

Perceptions are Reality

This is an extract from the article
A New Key Competence: Managing Perceptions for Greater Effectiveness
(The full article can be found on www.vspinc.biz under 'Grasp your leadership role')

1 Introduction: The Corporate Trojan Horse

Most people know the Greek legend of the Trojan horse. According to the legend, the Greeks had been unsuccessful in taking the city of Troy until they devised the plan of constructing a huge wooden horse, large enough to hold a number of men. The horse, filled with warriors, was left outside Troy with a dedication proclaiming it to be a sacrifice to Athene, and the Greeks sailed away. The dedication appealed to the Trojans, who dragged the horse into their city. That night, the warriors inside the horse climbed out and opened the gates of the city to the Greeks, who had returned in the night. However, not many people remember that there was at least one senior person in the hierarchy of Troy who was suspicious of the horse. His name was Laocoon and he tried very hard to persuade the Trojans to first inspect the horse before bringing it into the city.

In my almost 20 years of working closely with top management teams, I have realized that there is always at least one person on the team who sees a threat where others see an opportunity. Sadly, very often this person suffers the same fate as Laocoon: no-one wants to heed the warning. Instead, he or she is often labeled a pessimist, if nothing worse. Consider a Trojan horse incident in your own organization. With hindsight, is it not clear to you that one of the following four situations must have existed at the time?

- (a) No-one spotted the threat.
- (b) Someone did suspect something, but kept quiet.
- (c) Someone did suspect and did speak out, but was not heard.
- (d) Someone did suspect and was heard, but ignored (as being a discredited source, for example).

And therein lies the problem: no organization or team can hope to be truly effective if any of the above four points apply to it. Obviously, it is rather difficult to do something about point (a), but it is within any leader's power to do something about points (b), (c) and (d). The solution is to be found in how the leader deals with the perceptions of the people involved.

2 Defining Perceptions

*People don't behave according to strategies and instructions; they behave according to their **perceptions** of strategies and instructions.* This truism is the cause of many a leader's frustration and many a manager's irritation. And yet, we all use the term perceptions quite glibly. So, what exactly are perceptions? Perception can be defined as the way we process, interpret and give meaning to the information we receive via our senses. But to what extent does that which a person perceives correspond to reality? Surely, we can only refer to perception as being objective if there is agreement in all respects between what really exists in the world around us and our perception of it. To achieve this state means that we must add nothing, leave nothing out, distort nothing, and misrepresent nothing in what we perceive. Yet, every individual reconstructs and interprets reality by relying on his or her past experiences. In other words, there is no reality without interpretation.

Furthermore, if every person makes his or her unique interpretation of reality, then *there are as many realities as there are people!* Intuitively, we know this cannot be. For if each person was totally unique in his or her reconstruction of reality, then communication with each other would be impossible. To ensure that at least some form of communication is possible, people have come to share a common meaning of reality. Through these shared meanings, the perceptions of different people become similar. This merely means that people have reached consensus about how reality will be perceived and interpreted. For example, we may all have our own way of perceiving a barking, four-legged animal, but we have given it a shared meaning, namely the word "dog".

Different societies can, and do, reach different consensus as to their shared meanings of reality. For example, Eskimos have three different words for what they see as three different types of snow. If a Californian were to visit with Eskimos, she would only see 'snow'. Yet, if she had to live as an Eskimo for some time, she would come to 'see' the different types of snow.

What conclusions can we draw from the above? Firstly, if we understood what sort of perceptual categories operate within specific communities, we would better understand the realities they perceive. (And this could lead to a reduction in interpersonal conflict.) Secondly, perception is not merely a response to a stimulus situation. It is a skill that can be learned.

3 Perceptual errors:

People work in teams to achieve something together. It should be obvious, then, that perceptual differences between team members can impact on the team's ability to be effective. Consider the following: The greater the degree of shared meaning of reality, the better the communication between team members. However, the greater the degree of shared meaning of reality, the higher the risk of groupthink¹. This is only one example of why it is so important for team leaders to understand and manage perceptual errors.

What are perceptual errors? These are errors in the way we interpret reality, which leads to errors and distortions in our thinking about reality, which in turn leads to ineffective responses or behavior. What causes these errors? Simply, mental laziness. We are all cognitive misers: we will do the minimum amount of mental work we think is required. Much of this behavior we can blame on information overload. And so we have created mental short-cuts, called heuristics, to deal with this overload. Heuristics are simple decision-making rules which we use to quickly make inferences and draw conclusions. However, when we use mental short-cuts, we tend to make up our minds without considering all relevant information and thus run the risk of making errors. For example, biases are errors and distortions in thinking that often derive from heuristics.

4 Perceptions and group behavior:

There are four main characteristics of organizations and teams which encourage the formation of certain group behaviors. These group behaviors trigger group perceptual errors, which make seeing possible differences clearly rather unlikely, in so doing creating obstacles to effectiveness and success.

¹ Groupthink is defined as a situation which develops within teams where the desire for consensus and mutual agreement overrides the realistic and objective appraisal of alternatives.

4.1.1 The danger in being normal:

Every organization and team has an unique culture, an unique *the-way-we-do-things-here*. The culture is meant to smooth the way things are done by defining what is acceptable or “normal”. However, the culture also forces conformity in thinking and behavior with the aim of stamping out unacceptable or “abnormal” behavior. And therein lies the danger: the culture which is meant to make the organization more effective, tends to inhibit innovation and change:

Abnormal is so defined by those players in any society (organization or team) who are numerous and powerful enough to make the definition stick. Therapists run the risk of delaying or inhibiting social change and paradigm shifts by trying to “cure” abnormal behavior. It is often this same abnormal behavior, perceived as “normal” in a different social context, which triggers change.

4.1.2 The curse of kingship:

You can be sure that the people in your organization and team understand the ground rules of organizational life. The most important rule is that as long as you, the boss, decides on our salary increases, our bonuses, our promotions, we must keep you happy at all cost and at all times. The kings of old showed us how bosses react: the bearer of bad tidings was rewarded with the loss of his or her head. Hints as to what sort of behavior we can expect from those in power have conditioned us to pass on good news rather than bad, to rather tell the king what we think he wants to hear, to let some-one else lose his or her head. And so the poor boss must make decisions of great import based on a steady stream of good news. Mr David Fackler, in a letter to *The Economist*, put it succinctly:

Large organizations languish and die because the top executives listen only to echoes. History suggests the curse of kingship is the need to be wary of your own counselors.

4.1.3 The prejudice of the like-minded:

Organizations are truly strange entities. They are staffed with people who agree to strive for collective objectives in exchange for individual rewards. In doing so, we agree to a code of behavior, a code of dress and, above all, we agree to follow instructions. Those who do not accept the purpose as mutual, the codes as worthy or the instructions as important, are shown the door. Unless, of course, they find it first. (It is not surprising that relatively few people are shown the door. After all, do we not in the first place appoint people who are already like us?)

At best, the organization becomes a place where those who *do* think differently, learn to conform. At worst, it becomes staffed with like-minded people. Like-mindedness inclines towards prejudgement and prejudice. And so we have created a place where people with preconceived opinions pass judgement without proper inquiry; where the person who critically assesses proposals and ideas is labeled an obstructionist; where the one who speaks the truth is said to be undiplomatic; where the expert who was hired for his knowledge is told that we've always done it this way; where the one who agrees with us and tells us what we like to hear is promoted; and where the one who continues to express a different view is transferred or fired.

Can like-minded people, who pre-judge the world from the same inclination, spot the opportunities visible only from other angles? And will they spot the threats?

4.1.4 We, the enemy within:

We know that success comes from paying attention to what customers want and that the only way to learn about customers' wants is to listen to them. We know that paying attention to what our competitors are doing can uncover potential threats. These are rules of the game and we give our time and energy to obey them. We also know that we should heed the people inside our organization. But most of the attention we pay them is in the form of instructions, rules and regulations. Demanding effectiveness through procedures, we get like-mindedness from obedience. In enforcing instructions, rules and regulations, we spend an incredible amount of time on attempting to neutralize opposing internal forces which sap our strength and drain our energy.

When we fail to see our repetitive internal struggles as odd behavior, then we have become the enemy within. And we remain the enemy as long as we deny that we are the creators of the energy blocks.

5 Perceptions and expected behavior:

A CEO or team leader who wants to be effective is one who should always be interested in action and outcome. Action and outcome are both products of individual and team behavior. But effectiveness is not depended on merely any behaviors or actions, but depended on specific behaviors and actions which lead to the realization of organizational objectives. In other words, a CEO is likely to have certain expectations of subordinate behaviors and actions.

Consider the word 'expectations'. It has two meanings: It can mean *anticipation; regard as likely* or it can mean *look for as due*. In other words, it can mean likely-to-happen or ought-to-happen. The typical CEO, being human, is prone to all the human perceptual errors resulting from mental heuristics and cognitive miserliness. Combine these errors with years of training (about the 'true' nature of subordinates) and experience, and it is not surprising that in the CEO's mind, the ought-to-happen expectation of subordinate behavior is outweighed by the likely-to-happen expectation. In other words, the CEO knows what behavior is required to be effective, but she 'knows' (expects) that some other (ineffective) behavior is more likely to occur.

Although this two-fold expectation of another person's behavior is common to all of us, a CEO has an added difficulty: Not only is the CEO likely to have expectations of behavior, the CEO is also in a powerful position to *create* expectations in others of what behavior is likely to be appropriate. This point is best illustrated by the story of Eliza Doolittle, the flower girl in George Bernard Shaw's play *Pygmalion*. In the quotation below, Eliza complains to Colonel Pickering about the way Professor Higgins treats her:

You see, really and truly, apart from the things anyone can pick up (the dressing and the proper way of speaking, and so on), the difference between a lady and a flower girl is not how she behaves, but how she is treated. I shall always be a flower girl to Professor Higgins, because he always treats me as a flower girl, and always will; but I know I can be a lady to you, because you always treat me as a lady, and always will.²

² *Pygmalion* by George Bernard Shaw (1916); Middlesex, England: Penguin Edition (1981) p 127

What this means is that people intuit what behavior is expected of them and behave accordingly. They react in a certain way *because* they sense this behavior is deemed appropriate by other people, especially if these other people are significant others (i.e. a CEO or a team leader) in their lives. Here an important point must be stressed. Eliza's "flower-girl" behavior with Professor Higgins and her "lady" behavior with Colonel Pickering are the result of her *intuiting* what behavior is expected or appropriate. It is not the behavior the two gentleman implicitly instructed her to perform. In other words, her intuition or sub-conscious guessing could be wrong and could lead to her acting inappropriately. The problem is that Eliza, like all people, tends not to differentiate between what is really "out there" (facts) and the deduction she makes from the facts. Hence she will most likely continue to act like a flower girl in front of Professor Higgins long after he has stopped treating her like one.

This can cause a bit of a vicious cycle: The (often subconscious) expectations a CEO has of a subordinate's behavior can determine how the CEO treats that subordinate. In turn, that treatment will affect how the subordinate responds, which merely reinforces the CEO's expectation of behavior. However, the CEO is more than just a significant other in the lives of subordinates. The CEO is the all powerful figure who shapes the lives of subordinates by deciding on aspects such as salaries, bonuses, promotions, career prospects and retrenchments. This means that the CEO's top-down, likely-to expectation of behavior will tend to be the trigger of the vicious cycle in that it 'creates' the bottom-up, ought-to subordinate behavior.