Leadership

# Neuroleadership

Businesses today operate in a highly connected, interconnected and rapidly evolving environment. Technological advances such as the Internet and social media have expedited the rate at which the world is converging into one global marketplace; with constantly lowering barriers to market entry, higher threats of substitution and even higher concentrations of buyer power, among others. This new paradigm means that businesses, on the one hand, have less time to adapt to environmental changes, innovate their products and services and bring them to the market, and on the other hand, have customers who demand higher levels of service and quality than ever before, at continuously lower prices. All these implications mean that businesses need to be agile, open and constantly changing in order to meet the challenges of this highly volatile business environment.

Business leaders, who understand this shift, realise that their primary function within this new world is equipping themselves and their organisations with the ability to adapt, collaborate and cross-pollinate. However, change at even a minor level is extremely hard to effect as individuals resist change efforts, even when they understand the need and immediacy for the change and its link to the survival of their organisations .

As a result, the primary challenge for organisations has now become, how can organisational leaders effectively create the needed shifts within their organisations, in order to position themselves for future success?

**Science may hold the answer**

In recent years, technological developments such functional magnetic resonance imaging (fMRI), positron emission tomography (PET) and quantitative electroencephalography (QEEG) have given scientists an unprecedented view into human nature and the behaviours associated with social interactions. Advanced computer analysis, coupled with these imaging techniques has revealed previously unknown connections between the brain (the physical organ) and the mind (how humans think, feel, act and perceive) and has helped researchers to develop an increasing body of theoretical knowledge that when viewed through a psychological perspective, has enabled researchers to uncover deep insights into how human beings interpret and react to social stimulus.

From an organisational leadership perspective, these new insights and findings from the world of science are particularly interesting, as they reveal that the actual drivers of human behaviour in the workplace are extremely different to what was initially believed. Of particular interest is the discovery that much of the motivation driving social behaviour is governed by an over-arching organising principal of the brain to minimise threat and maximise reward, and that several domains of social experience draw upon the same brain networks to minimise threat and maximise reward as the brain network used for primary survival needs. In other words, at an elementary level, the human brain interprets the world in one of two ways, as either a threat or a non-threat, and this interpreting response is based in the primary human need of survival.

The implication of this discovery is that the human brain within the workplace context, perceives and classifies social interactions in the same way that they would perceive and classify survival situations, as there is no alternative foundation from which to make these distinctions from.

**Minimising threat and maximising reward**

The over-arching organising principal of minimise threat and maximise reward that the brain utilises is an evolutionary, innate and subconscious instinct that has the specific aim of ensuring human survival. In essence, through this process, human beings immediately categorise external stimulus that they encounter out in the world as either good or bad. This distinction then informs how the individual will react to the stimulus, if it is perceived as good, the individual will engage with the stimulus, if it is perceived as bad, the individual will avoid the stimulus. In addition, if a stimulus is associated with positive emotions such as joy or desire, the individual is likely to approach the stimulus and engage with it, and if the stimulus is associated with negative emotions such as punishments, the individual is likely to avoid the stimulus. This behaviour is known as the approach-avoid response.

**The approach-avoid responses in action**

The approach-avoid response has dramatic implications on perception and problem-solving, decision-making, stress management and collaboration and motivation.

An illustration of this could be demonstrated as follows: If an employee perceives her boss to be micromanaging her work, and thereby undermining her credibility to do her job, this behaviour is likely to be perceived as a threat, and therefore trigger an avoid response in her brain. This avoid response then makes it more difficult for her to find creative solutions to problems, it reduces her ability to have moments of insight and thereby will lead to her choosing safer options to pursue rather than exploit opportunities that appear to be riskier. Furthermore, this response will cause her to feel more stressed, and is so doing, will reduce the probability of her collaborating in new ways and with new people, while simultaneously reducing her motivation and organisational engagement.

Alternatively, if the employee is given the autonomy to conduct her work in the way she feels appropriate, this will give her the feeling of empowerment and trigger other positive emotions in her brain. These emotions are linked to an approach response which is directly linked to the concept of employee engagement. Employee engagement can be defined as the state of being willing to do difficult things, take risks and to think deeply about issues and develop new solutions.

The organisational implications of this are that when employees are engaged and in an approach response, they are more likley to deliver real value, collaborate in new ways to unlock unique solutions to problems and be easily adaptable to changing environmental conditions and organisational needs.

**The concept of Neuroleadership**

Dr. David Rock and Jeffery Schwartz first introduced the concept of Neuroleadership in a 2006 seminal article written for Strategy + Business entitled “The neuroscience of leadership”. Since publication, Neuroleadership as a leadership philosophy and framework has steadily gained recognition and momentum within academic and business circles as a viable option to address the leadership practices needed to cope with the rapidly changing organisational needs of the 21st century. The philosophy centres on the belief that the convergence of social neuroscience, psychology and leadership, holds the key to unlocking exponential opportunities for organisational value creation and survival. Neuroleadership can therefore be defined as the intersection where the data from social neuroscience, the principals of psychology and the art of leadership converge to create a framework that addresses the true drivers of human social behaviour within organisations.

**The value of Neuroleadership within an organisational context**

As aforementioned, businesses today operate in extremely volatile environments, where the only constant is change, and in order for businesses to successfully navigate and thrive, they need to be agile and adaptable. However, most organisations find themselves stuck in specific ways of operating — they are hierarchical, silo’d, non-cooperative and slow — the ramifications of which can be fatal to organisations that are unable to effect fundamental change. However, change is incredibly difficult to ensure.

Dr. David Rock and Jeffery Schwartz attribute the difficulty of effecting valuable, sustained change to the over-arching organising principal of the brain that perceives social interactions in the same way as survival situations. From this perspective, Dr. David Rock draws six conclusions about organisational change, the first three contextualise why change efforts consistently fail, and the second three propose how change should be approached in order to maximise the possibility of it being effective.

These six conclusions can be summerised as follows:

1. Organisational change is difficult because it provokes sensations of physiological discomfort.
2. Change efforts based on incentive and threat rarely succeed because they do not take the real drivers of human social behaviour into account.
3. The conventional empathetic approach of humanism, which is based on creating a connection and then applying persuasion, doesn’t significantly engage people.
4. The act of paying attention creates chemical and physical changes in the brain that can significantly alter behaviour.
5. People’s preconceptions have a significant impact on what they perceive, and therefore approach response techniques are most likely to succeed.
6. Repeated, purposeful and focused attention can lead to long-lasting personal evolution.

From the aforementioned conclusions, it becomes evident that human behaviour within the workplace doesn’t work in the way many executives and managers believe it does, and therefore a new leadership approach to change is required. The philosophy and framework presented in the concept of Neuroleadership provides a helpful understanding of the impact that both our, and other people’s, emotions and behaviours has on the success or failure of a change initiative, and in so doing, offers the greatest possibility of effecting change from a leadership and organisational perspective. In addition to the value that Neuroleadership offers from a change perspective, the understanding of the true drivers of human social behaviour can be applied to improving the way that individuals work together and collaborate, as well as many other aspects of a business, including: conflict management, motivation and reward systems, performance, communication systems and information flow, among others. With these in mind, Dr. David Rock believes that Neuroleadership holds immense value in respect to four domains of organisational leadership, which include: decision-making and problem-solving, emotion regulation, collaboration and influence and facilitating change.

**SCARF: A real-world framework**

Although Neuroleadership is a theoretical body of knowledge that is based in neuroscientific data, psychology principals and leadership technique, Dr. David Rock has developed an applicable framework that facilitates the implementation of the philosophy into real-world scenarios. The framework, titled the SCARF model, summarises the insights of the two emergent themes into five domains that act upon the social triggers that can generate the approach and avoid responses. The aim when applying the SCARF model to leadership outcomes, is to facilitate a culture that keeps employees and managers in an approach state, while simultaneously minimising the likelihood of triggering avoid states.

The SCARF model is an acronym for: status, certainty, autonomy, relatedness and fairness. Although in application there are numerous intersections and overlays between the five domains of the model, for theoretical purposes we will consider each in isolation.

**Status**

Status can be described as how important an individual is or is perceived to be within a group or organisation. Status is the most significant determinant of human longevity and health, even when controlling for education and income. From the perspective of status, humans continually evaluate their perceived standing against that of their colleagues and friends, when the individuals status rises it is associated with a strong rise in the approach response of the brain, similarly, when an individual perceives their status to be diminished, a strong avoid response is triggered in the brain. An individuals sense of status can be easily altered through even the small gesture of offering the individual advice, as the individual may interpret the offer as being condescending. It is therefore vital from a leadership perspective to be highly cognisant of how feedback is dispersed.

**Certainty**

The human brain operates on a pattern recognition system that continually tries to predict the near future. This pattern recognition system allows the brain to rely on memory of past experiences to predict from moment to moment and create certainty within the environment, through this function the brain is able to conserve enegry by operating on autopilot. This act of creating certainty in the environment creates a sense of reward and thereby illicits an approach response. When even a small change in this prediction pattern emerges, the brain is forced to direct attention to this discrepency and in so doing, consumes resources that would of otherwise been assigned elsewhere. The implication being that, the act of creating certainty, even on a basic level, affords the brain the opportunity to have some control and prediction over the near future and thereby mitigate extreme avoid responses.

**Autonomy**

Autonomy refers to the amount of choice and control that the individual perceives to have over their environment. Furthermore, autonomy can be likened to the sense and availability of having choices. An increased perception of autonomy creates positive emotions that are felt as rewarding by the individual, whereas as a reduction in the preception of choice can generate a strong threat response withn the individual.

**Relatedness**

Relatedness refers to the concept of an individual percieving themselves and others as either a part, or separate from a group. This feeling in turn, contextualises others in the immediate environment as being a friend or a foe. In addition, relatedness is an evolutionary survival technique in which individuals form tribes in order to gain the benefits of the group as a whole, as well as to have the sense of belongong.

**Fairness**

Fairness refers to the belief that others are not being treated preferentially, and that there is status quo within how all individuals are treated. The feeling of fairness is intrinsically rewarding, and independent of other factors. The concept of fairness, from a human psychological perspective, can be seen across the human domain from patriotic individuals going to war, to partaking in voluntary community service. Human beings are predisposed to decreasing unfairness in the world, and can go to extreme lengths within this pursuit.

**In Summary**

Neuroleadership is a highly valuable leadership framework that if well understood and applied, can form the basis of competitive advantage for your organisation. This brain focused approach to leadership is a drastic departure from the traditional leadership styles and approaches that are well intrenched in business today, however with the nature of the current business environment and its associated volatility, a new, drastic approach to leadership may be the only way to ensure long-term survival for organisations.

<https://medium.com/@dylfortune/neuroleadership-in-a-nutshell-dc0fed31f3f4>