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Business Literature

Best Business Books 2010: The Human Mind

You Are What You Think

by Judith E. Glaser

Richard S. Tedlow

[Denial: Why Business Leaders Fail to Look Facts in the Face — and What to Do about It](#)

(Portfolio, 2010)

Michael J. Mauboussin

[Think Twice: Harnessing the Power of Counterintuition](#)

(Harvard Business Press, 2009)

Chip Heath and Dan Heath

[Switch: How to Change Things When Change Is Hard](#)

(Broadway, 2010)

Paul Sullivan

[Clutch: Why Some People Excel Under Pressure and Others Don't](#)

(Portfolio, 2010)

Daniel H. Pink

[Drive: The Surprising Truth about What Motivates Us](#)

(Riverhead, 2009)

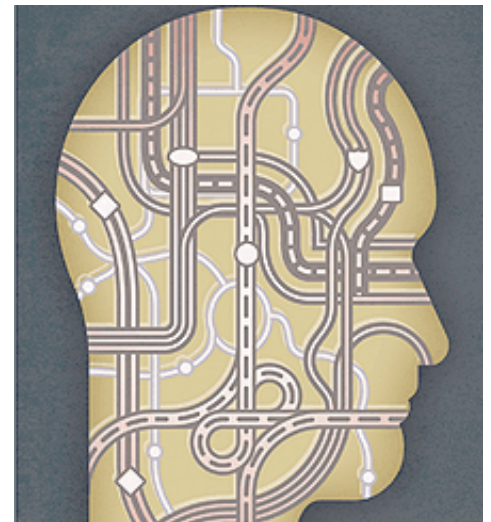


Illustration by Daniel Pelavin

In 1931, Alfred Korzybski, a Polish-American scientist and philosopher, coined the phrase “the map is not the territory” to distinguish the words we use to describe reality from reality itself. He said that we tend to confuse the map with the territory, and we often don’t realize that we are confused. We communicate with others as if we all share the same map — and the same world — which causes conflict and collisions.

General semantics, the discipline that Korzybski pioneered, studies the relationships between the map and territory: the ways in which the words we use affect how we think and, ultimately, how we act. In the decades since he introduced his pioneering concepts, we have learned — in part because of technologies such as fMRI that enable neuroscientists to study how the human brain works in real time and full color — that Korzybski’s theories tell only part of the story. Words and thoughts are not always accurate reflections of reality, but they can and do provide the impetus for reshaping reality.

This year’s best business books on the human mind explore the implications of the relationship between perception (what we see)

and reality (what is), and argue for the use of mind-awareness approaches in managing real-world problems and issues. Neuroscience research has begun to confirm that brain connections are formed socially; when two people connect through a conversation, their neural pathways (as illuminated by fMRI scans) take on similar patterns. These changes in brain patterns are reinforced by further conversation — so that an organization that successfully draws employees into repeated patterns of thought and action may literally rewire their neural pathways. These pathways are further reinforced by the reactions of hormones, neurotransmitters, and other chemicals within the body.

Each of these books, in its own way, explores the contradictions between these findings and the conventional wisdom about behavior and the workplace. The authors integrate neuroscience into everyday life, shine a light on how we map the territory of our perceived environment, and help us figure out ways to map that territory more constructively.

Deniers Never Prosper

In *Denial: Why Business Leaders Fail to Look Facts in the Face — and What to Do about It*, Harvard Business School professor and business historian Richard S. Tedlow tells tabloid-worthy tales of what happens when business leaders find reality so unappetizing that they refuse to acknowledge it. The stories are of well-known companies, including Ford, A&P, IBM, and Coca-Cola, and the details and drama that Tedlow packs into them earn the book the title of best business book of the year on the human mind.

The executives featured in the stories travel different paths to failure, but they all separate themselves from reality by acting as if their maps are the territory. They refuse to adjust course even in the face of opposition from trusted advisors and incontrovertible evidence that they are following the wrong path. Thus, for example, Henry Ford's success with the Model T blinded him to the desires of his customers, and gave General Motors the opportunity to capture a winning share of the automobile market with a broader range of models and options. And the executives at A&P stuck with the grocery chain's private-label products even as their customers defected en masse to supermarkets that carried the national brands they saw advertised on TV.

The good news is that companies can recover from denial, even when they seem permanently wed to their histories, their philosophies, or their belief systems. Tedlow points to IBM, which got caught up in its own "bureaupathology," but learned, with Louis Gerstner's help, to conquer arrogance and overcome its history and culture. He says that Intel, DuPont, and Coca-Cola were also able to recover from denial by activating new "cultural DNA."

Tedlow offers different approaches to staying clear of the pitfalls of denial in each chapter. They include looking truth in the face every day — identifying how and where people are dismissing the truth or rationalizing their version of reality. In all cases, however, getting ahead of the denial curve is vital. Tedlow says that executives can accomplish this by encouraging straight talk, challenging assumptions, avoiding groupthink, and keeping their eyes open to the symptoms of denial in their own thinking and in others.

Denial explains why the "smartest people in the room" (as Enron's top executives were famously called) can sometimes be very dumb. It's a wake-up call to be sure that we don't allow ourselves to confuse our maps with the actual territory.

Better Decision Making

People make decisions by building models in their minds that are based on what has worked in the past, and then using those models as templates to follow. In *Think Twice: Harnessing the Power of Counterintuition*, Michael J. Mauboussin, chief investment strategist at Legg Mason Capital Management and adjunct professor at Columbia Business School, argues that old mental models can contain traps that lead to flawed decisions. Conversely, recognizing these mental traps can raise the probability of making good decisions.

Mauboussin takes us into the dark alleys of the human mind where decision makers can easily go astray. In chapter one, for example, he describes how we fall prey to three illusions that lead to poor decisions: We suffer from the belief that our ideas are superior to the ideas of others, the inclination to overestimate our chances of success, and the perception that we have more control

over situations than we actually have. Deniers beware!

There is a long list of other traps in the book. When you go into a store to buy one thing and come out with another, you may have been a victim of “priming.” You thought your mind was made up before you went into the shop, but you were a lot more susceptible to influence than you realized. How susceptible? Mauboussin cites a study that found that 77 percent of people shopping for wine in a supermarket bought French wine when French music was playing and 73 percent bought German wine when German music was playing. Yet nine out of 10 people claimed music did not influence their choices.

Crowd or herd behavior also influences our decision making. In chapter four, Mauboussin describes how we are overly influenced by authority and by our desire to be insiders. In studies in which groups were asked to solve puzzles, people posing as subjects were able to get the groups to agree to answers that they originally thought were wrong.

The failure to account for context is a decision-making trap that causes much grief in organizations. Knowledge acquired in one context does not necessarily translate in another context. That is why a new executive who does not account for the culture of the company he or she is joining will often fail. Combining knowledge and context, says Mauboussin, increases our chances for success.

The intent of *Think Twice* is not to make you feel insecure or to get you to distrust your instincts; far from it. The book brings into focus how people are unconsciously influenced by their experiences, by other people, and by the environment in which they find themselves. Once you become conscious of these influences, you become a better mental mapmaker and can more effectively navigate the territory of your life.

The Rider and the Elephant

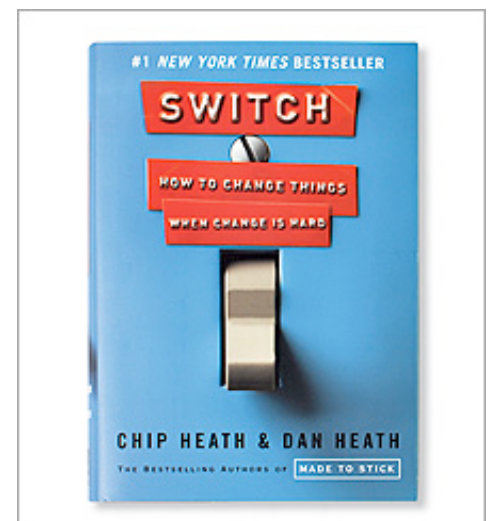
According to Chip Heath and Dan Heath, authors of *Switch*, change is hard because there are two conflicting sides of the human brain, the rational and the emotional, vying for control. *Switch: How to Change Things When Change Is Hard* is their first book after the best-selling *Made to Stick: Why Some Ideas Survive and Others Die* (Random House, 2007). When most people try to foster change, say the Heath brothers, they focus almost exclusively on the rational side and ignore the emotional side, which then rebels, often sabotaging the change effort.

To describe and solve this problem, the authors draw on research from psychology and neuroscience, using a metaphor of a rider (the rational brain) and an elephant (the emotional brain). The authors are reductionists, in this approach, because new research is providing a richer and more complex picture of the brain’s workings. Yet what makes the book worth reading is the practical framework it offers to executives who must undertake organizational change.

This framework involves three major activities. The first is to rationally motivate the rider. For example, instead of focusing on what people are doing wrong and nagging them about it, the authors suggest focusing on what they are doing right (the “bright spots”) and encouraging them to continue their winning ways. The authors also advise would-be change makers to reduce the number of choices people have to make, thus eliminating some of the fear and uncertainty inherent to change, and to script the changes to ensure that people have a clear vision of the desired goal and the rewards of attaining it.

The second set of activities in the framework is designed to get the elephant moving in the right direction. The Heath brothers draw from motivational psychology to achieve this, focusing on the positive elements of change, “shrinking” the change to make it seem less difficult to attain, and building confidence so people feel that they are capable of attaining it.

The final set of activities is designed to show the rider and the elephant the path forward. It describes how change agents can tweak



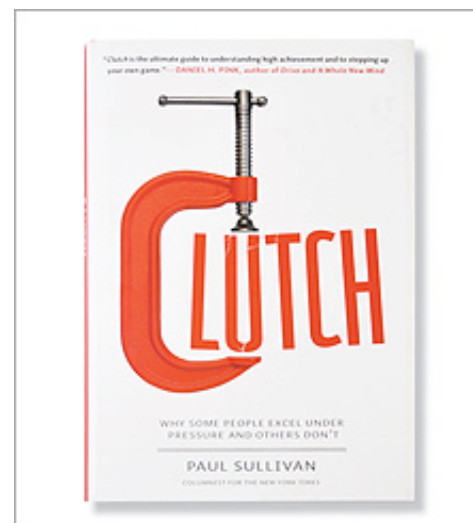
the environment to change behavior (as with playing music for shoppers), how they can create new habits that support change, and how they can reinforce them by enlisting the help of others.

Avid readers of neuroscience and psychology will find many familiar ideas in *Switch*; managers charged with creating change will find these ideas cloaked, usefully, in colorful stories and metaphors.

Grace under Pressure

In *Clutch: Why Some People Excel Under Pressure and Others Don't*, Paul Sullivan, a columnist for the *New York Times*, explores how to shine when the stakes and the pressure to perform are high. The secret that separates the players who are good in the clutch from those who choke, he says, is a well-developed ability to respond in stressful situations in a constructive way.

Sullivan summarizes this ability in five “clutch” principles and three “choke” principles that readers can use as guidelines for how — and how not — to deal with high-pressure situations. All the principles are copiously illustrated with stories of people and companies we know, which help the reader to see how the principles can be applied. Aside from his gimmicky reliance on the word *clutch*, Sullivan has written an easily digestible book.



The five key principles used by those who successfully handle pressure and perform well in clutch situations are focus, discipline, adapting, being present, and managing fear and desire. Focus is not the same as concentration; it is an intentional mapping of what you want to achieve. It requires thinking through the steps and the end game before you start playing. Discipline is staying with the plan, even in the face of great challenges. It is often the key to success. Adapting is knowing when and how to change the plan. It's about, Sullivan says, “fighting the fight, not the plan.” Being present means being in a state of heightened awareness in the moment — it's analogous to the state described by Mihaly Csikszentmihalyi in his book *Flow: The Psychology of Optimal Experience* (Harper & Row, 1990). Finally, managing fear and desire is using these emotions as motivators and drivers of performance without allowing them to paralyze you.

Sullivan employs a chapter-long analysis of how Billie Jean King beat Bobby Riggs in the highly publicized Battle of the Sexes tennis tournament in 1973 to summarize the clutch principles. He calls the tournament a double-clutch situation because King was playing not only to win the match, but to challenge the conventional thinking about women in sports.

The three principles for avoiding choking, which are described in part two of the book, are included to help the reader steer clear of the behaviors that cause people to fail to meet their goals in high-pressure situations. The principles are taking responsibility for your role in the situation; not allowing overthinking to take you out of being present; and ensuring that overconfidence doesn't stop you from putting energy into focus, discipline, and living in the moment.

People who master clutch are really mastering the amygdala, the part of the human brain that responds to stress and that can sometimes seem to take control of us when we are in pressure-laden situations. Sullivan thinks we are all capable of creating stress-resilient maps that can enable us to traverse these toughest of territories. *Clutch* is a good place to start drafting such a map.

Beyond Carrots and Sticks

Reading *Drive: The Surprising Truth about What Motivates Us*, Daniel H. Pink's newest book, can be depressing, especially as you realize how large a role extrinsic rewards and punishments play in our lives. That's because the most prevalent means of motivation are what Pink calls if-then transactions: If you do this, then I'll give you that.

These incentives for changing behavior are based on the assumption that motivation is extrinsic — people will do more of what you

want if you reward them for it (the carrot) and will stop doing things if you punish them (the stick). But *Drive* suggests that we should limit our use of “currencies,” such as bonuses and fines that try to externally motivate people, and instead engage their intrinsic motivators, especially three paramount human needs.

These needs are autonomy, the freedom to make choices and determine our future; mastery, the ability to learn and grow our expertise; and purpose, the quest for meaning in our lives. They are wired into our brains, according to Pink, who supports his thesis by drawing on four decades of scientific research. When we do not satisfy these needs, we can fall into depression and lose our reason for being.


Pink singles out several companies that have put intrinsic motivation to work. He takes us inside 3M Company, where William McKnight, who served as the company’s president from 1929 to 1949 and its chairman from 1949 to 1966, came up with the unusual idea of giving employees free time for what he called experimental doodling, a practice that yielded Post-It notes, among many other new products. Pink also points to Google’s policy of allowing employees to devote 10 percent of their time to projects of their choice, which has produced services such Google News, Gmail, Google Translate, Google Talk, Google Sky, and more.

Pink explores the wide gap between what science teaches us about motivators and how companies actually seek to motivate people. For instance, one of the most prescient bodies of research presented in the book highlights the negative impact that extrinsic rewards have on productivity over time. This research found that extrinsic rewards narrow our focus to attaining the promised reward itself at the expense of everything else. As a result of holding this myopic view, companies such as Enron produce toxic environments and flawed decisions, as well as unethical and even criminal behavior.

Instead, says Pink, corporate leaders should create environments that enable people to be creative, empowered, and engaged, and that provide them with a sense of their intrinsic worth. The last section of the book, which contains an array of ideas, practices, questions to ponder, and action lists, should help in that endeavor.

Mapping the Intersections

Together, these books on the human mind are a welcome breakthrough in business writing. Each one addresses a sliver of the biggest challenge we have as human beings — how to align our map with the territory for sanity, for growth, and for success. Without this extraordinary ability, we fail to adapt to our changing world — and we get stuck in the past while the world evolves around us.

In the past, in mainstream publishing, you could not mix business topics with personal effectiveness topics. But these books confirm that the barrier has fallen. By integrating research from the fields of neuroscience and psychology into books about business challenges, their authors give us a new lens through which we can more effectively and successfully navigate our complex, unpredictable world. 

AUTHOR PROFILE:

Judith E. Glaser is the founder and CEO of Benchmark Communications Inc., a leadership consulting firm, and cofounder of the Creating WE Institute. She is the author of several books, including *Creating WE: Change I-Thinking to We-Thinking and Build a Healthy Thriving Organization* (Platinum Press, 2005) and *The DNA of Leadership: Leverage Your Instincts to Communicate, Differentiate, Innovate* (Platinum Press, 2006).

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