



PSYCHOLOGY: THE IMPACT OF ORGANIZATIONAL CHANGE



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CONTEXT: BRAIN AND CHANGE

We hear it all the time, people hate change. Or let's try this together, everybody with me... Change is ... HARD. Nice job, you aced the quiz. Yet, as leaders, we must sell our teams on change all the time. In fact, change is the only Yep, you guessed it again... Constant. You're two for two now, great start.

So let's take a step back and do an elementary neuroscience class so we understand why people resist change so much. We all know that our brains are truly amazing. Remarkable, really. We have these built in prediction, algorithmic machines right under our skulls. Here's an example how it works. What does this say: "I cnduo't bvlleiee taht I culod aulacly uesdtannrd waht I was rdenaig."

See, now your three for three. Isn't that crazy? What happens is, our brains are helpless prediction machines. They are constantly and subconsciously trying to guess what is going to happen next. So why do we respond the way we do in certain situations? Well it is simple, really. Our brains and therefore our behaviors are driven by two main impact systems. The threat system (or response) and the reward system (or response). Let's take a look at the two systems...

The threat system, when it is activated:

- Kicks in very quickly
- Is very strongly interpreted
- Lasts for a longer period of time
- Increases your heart rate
- Increases cortisol, which is our stress hormone

The reward system, when it is activated:

- Is slow to be activated
- Short-lived
- Milder in intensity
- Increases dopamine, the pleasure chemical

Here's why all of this matters to us as leaders. For our brains, the first priority is always survival. They know that to achieve survival, they need to avoid threats, and seek out rewards, but of the two responses, the minimize threat response is much more important to our brain. Clearly, change can connect us to our "threat" response, which is important to understand when we are leading change for our organizations.



DOPAMINE AND OXYTOCIN

Two common human motives are the activation of dopamine and oxytocin. Now, trust me, we know nobody talks like this, nor should they, but our brains were created to want to experience these two chemicals. These chemicals are both released in the reward, or pleasure system in our brain, but they are activated differently.

Before we get to talking about how to activate these chemicals, let's briefly discuss what they are and why they matter.

Let's start with Dopamine. Dopamine is known as the feel-good neurotransmitter, The brain releases it when we eat food that we crave or have feelings of pleasure and satisfaction as part of the reward system. It is typically known as the happy hormone. Increases of dopamine stimulate feelings of pleasure and pride.

Now what's Oxytocin. Oxytocin is known as the "cuddle hormone," but that simplistic language overlooks the complex role this hormone plays in social interactions and human bonding. Sure, it is released when we "cuddle" with our loved ones, but it is also released when we bond socially. This includes in the workplace.

So, how to activate dopamine? Here are two action items:

Recognition. Recognition for good work releases dopamine in the brain. Better yet, that dopamine hit cements the knowledge that more of that behavior will create more praise, resulting in even more of a drive to receive more dopamine. Whenever expectations are exceeded, make sure you praise the effort and the impact.

Create Winning Atmospheres: Simply throwing down a challenge and rewarding the winner can release dopamine. Winning is winning, and the brain feels the same whether the reinforcement comes from the boss or elsewhere. People want to win, so making "winning" possible is a good starting point.

And how do we activate oxytocin? Here are two action items:

Delegation: When a person is intentionally trusted, even by a stranger, the brain produces oxytocin. This reduces the typical wariness we have of interacting with those we do not know and increases our ability to understand others' emotions.

Forced Teamwork: Oxytocin enhances empathy, and therefore allows humans to quickly form teams and work together effectively. When you force your team to work together, even on something fun, this releases oxytocin as we feel a sense of bonding and togetherness.



CHANGE: A POSSIBLE THREAT

If I were to find myself face to face with a lion in the wilderness, or a car was heading directly at me at 50mph, my “minimize threat” system needs to react quickly, and be stronger so I can stay alive.

Think back to the last time you got an email at work publicly criticizing one of your projects. Now think back to the time you got an email publicly praising you for your production. Which one had more of an impact? Clearly, the critical email impacted you more. Why is that?

Well, it goes back to the fact that our brains are simply trying to predict what will happen next so they can keep us out of harm's way. If we get to experience pleasure in the process, that's great – but stay alive nonetheless, is what our brain is driving towards.

So what? That's nice. Thanks for the psychology lesson. Here's why it all matters for us. When we introduce change, this activates the threat system in the brain. As part of the focus on survival, our brains want to be able to make sense of the world around us. Organizational change, when done improperly, takes away this ability to predict and sends our brains into that threat response.

Let's be geeky for just a second. The threat response simply means that blood flows away from our prefrontal cortex, which is very important for thinking and making logical decisions, and goes to the part of the brain that gets us ready for fight or flight. Ultimately, this change creates the threat response, which means that our thinking is impaired, and we have less control over our emotions. In the end, we see the workplace as hostile, and our performance drops off because we are scared and we can't focus on production.

Here's the kicker. You ready for this? A recent Stanford psychology study found that we are more comfortable with certainty about a negative outcome than we are with uncertainty or ambiguity. Did you hear that? Our brains would rather know that something bad is for sure than not know what will happen next.



CONCLUSION

Remember, people don't hate change, they hate being changed. If they are involved in the change process, if they know the why, the how, and the what behind the change – the threat system isn't activated. In fact, it is the opposite. The reward system is activated simply by the feeling of inclusion and involvement, and you guessed it, dopamine is released and cortisol isn't.

We know that's a lot of neuroscience for you in just one ebook. But just remember this the next time a change may be coming in your department:

PEOPLE HATE BEING CHANGED, AND OUR BRAINS HATE THE UNKNOWN.

So in the world of organizational change, to be unclear, is to be unkind.

Also, clarity, certainty, and involvement will correlate to kindness.

And when you get this whole leading change thing right, you will help your people experience more dopamine. And more oxytocin. And less cortisol. You get the picture.

Now, you have the foundational knowledge of how to lead change more effectively in your organization, but the actual execution can be challenging. If you would like more guidance on how bring this content to life in your business, please engage with us at www.maximizevalue.com and one of our experts will provide a free consultation on where to go and how to get there.

Last thing before you go and change the world. Change is... NOT HARD AT ALL IF YOU REMEMBER TO APPLY THESE TECHNIQUES.