



# THE ADVANTAGE OF CONSEQUENCES

## ELITE PERFORMANCE: BIG CARROTS OR BIG STICKS?

“NO ONE IS MORE HATED THAN HE WHO SPEAKS THE TRUTH” - PLATO

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**T**elevision tycoon Simon Cowell is famous for making blunt and controversial comments about contestants' talent. Since 2001, he has been a judge on the British TV talent competition series *Pop Idol*, *The X Factor* and *Britain's Got Talent*, and the American TV shows *American Idol*, *The X Factor*, and *America's Got Talent*. His wealth and companies have grown in equal proportion to the high-stakes conditions he produces for contestants. Love or hate his harsh qualities; he doesn't dole out trophies (or recording contracts) for contestants with unfounded confidence, otherwise known as hubris. His current estimated net worth is \$550 million.

Is Simon just mean, too harsh and a horrible person that breaks spirits, crushes dreams and ruins self-confidence? Or worse, gets satisfaction from his often brutally honest criticism and assessment of the person's performance? I don't think so, despite how much it may look like it when you watch him in action. Or... is he uniquely qualified to offer truthful feedback?

While we might all agree that Simon could use some lessons in tactful delivery, tens of thousands of people compete for a chance at fame, record deals, and big paychecks. The stakes are high, and for those who demonstrate their competence, the consequences

of winning are enormous. For those oblivious to their naivete and hubris, the consequence can be global humiliation. Maybe we need more Simon Cowells in our life providing that kind of consequential environment if we want to reach elite levels of performance?

In one American Idol audition, in the category of “worst of the worst”, contestant Mary Roach, sings “I Feel the Earth Move” by Carole King. When finished, an appalled Simon Cowell scoffs, “Mary, what made you audition for this competition?” Mary replies, “all my friends told me I was an awesome singer!” Simon responds, “Mary, not only can you not sing, you have one of the weirdest voices I've ever heard in my entire life.” Mary utters, “Many people around me have told me I have an amazing voice...random people I don't know have agreed.” With great care, the sympathetic judge, Paula Abdul, says, “Mary, they lied to you.”

People sometimes lie to us to give us hope, stroke our confidence, and make us feel good about ourselves. Most simply aren't qualified to offer truthful feedback to help someone improve their performance, which often requires dealing with the uncomfortable experience of being so honest. Furthermore, we can surround ourselves with friends who won't check our hubris (or we theirs). We can fall prey to a group bias for thinking we're performing well and winning when we're not...or making the right choices when we're not.

### CONFIDENCE VS. COMPETENCE

In psychology, the Dunning–Kruger effect describes a cognitive bias in which people mistakenly assess their social and intellectual ability as greater than it is. As a result, not only do some people make bad choices and reach erroneous conclusions, their illusory superiority confounds their ability to recognise their lack of competence<sup>[1]</sup>. This often prevents them from asking for the kind of qualified help/feedback that is needed to help them reach their ambitious performance aims. There is often a chasm between confidence and competence, and the former does not beget the latter.

In Mary's case, her confidence and ability were wholly unfounded. To help, her friends and family could have told her she was a bad or mediocre singer. If so, they could have saved her wasted time, an emotional toll, and international humiliation. They could have said to her that if she aspired to sing, that through deliberate practice, she might sing one day and if good enough, consider American Idol. They could have set her up with someone highly qualified, who over time, might help her reach her lofty ambitions (or if appropriate, redirect her efforts). She would have been grounded in the reality of her competence, able to make requests for the right help and accurate choices about the path towards becoming a world class singer. Not full of false confidence in her ability to sing from those unqualified to make that assessment.

Rather than enjoy the bliss (and consequence) of our ignorance and hubris, what might we do instead? We can hire those who will be truthful with us. Enlist the help of those qualified to help us discover our ignorance, challenge our hubris, and confront our naivete. Work with experts who can give an accurate reflection of ourselves (or our job, career, finances, or health) – before we waste time, energy, and money; before we suffer the consequence of bad choices and erroneous conclusions.

### ENTITLED TO TROPHIES?

We do not live in a magical bubble protected from nature, absolved from misdeeds, and entitled to trophies, where everyone is special or gifted and “anything is possible” for each and every one of us. The world is a consequential place and just because we imagine it, dream it, put it on a vision board, do affirmations about it, attract it, think we can, or any other popular version of “dream it/believe it and you

can achieve it” mentality doesn't mean we can achieve anything we put our mind to. The marketplace is indifferent to us, our dreams, and our aims, and there are rules of engagement to performing at elite levels in life. The anatomy of the market is simple: it rewards value, utility, innovation, skill, and competence—and dismisses the opposite. While charlatans peddle overnight success to gullible lemmings, and sell us the exceptions to the rules, the savvy improve their worth by working deliberately to develop their knowledge, skill, expertise, and resources. They create environments of consequence to ensure their success.

For those who practice, there is a significant advantage for people who understand how to utilise the power of consequence. People tend to grow more skilled and competent in an environment that measures the consequence of committed action. Through action, assumptions are validated or modified; without action, knowledge remains untried, unproven, mere information. Measurement allows for the continuous reconstruction of the reciprocal exchanges (transactions) we must enter into with others and our environment to satisfy our aims.

Measurement and consequence go hand in hand. To properly frame the word “consequence,” we'll expand on the tendency to relate to only one meaning: an unwanted or unpleasant result or effect. The word also means a result or outcome of an action and indicates an elevation of importance or relevance. However, there is a real advantage in the meaning, unwanted result. We'll address that in a moment.

### IF YOU MEAN IT, MEASURE IT

Consequences are outcomes of action. For example, if I step on a scale to weigh myself, I measure the result or consequence of primarily physical activity and what I eat. My weight is the consequence of my actions. My weight indicates if my actions are effective or ineffective at reaching my health aims. However, too often, we are more attuned to results (weight) than proper action (amount of physical activity and eating habits). What might happen if we focused on clear and accurate actions and supported them with powerful consequences?

At a recent workshop, a member raised his hand to describe a long-time struggle. “I know I need to lose weight—and I know how to lose weight. The trouble is that I don't do what I know to do. If I don't take the proper actions, left to my own devices, my health

will continue to decline. The same is true for my career and my finances.” I replied, “Assuming you know the proper actions to take, have you thought about transacting for a consequence?” Puzzled, he replied, “what does that look like?”

### BIG CARROTS OR BIG STICKS?

Big carrots can motivate us to reach our goals, for example, scoring a point, winning a medal, or earning a trip. However, surprisingly, we tend to be more motivated by something we might lose than something we might gain. This notion is similar to the economic principle of loss aversion; people tend to prefer avoiding losses to acquiring equivalent gains. That is to say, it is better not to lose \$5 than to find \$5.

Continuing with this member, I ask, “What is the action you know to take?” He replies, “To walk for an hour five times each week.” I inquire, “What if you wrote and gave me a check for \$1K that I got to cash if you didn't do that?” He thinks a moment and replies, “That might help.” Seeing that this doesn't yet make him squirm, I counter, “How about \$5K?” He says, “The truth is, I can justify losing that amount, but I think \$10K would keep me honest.”

“Okay, \$10,000 it is. Let's set up the terms of the deal: you write me a check for \$10,000 now. For the next 90 days, you send me a text each time you finish your hour walk. Five days each week. I'll grant you one week of immunity in the event you get sick. If you don't do as contracted, I'll cash the check. Do we have a deal?” He pounds his fist on the desk, “Deal!” He shakes his head, enthusiastically chewing on a new insight, “I have never before seen the advantage of consequence. If fact, I often make the mistake of avoiding or removing the consequences I need to thrive.”

My point exactly.

Our friend Jeff dropped dead from a heart attack while on a treadmill. A defibrillator brought him back to life. He has since lost 45 pounds and has kept it off. Why? The Advantage of Consequences. Perhaps we don't need to await a slap from the hand of fate to wake us up. Instead, we can produce situations, conditions, and environments where the consequences keep us honest with ourselves and true to our goals. In the next article, we'll be exploring how resilience and success go hand in hand. How do we bounce back from the failures required for victories?

[1]Kruger, Justin; Dunning, David (1999). “Unskilled and Unaware of It: How Difficulties in Recognizing One's Own Incompetence Lead to Inflated Self-Assessment.” *Journal of Personality and Social Psychology*.

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