bring clarity, coherence, and commercial discipline to their leadership investment.

We work with leadership development owners, HR directors, and senior teams to step back from delivery mode and assess whether the leadership architecture. framework, strategy, culture signals, and development portfolio. is working together rather than competing.

We provide support across three areas:

Leadership Alignment and Diagnosis. We review your leadership framework, strategy, and culture signals to diagnose misalignment, duplication, and friction. Using structured diagnostic tools and evidence-based analysis, we help clarify what leadership is required and where your current architecture may be working against you. This is about rethinking and refreshing what already exists. making it coherent and fit for purpose rather than starting from scratch.

Targeted Capability Design and Delivery. Where capability gaps are identified, we design and refine targeted solutions aligned to strategic priorities. This may include executive development, experiential learning, behaviour change initiatives, or programme redesign. always focused on reinforcing the behaviours the business actually needs.

Impact and Investment Review. We assess whether leadership initiatives are translating into behavioural shift and business outcomes, and help tighten the system so progress is sustained and investment is defensible.

We have designed a set of structured diagnostics that enable organisations to surface where alignment exists, where it doesn't, and where the highest-leverage opportunities for change sit. The process is designed to be practical and time-bounded. not an extended consultancy engagement, but a focused intervention that creates immediate clarity.

Critically, the approach is designed to help you build sustainable, flexible systems that you can maintain over time. scaling up or down as needs change, adapting as strategy evolves, and conducting your own coherence reviews year on year. The aim is not dependency on external support. It is structured independence.

Equally importantly, this process is designed to help you identify where investment can be reduced, redirected, or simplified. In a climate where every organisation is expected to manage resource more effectively, a structured coherence review is a practical opportunity to trim inefficiency, consolidate where possible, and ensure that every pound invested in leadership development delivers measurable return.

You do not need to work with us to benefit from this paper.

The diagnostic questions and frameworks set out in this paper. including the Coherence Diagnostic Framework and the Leadership Architecture Maturity Model in Section 5A. can be used directly by internal teams. You can use them to review your own architecture, brief your existing providers, or structure conversations with senior stakeholders about how leadership investment should evolve.

If you would value structured support with that process, we are glad to help.

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