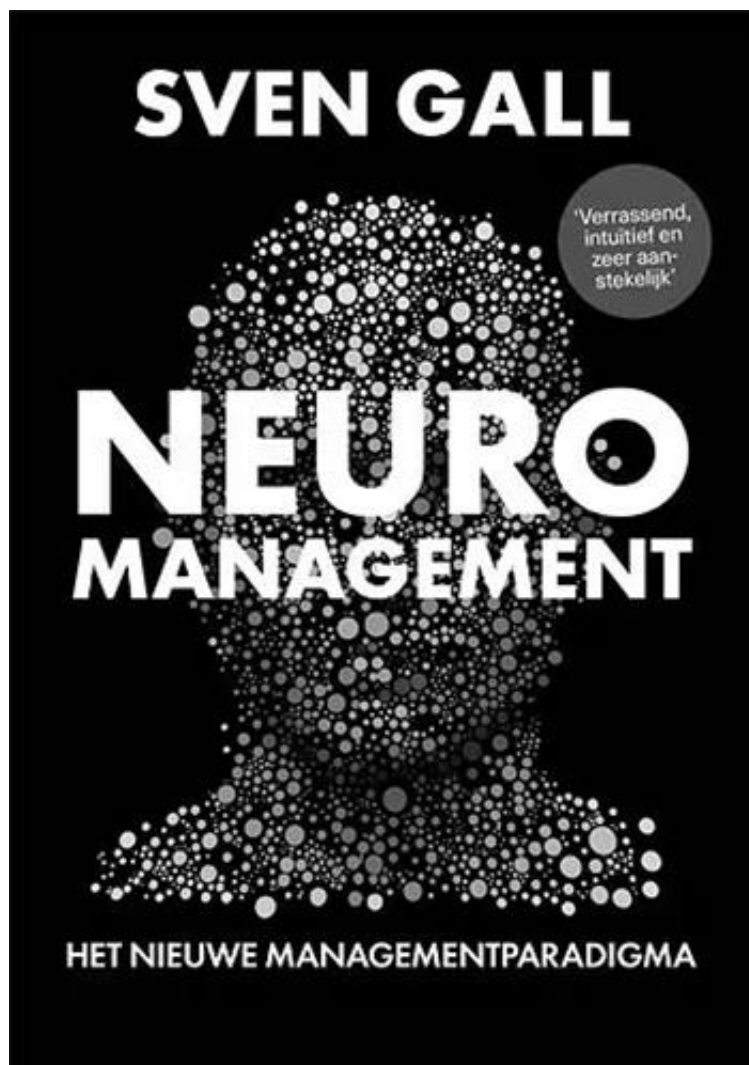


ENGLISH SAMPLE TRANSLATION

NEURO MANAGEMENT by **Sven Gall**

The New Management Paradigm



FOREWORD

*“We cannot solve our problems with the same thinking
we used when we created them.” — Albert E.*

Whether or not these words really have been said by Einstein doesn't matter that much. It is a motto we continue to share in our management training courses to clarify that getting stuck in our fixed patterns isn't going to help an organization to move forward.

Neuroscience is showing us in the last couple of years that we actually are hardly capable of exceed the idea of “continue to repeat the same actions and expecting different results”.

That is how we are wired neurologically. We may wish for a different outcome but hard-wired subconscious patterns steer us towards the same behavior, time and time again. Behavior that isn't even beneficial. Behavior we wouldn't choose if we could look at it in a conscious and logical way.

Whether we are leading, solving problems, consulting with each other, implementing an ambitious improvement program, or carrying out complex transformations in our organizations on a daily basis, in nearly all that we do we pretend that humans are rational beings that will make conscious decisions based on objective information and clear arguments.

It is painful to realize that we are not who we think we are. Others, but us ourselves too. As a species we actually owe our success largely to our overoptimistic and opportunistic brain which isn't big on objectivity and consciousness.

When looking objectively, our subconscious, short-term focused, and sex-driven brain really isn't well-suited to manage modern-day complex organizations. At least not in the way that we think we should.

If we would understand a little better how our brain functions and its effects on how we make plans, decisions, and choices, how we try to motivate and change people, and how we try to innovate, accelerate, and make ambitions come true in our organizations on a daily basis, we could save ourselves a lot of hassle and energy to accomplish...

We are not the objective creatures we think we are.

INTRODUCTION

This book is one of the first popular-scientific crossovers between neuroscience and management.

It is a first attempt to enrich all of our old and trusted management theories and beliefs—some of which have been around for nearly a century—with modern neuroscientific insights.

In *Neuro Management* you can read how our subconscious and natural behavior is completely different in our daily reality than we always assume. And how this affects the way we try to manage our organizations.

You can read where we sometimes push the wrong buttons in management, have the wrong expectations, and how we often are working against ourselves. How our amazement, annoyance, and sometimes despair about the unpredictable behavior of people mainly has to do with our old-fashioned intuitions about how things should work in an organization.

This book will not only provide you with surprising insight from neuropsychology that will help you understand your own behavior and of those around you, but in each chapter you will find many strategies, tools, and protocols that will help you improve your decision making, better implement new plans and changes quicker, make objective decisions, encourage motivation, channel emotions, increase commitment, let the mandate flow, and support your management team in a methodical manner.

You will encounter:

Neuro model

The book starts with laying down a simple neuroscientific-based model. A theoretical concept that helps explain why we frequently make the wrong choices, how our brain motivates us, and why it is our natural tendency to be reluctant to become activated.

If you are not really into explanation, information, and models you can go straight to chapter 2 and revisit chapter 1 at a later time. If you do have the patience and are interested, the first chapter will help you look at human behavior and motivation in another and more modern way.

Complexity and control

In chapters 2 and 3 you can read how our subconscious automatic pilot mode is continually underestimating everything around us, and at the same time is constantly overestimating our grip on reality. It is our standard mode that will not help you solve complex problems or make your ambitions come true.

Fear of uncertainty and loss

In chapter 4 you can read how we often avoid confrontations with reality out of a deep dislike for uncertainty and how this stimulates us to disconnect ourselves from the core of our organizations. You will also understand why we often keep hopeless projects afloat from our deep-rooted fear of loss, letting money evaporate or make us literally throw it out of the window.

Success and failure

If you want to know what the consequences are of our difficulty with disappointment and our fear of failure, and how we tend to shout down everything that even remotely resembles a hurdle with unrealistic promises of success while chasing our dreams. Or what really happens when you make things more SMART

and set even clearer targets. Then your curiosity will probably be satisfied properly in chapter 5.

Bonuses

Chapter 6 is dedicated to the effect of rewards and bonuses on the behavior and motivation of coworkers and management. In this chapter I explain how rewards and bonuses extinguish motivation for the daily workplace and can even elicit subversive and outright criminal behavior.

This has already become the most cited chapter from the book. Especially because of what science shows about the effects of rewards and bonuses is the complete opposite of what often still think.

Source for intrinsic motivation

Following up on the insights on rewarding, chapter 7 shows us that the daily activities are the true source for intrinsic motivation. And how we never seem to tap into this source of motivation due to our oversimplified 'structured thinking'.

Fault and blame

In chapter 8 I discuss a very annoying human reflex to want to point to a victim. I will describe the devastating effect this nasty reflex has on everything you hold dear in your organization.

Emotions

The fear for a messy meeting if we would let our emotions run free is a powerful fear. We swallow our negative emotions down and call this 'being professional' but this has a negative effect if we want to change.

So don't skip chapter 9 if you are interested in mapping streams of sentiments, hotspots of emotions, and smoldering fires of unresolved revenge urges.

Command and control

Chapter 10 is dedicated to our trusted old command & control way of managing. And how we continue to pin ourselves down in formal hierarchical organization structures and fail to use the potential of powerful networks within our organizations. You can also read how you can let a mandate flow through your entire organization to unleash unknown acceleration.

Our management teams

The final part focuses on our management teams from a neuropsychological view and how they are doomed to get stuck sooner or later in mutual tensions.

My personal wish

After having managed change programs at MIT for over a decade I saw how professors and change teams were enriching old management theories with ground-breaking neuroscientific insights about human behavior and motivation.

I saw that our trusted old way of looking at behavior and motivation was wrong on many levels. And that this was the reason why we are creating so much resistance within our change programs. We act like humans are rational beings that make conscious choices. Neuroscience shows us that we are anything but rational and that we don't make many objective and conscious choices at the end of the day.

From the moment I had this realization there was no way back. I have been helping organizations to adopt a practical view on behavior and intrinsic motivation since then.

I would be thrilled if you would carefully try to apply the insights and strategies I present to you in this book. And if you would improve your decision-making and get a true sense of the complexity within your organization. And will see more commitment, ownership, and sense of responsibility.

That you will experience how little it takes to make a success of your projects instead of have them feel as a source of failure and irritation. And how easy it actually is to convert the human mistakes in your organization into a fuel for unprecedented acceleration and control.

How you might take the first steps into channeling all the emotions in your organization in stead of being annoyed by all those wiry and invisible undercurrents.

How you can feel from now on when things are becoming painful within your management team and how to prevent this from happening.

And the beauty is that you don't have to reinvent the entire organization or implement an expensive change program. Just taking a pause, changing your perspective, changing your strategy here and there, and using a different tool will bring you further than you have ever gone before.

I would love to hear what has changed when you have applied the strategies and tools from this book for half a year. I will predict that you cannot go back once you have understood it. Even if you wanted to.

Denial or embrace, those are the only options. I hope you enjoy reading it!

*Employee behavior is extremely predictable,
once you have learned how to look at it.*

CHAPTER 1

HUMAN NATURE

A unique talent

We as humans have the unique talent to realize something in the future. We are capable of creating something that doesn't yet exist and envision it in our system at some point in the future, preferably at the precise moment we planned.

But I have to admit that it is almost a given that the end result is not what we had expected. It also took way longer than we had thought (or hoped). The process never went the way we predicted it. We invariably let ourselves get distracted by all kinds of short-term temptations. And the first failures or disappointments ensure that we are easy to trade in our ideas for other new and promising ideas.

Despite decades of research we have just discovered how this actually works in the last five years. And exactly what role our nervous system and our brain play in this process.

The professional environment

Envisioning, looking ahead, building strategies, making plans, solving problems, getting work done, change. It is all we do in our organizations. And often it goes differently than how we thought too.

We keep on hoping for that professional and efficient environment where clear tasks, roles, responsibilities, and agreements are the foundation for doing the work as efficient as possible (Weber, 1922).

We expect that this environment is led by capable managers and leaders who use a logical and hierarchical structure with clear and fixed rules to run our

organizations with an objective perspective and are not directed by personal preferences, fears, or ambitions.

An environment where everyone makes conscious, well-considered, and rational choices based on objective information and solid arguments.

If only... Often reality catches up with us as soon as we walk into our companies in the morning or expectantly open our laptop computers at home.

We are continuously surprised by the behavior of employees, managers, directors, and owners. People are shooting themselves in the foot, companies go bankrupt, and organizations come grinding to a halt.

Why? Because people are behaving in an unpredictable and irrational manner. Irrational and unpredictable behavior that we encounter every day in our organizations. Behavior becomes more clear and tangible when we have to change fast, when uncertainty rises, when the situation is being put under pressure.

We think that this weird behavior is inappropriate within a 'professional organization'. We see irrational behavior so often that we should know better by now than to expect rational behavior all the time. But we don't find out why employees don't behave like we have clearly defined in strategies, core values, annual plans, and personal development programs.

*Our intuitions about how we think
we should manage our organizations are wrong.*

It is about time that we enrich our old ideas about how to manage an organization successfully with everything that we have discovered in the past decades about behavior and human motivation.

Irrational

When you take a closer look, you can see that much of this apparent unpredictable behavior follows natural laws. As if we as humans have been programmed to react this way. We just have not yet learned how to look at human behavior in this manner.

*Human behavior is actually very predictable
if you have the right perspective.*

Mr. Spock

If I look at irrational human behavior in my work and outside of it, I often imagine how Spock, the character from Star Trek, would react.

Spock is *the* example of the most rationally fictional character that I know of. He is unrelenting in following a philosophy that is centered around logic. He is not free of emotions but he reacts independently of them.

Emotional beings

We as humans are anything but independent of our emotions, we are being guided by emotions. And in this vast complexity and nuance of emotions we make errors in judgment and are capable of showing completely natural as well as inappropriate behavior sometimes. Behavior that doesn't benefit ourselves and sometimes even is harmful to our self-interest. Illogical and irrational.

I use Spock as a measuring stick for (ir)rational behavior. When I am in a situation that feels illogical, I wonder what Spock would do. Sometimes I wonder how Spock would react or what he would say if he was standing in my shoes. I often use the

image of Spock to analyze group behavior by replacing a group of people with Spocks in my mind. A 'Spock Party'.

The contrast in behavior between the Spocks and the 'real people' quickly shows you what is happening and why. Like a management team that is more concerned with their mutual relationships than finding good solutions, a team member who is sacrificed in order to quickly end a painful discussion, or formal leadership that isn't keen on healthy feedback and is using their weight to keep the organization under control.

Unconsciously biased

A part of this natural, weird, irrational, unpredictable, and illogical behavior has a scientific name: 'cognitive bias', or 'unconscious biased behavior'. Behavior that originates from the way that our brain has developed in the course of millions of years and has adapted to a wide variety of changing environments.

Frugal and secure

If there is one thing that has lead humans through millions of years of development, it's our deep-rooted survival anxiety. And in extension thereof a tremendous aversion to uncertainty. Uncertainty creates tension for our brain.

Despite the fact that our brain is just 2 percent of our body weight, it uses around 25 percent of our energy. That is why our brain hates two things: wasting energy and allowing insecurity.

*Our brain is 2 percent of our body weight
but uses 25 percent of our energy.*
