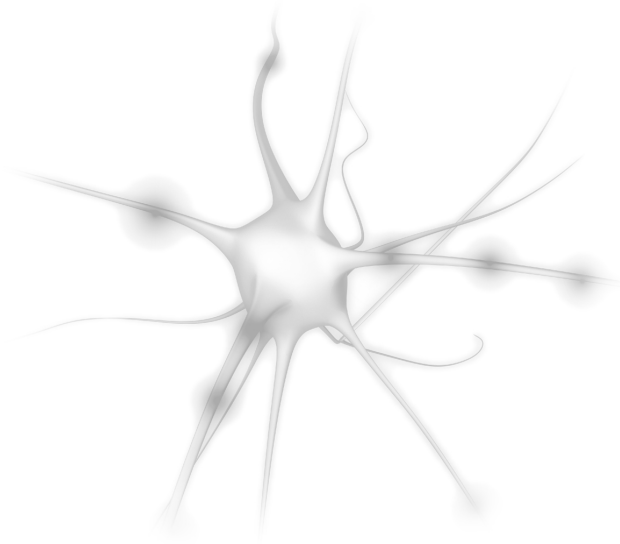




A NEW BRAIN
FOR BUSINESS

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and
S. Diane Marentette



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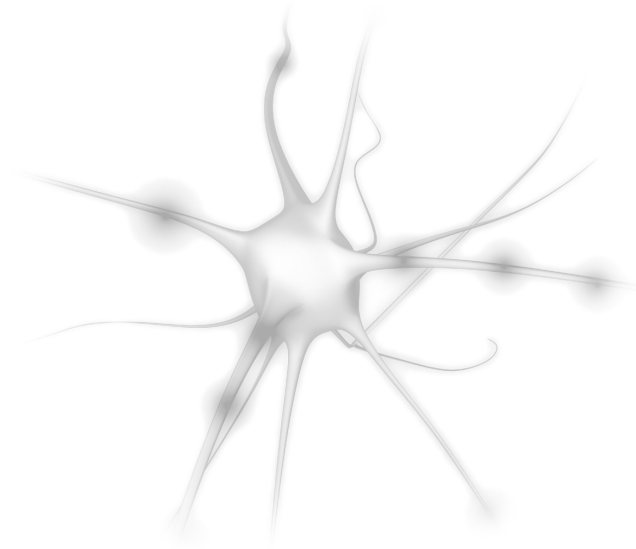
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Introduction



Over the years, we have had the privilege to work with so many smart, capable people across a wide range of businesses, large and small. Often, after an intense session, a client would ask, “Where can I read more about this stuff?” Because our work is based on such a wide range of ideas and concepts in both science and business, we could point to no single place that offered a practical, integrated point of view on leadership that aligned with the work we do.

So, this book is for our clients, first and foremost, because you asked!

We also set out to write this book because we see so many organizations underperforming. This is not to say that they are failing, or even failing to make money. Rather, we see how great an organization can be if great leadership allows everyone to do and be their best.

Ask yourself this question: In your organization, is everyone doing the very best they can, every day? Are you really getting all that your people have to offer? We have yet to come across an organization where the answer to that question is “yes.”

Our experience and pursuit of understanding how to achieve the best from ourselves and others gives us a hint at the immense potential in the human endeavor. Yet, so often we fail to realize it. We can imagine organizations becoming so effective that they redefine the meaning of business success. The markers of success in business, such as EBIT, ROI, share price, etc., would have to be re-calibrated if people were really doing their best, all the time. This is one goal of the New Brain For Business.

We also believe that when an organization does become so effective and successful in this way, the individuals in the company will reap enormous benefits as well. Not just in terms of money, but in terms of a sense of well being. When people are engaged in great work, their hearts and minds grow commensurately. So, this book is for anyone who feels they can get more from themselves and their people and are looking for ideas about how to do so.

Over the years, we have built upon ideas from many areas of study, including psychology, evolutionary biology, neurology, economics, business, and sociology. Theories that have informed our consulting practice range from the broad, such as Darwin's work on evolution, to the very specific, like the field studies of brood size in blackbirds! Since we are talking about leadership in business, this book isn't about any of these theories in particular. Rather, it draws upon them all in an attempt to explain why we do what we do in the workplace.

We have an intense interest in the circumstances in which people are at their best.

- Where do people do their best work?
- What conditions allow people to be their most creative?
- When do we see people offering their best thinking and problem solving?
- When do people communicate most effectively?

This is the critical question that guides our approach: where do people achieve their best? That is, where do people feel complete, whole, and integrated? Where do they feel that they are doing something of value, that truly matters? Where do they feel they, themselves, are of value? What drives us is the pursuit of this: we want you to *do* your best and *be* your best.

This of course translates directly to leadership. Leadership is where you help others do their best and be their best. Simultaneous success in both these endeavors is no mean feat. Being your best and doing your best yourself is the first step in being a great leader. Great leadership doesn't require perfection, but it does benefit from humility and commitment to being and doing *your* best.

What is going on in this human machine of ours as we attempt to create successful businesses? Wherever we go, we bring our complete human selves with us. Every bit of who we are is with us at all times, no matter the circumstances. By understanding some of the basics of how we operate because of our "human being-ness," we can make better choices - choices that help us do our best and be our best.

Here is an important note: doing your best and being your best does not mean being at your peak at all times. There is a natural ebb and flow of our energy, attention, and intention across each day. Some days you do better thinking than on other days. Some days you are a better listener than on other days. Doing your best means being the best you can be in any given moment, even if you know you have done better on other days.

Similarly, being your best varies from day to day and from time to time. One cannot be upbeat and enthusiastic all the time. Being your best means getting the most out of a particular moment, even if other moments felt a lot better.

Most of us operate under a myth in business (and often in life in general). We think of it as the 110% rule. There is this

unfortunate and unrealistic belief on the part of many leaders that they and their people can and should show up and operate at “110%” every day.

This is an example of the kind of misinformation we attack in this book. We don’t dwell on popular opinion. Instead, we recommend leader behaviors be built on sound science. So, for example, we dismiss the notion of “stretch goals.” They are just another way to help people feel like failures. We offer alternative thinking based on solid research about setting goals and enabling success.

Leadership isn’t just about the science, of course. We combine it with our decades of consulting, teaching, and coaching experience, as well as our years as leaders ourselves in various roles. Every single suggestion offered in this book has been tried by us and our clients. We know this stuff works!

How To Read This Book

We have condensed a lot of theory, thinking, and practice into a format intended to be friendly to any leader who wants to immediately increase his or her effectiveness. You can take a deep dive or you can pick a few nuggets out and move on. And there is plenty of space in between these two extremes. Each chapter stands on its own, if you like.

Each chapter beginning with Chapter 4 is organized in this way:

- It presents an overview of a leadership issue that occurs daily in business.
- We follow this with real stories about real leaders in real organizations facing this issue. We have, of course, changed the names and been vague about the organization, because knowing these details is not important to your getting something out of these stories. Each of these stories could

be set in another industry and the message would be the same.

- Then we present a brief dip into the science behind this particular issue.
- We close each chapter with a series of behaviors and tools you can use to be more effective in this particular situation. Sometimes the same exercise or action is suggested in more than one chapter. This is intentional and reflects two objectives.
 - To insure that each chapter can be read on its own without reference to other chapters.
 - Some of these tools are more powerful than others and have broader application. The more often you see something in this book, the more powerful we think it is. If something looks familiar, don't skip it! Each presentation will have a slightly different spin to fit the situation. These differences can add to your understanding.

If you are in a hurry and just want to address a specific leadership challenge in your organization, just browse the Table of Contents, find your area of interest and go to that chapter. Then go directly to the “What Can You Do” section and read the behavioral suggestions. You can put them to work right away. It is not necessary to understand why these things work. *They just do.* They work even if you don't read the stories that showcase the issue, or if you skip the scientific summary explaining why. We think you will be more effective if you do read the rest, but you can improve your effectiveness as a leader by *engaging in the behavior.* Period.

If your goal is a better understanding of what makes up great leadership, read Chapters 1 through 4 first. The background here on brain science and evolution can be helpful in shaping your thinking about leadership.

Once you have this foundation, you can move through the remaining chapters in any order you choose, with the exception of the final chapter, Moving Forward. We have tried to sequence the chapters with a certain sense of flow, but you can alter the order without major consequence.

To Our Clients

Each leader and each situation presented in this book is, in a sense, a real person in a real organization. Because of our respect for our clients, we have altered some of the information to insure anonymity. If you think you see yourself, you are probably right, but not because we are writing about you! If you recognize yourself, assume that we had more than one leader in mind when we chose the issue and wrote the story. Understand that if it is hitting close to home, it is because you have struggled with this issue!

In any case, we have worked hard to insure realistic representation of leadership in action without putting anyone in an uncomfortable position.

This book is possible because of our clients. The trust they have placed in us over the years is both humbling and deeply rewarding. Their willingness to share parts of themselves and to teach us is a gift beyond price. We hope that the value they find here serves as some small repayment of their gift.

Rich Trafton and Diane Marentette

I.

Making a Case for Seeing Leadership Differently



Despite a plethora of leadership theories, books and training over the past 30 or more years, there is no easy answer to leading people toward great business results. Having learned the “Five Steps to. . .” or “21 Ways...” in leadership, we still find ourselves in the worst economic downturn in over a half-century.

There are many explanations for how we got where we are - with failing banks, stock market free-fall, and joblessness at a frightening level. There are, however, no easy answers to a turnaround, just as there are no easy answers to being successfully, happily, peacefully human.

Under such dire business circumstances, how does a leader find within him or herself the best behavior, the best thinking, the best reactions and therefore the best *leadership* to help those within the organization find those same “bests” within themselves? How do we help others do their very best work and be their very best person?

The fact is that during our lifetimes, we face major changes regularly. We are challenged to learn from them and move on, and ultimately we either make changes within ourselves to find our “bests,” or we do not. If we don’t, typically there is an ending less satisfying than we hoped.

The fact that the world continually changes around us and we live through these major changes does not mean we ourselves change easily. In fact, the opposite is true: personal change is typically *slow*, *incremental* and *painful*. In fact, if it is *not* all three of these, we may just be fooling ourselves into thinking we are changing.

**Personal change is slow, incremental and
painful. If it is not all three,
you are fooling yourself
into thinking you are changing.**

Here, we will not address all the possible explanations about how we got into this very messy business situation that surrounds us (such as banking failures, foreclosures, the recession, and the like), but we will address leadership issues that we think make a large contribution to the problems we as a society face.

Let us begin by understanding more about what is true about being human and what that implies about leading other humans to some successful future place.

On Being Human: Our Brains Make the Difference

Have you thought much about how our brains evolved? Through thorough study and scientific research, we know that humans did not start out the way we are now, with the ability to

ponder complex issues or produce sophisticated engineering and art forms. In fact, we are now at a point in our evolution where we can look back and see where we came from, and we also can imagine our future to a degree. Let us begin with a look back, to find the cherished nuggets – the roots – of leadership in our past.

You have read books or seen documentaries about very early humans in their quite primitive environment, so imagine what you believe to be true about it.

The drivers of behavior were relatively simple. Most of the day was spent pursuing, collecting and consuming food. There was no language (although there were forms of communication). Tools, if any, were primitive, such as sticks or rocks. Now, further imagine one of these humans. Let's call him Gur, though it is not likely he actually had a name. Gur is walking down a crude path in this landscape, his task being to collect fruits, berries, or other edibles for his clan and himself to eat.

Along this particular path there is a fig tree just a bit off the trail. This tree is laden with ripe fruit. The clan can eat well on the fruit of this tree! The clan is counting on Gur to bring back some food. Unfortunately, Gur walks past the fig tree and does not see it is ripe with fruit. He has missed an opportunity to feed himself and the clan.

Hopefully, others are out finding and gathering food as well, but these figs could be all the food the clan was going to get that day, and they will now go to sleep hungry. Both Gur and the clan, however, will likely recover and have an opportunity to look for and find food tomorrow. If this pattern of overlooking food persists, of course, then the clan is likely to be in trouble. But the trouble, if it exists, is some way off and there are opportunities for recovery.

Now imagine that walking down this same path, Gur hears a rustle in the bushes. There is no certainty about the cause: it

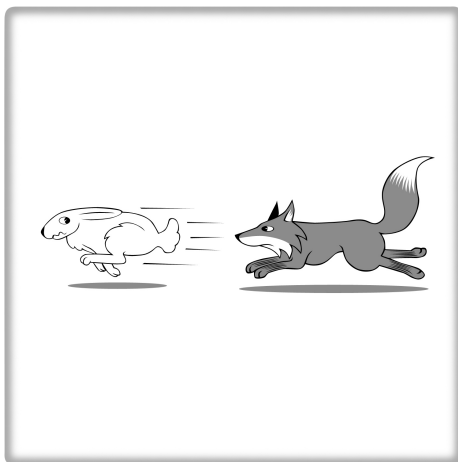
could be a small rodent, a bird, or a deadly predator. In Gur's world, if he does not hear the rustle or if he does not respond rapidly and effectively upon hearing it, the risk of *death* is significant. Perhaps it was responding to this rustle that kept Gur from noticing the figs!

The truth of Gur's circumstances is this: if he fails to notice, orient and respond quickly to this potential threat, he is less likely to contribute to the gene pool in the future.

**A key evolutionary lesson:
Missed opportunity is much less costly
than missed threat.**

Compared to the missed figs, this is a much more critical error. Here is the key evolutionary lesson: in general, *missed opportunity* is much less costly than *missed threat*.

Over evolutionary time, our brain structures have developed to reflect this important difference. So, our brains are very potent in the realm of attending and responding to risk or threat, and much less potent in attending and responding to opportunities.



Consider the “life-dinner” principle. Why does the rabbit run faster than the fox? Quite simply, the fox is running for his dinner and the rabbit is running for his life. You decide which is the more potent motivator.

Adaptation in the human realm has been similar,

and just as formidable, dominant and well sustained. Think about this: Gur did not stop to ponder the rustle, nor did he say to himself, “Guess the figs will have to wait.” Gur survived to find the figs another day because of behavior that was automatic, immediate, and critical to survival. If he did not, it would not be Gur who kept the clan going over time. Those who were able to quickly assess and attend to risk survived to pass on their genetic package, so that future clan members would be as or more likely to survive.

In large part, the brain being developed in Gur’s era is the foundational structure for the brain we have today. Let’s look at our brain from a structural perspective. There are three parts to the brain that we will discuss in the hopes that it is helpful to understanding the similarities and differences between humans today and Gur and his clan. What follows describes a bit about the structure and function of each section and what each portends for the challenges leaders face today.

Old Brain, New Brain

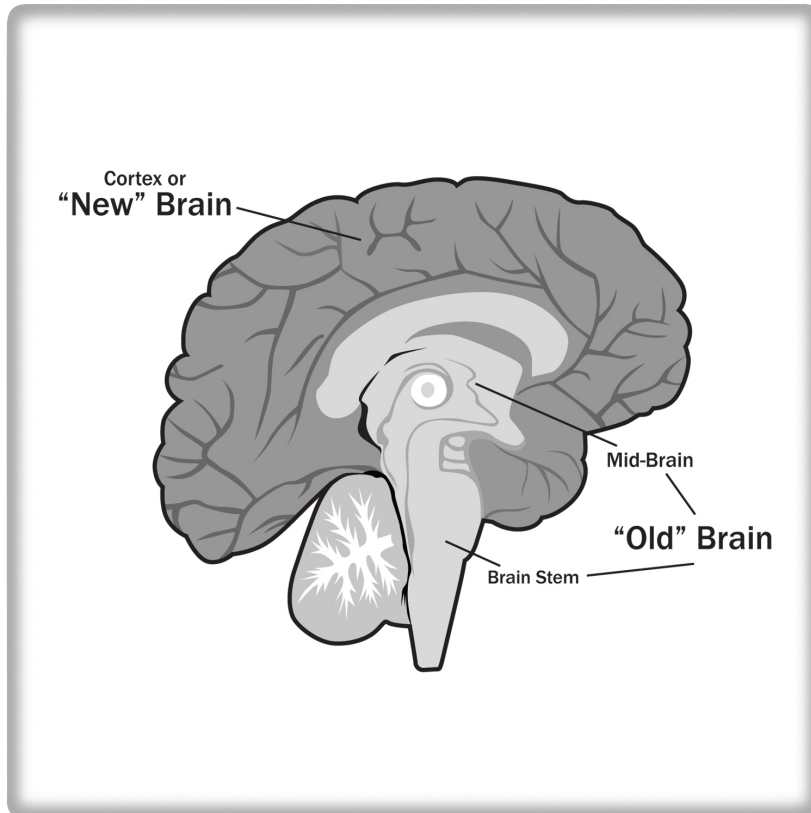
It is helpful to think of the brain as having three layers, from “top” to “bottom,” if you will. Although we will lump the bottom two layers, they are actually different and so we describe each separately.

Brain Stem. This area of the brain controls very fundamental metabolic functions like blood pressure, body temperature, and organ functioning. It also has the power to preclude higher-order functions if there is imminent danger to these metabolic functions. This is why if your heart begins to beat in a dangerous way, you may pass out – the brain stem basically shuts the rest of the brain down to attend to the physical body condition.

Mid-Brain or “Old” Brain. This is the home for emotions. Many people imagine that our emotions exist in our hearts, because we can *feel* an ache there when we are emotionally

hurt. In fact, we feel emotions in many parts of our body (“jitters,” “butterflies in the stomach”) but emotions are initially processed in this part of the brain.

While the mid-brain does not have the priority to take precedence over the brain stem, it certainly interacts with and influences it.



We all have experienced being startled and know that this can cause increased pulse rates, pupil dilation, and a release of chemicals that readies our muscles for action. These physical responses, while fundamentally driven by the brain stem, are clearly initiated by the emotional part of our brain.

The mid-brain is also a filter for all incoming perceptual information. That is right, *all* of our perceptions are filtered

first through our emotional brain before we ever have an opportunity to *think* about them. This is the part of the brain that Gur was helping us develop: rustle in the bushes, mid-brain processing of the threat, *RUN!*

Based on scientific research, we now know that about **90%** of the physical wiring in the mid-brain is associated with one single emotion: fear. This processing of emotion or filtering of our perceptions developed as protection for us – is there something dangerous or threatening here? It is hard not to appreciate that early contribution.

**All perceptual information
gets filtered by your old brain
before anything else happens.**

Humans are incredibly adept at processing and responding to threat or danger. Think about this: although it is measured in milli-seconds and therefore not obvious to us, we actually take *twice as long* to completely process a “danger” word (thief) than a “safe” word (friend). What is happening during this additional time? Your old brain is filtering for danger. If danger is detected, your old brain will begin defensive activity, without your awareness. When we filter and discover a threat, we can act before we have had any time to think. Have you ever jumped back when startled? Of course! Those who did not were “culled” from the breeding stock long ago.

The mid-brain cannot control the brain stem (we can wish to lower our body temperature when we are too hot, but we cannot do it by just having a strong emotional reaction to the heat). The mid-brain *is* powerful enough to take precedence over higher levels in the brain, which we’ll describe more fully shortly.

Taken together, the brain stem and the mid-brain comprise what many call the “old” brain, because it is old in an evolutionary sense. The old brain is exquisitely attuned to noticing, orienting and responding to “rustles in the bushes.” The old brain is truly our protector, and we can honor and respect the protection it provides us. That prickle on the back of your neck as you walk out into a dark parking lot late at night is your old brain looking out for you.

The old brain is the brain contained in Gur’s skull. Although there has undoubtedly been some evolution of the old brain since Gur’s time, the fact is that there is not that much difference between Gur’s brain and our “old” brain today. This is not about brain size, but rather about the differentiation in structure that has taken place over hundreds of thousands, if not millions, of years.

Our fundamental survival is foremost even now. Evolution has given us an extremely effective system for detecting and responding to threat or danger that is still very active. We have hints about it daily. Imagine you are stuck in a traffic jam because there is an accident on the other side of the road. Our old brains won’t just let us drive by without checking out the risk associated with the situation. This is beyond morbid curiosity.

This is primal adaptation in action. Even though we logically know that we are not in the accident, and that it won’t involve us, we have to look anyway. This may give you a hint as to why “bad news sells.”

There is plenty more we can say about the “old” brain, and we will. First let’s complete the picture.

Cortex or “New” Brain. The cortex is the residence of what we tend to think of as higher-order brain functions, like language, planning, thinking, analysis, comparison, fine

differentiation of detail and the like. Because this portion of the brain evolved more recently, many refer to it as the “new” brain.

While functionally this is an amazing and powerful part of our brain, it can be interrupted, literally in less than a heartbeat, by the old brain. It can do very cool things, but it’s not the big dog. In fact, much of the activity in this part of the brain is often applied at the behest of the old brain, which can get us into trouble.

What this means in practical terms is that if there is a “rustle in the bushes” in our current environment, the old brain is likely to be in charge and the amazing higher order functions of the new brain will be put on hold, or at least constrained and sub-optimized.

Our Integrated Brain

While it is true that the brain is one integrated organ, there is a lot of distinct, localized functioning within it. There are innumerable connections called neural pathways between the old brain and the new brain. However, not all pathways are created equal. In fact, the pathways that lead *from* the old brain *to* the new brain are an order of magnitude larger than the pathways that run in the opposite direction. What does this mean in practical terms? It means that our emotions often intrude on our thinking, but our thinking rarely intrudes on our emotions.

**Our emotions often intrude
on our thinking,
but our thinking rarely intrudes
on our emotions.**

The hierarchy of control is clear and very difficult, some might even say impossible, to override. If we are looking to be and do our best, this is a key point. The best inventions of humanity happened not while sprinting down a path with a predator on our heels, but rather sitting around the clan fire with enough food to go around.

We challenge the notion that necessity is the mother of invention. Rather, necessity leads us to want something. If we want it badly, our old brain will interfere with our getting it. It is our new brain that does the inventing. This can happen only when the old brain is calmed.

Much old brain activity occurs without our being aware of it. The old brain, it seems, is under no obligation to offer up any sort of clear signal to the new brain that it is now taking charge. When someone says to us, “Calm down, you’re losing your cool,” and we respond stridently, “I most certainly am not,” we have an early hint of our old brain taking the reins.

Much of our success as leaders depends upon our ability to recognize and respond positively to these early indicators, and to resist the powerful pull of old brain leadership. And it can be successfully resisted!

As we think back to our intrepid hunter-gatherer walking in the wild, it is easy to see that Gur’s energy was directed by old brain processes. As soon as there was a rustle in the bushes, the search for food came to a halt. This is not a decision he made; it was a non-conscious, automatic response. To really understand the power of this message, it helps to take a much closer look at the differences between old brain and new brain behaviors and what they look like in a contemporary work environment.

Managing the balance between our old and new brain is no small feat. The numerous ways our old brain intrudes and takes control, often in ways detrimental to us and our businesses, are so commonplace that they often feel “normal” to us. Starting in

Chapter 4, we will take a deeper dive into some of these old brain characteristics. We will explore situations where real leaders in real companies struggle to do their best work and be their best person.

Let us go next, though, to a look at the new brain in more detail. Then we will follow that with some other brain processes that have a significant impact on the way we lead and run our businesses.