

BUSINESS IS BASED ON FEELINGS

By Paul Herr

We traditionally think of running a business as a strictly left-brain, rational exercise where cool-headed planning and analysis rule. This, unfortunately, is a harmful fallacy that reduces productivity, profits, and innovation; harms strategy execution, and generally penalizes employees, managers, customers and shareholders. Feelings, not rationality, rule in business and in life. For example, we need to stimulate rewarding feelings in the minds of our customers to motivate them to buy our goods and services and we need to stimulate rewarding feelings in the minds of our employees in order to motivate them to work hard. Moreover, all economic activity boils down to the exchange of rewarding feelings back-and-forth. I scratch your itch (satisfy your need) and you pay me for it. I take your money and purchase something that scratches my itch (satisfies one of my emotional needs). Money is only rewarding because it can be converted into a variety of rewarding goods and services like an exotic vacation, a hot new car, or a night out with our honey. Feelings are not irrelevant, rather, they make the world go round because they are the underlying forces that move us. This, by the way, is the idea behind the booming field of neuroeconomics.

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Human beings are primarily emotional creatures and secondarily rational. Feelings are central to human existence because they tell us what we need to survive and the rational mind dutifully attempts to satisfy these vital needs. A simple example of the primacy of feelings in human affairs is hunger. Hunger is the body’s way of saying, “feed me.” If I’m having a hectic day, and a major report is due, I might ignore the initial pangs of hunger and continue to work, but then the hunger signal then escalates to, “FEED ME!!.” Sooner or later my rational mind is going to obey the hunger signal and find a logical path to food. This, I propose, is the fundamental dynamic behind all feelings. They are proxies for our basic survival needs and if we ignore them we are all dead, extinct.

It bothers me when managers refer to feelings and emotions as soft and irrelevant. Extreme emotions may be disruptive and harmful, but subtle, everyday, emotional incentives provide the foundation for our survival and our economy.

If you still believe that feelings are soft and irrelevant, then why don’t we figure out a way to turn them off? This is precisely what happened to 13,000

lobotomy patients between the 1930s to the 1950s. Hospitals at this time had few options for dealing with extreme emotions, so doctors experimented with a variety of surgical procedures in a desperate attempt to them turn off. Surgeons eventually discovered that they could calm frantic patients, and quiet their violent emotions, by damaging a brain area located just behind the eyeballs. These operations succeeded in calming patients' violent emotions, but they also turned off the subtle, everyday, normal emotions that get us out of bed in the morning, motivate us to care about our friends and family, and motivate us to work hard. By turning off emotions, surgeons did not create hyper-efficient robots. Rather, they created lazy people who were content to sit in their chairs all day staring out the window.



“Human motivation is regulated by elegantly-designed survival engine built into our brains.”

Lobotomy patients scored surprisingly well on IQ tests, so their rational minds were intact, but the rational mind without emotional incentives does the rational thing—nothing. Every action, I propose, involves an emotional cost/benefit analysis. If there are three potential actions that we are contemplating, the rational mind selects the action with the highest emotional reward, the highest gain. The lobotomy operation, by turning off the reward component of the cost/benefit analysis, skewed the calculation. Every action still involved effort (pain), but this effort was not compensated by rewarding feelings anymore because the brain's reward-processing center had been damaged. Lobotomy patients would formulate plans for the future but would not execute them because every path into the future was a losing proposition—emotional effort uncompensated by emotional gain. These patients therefore did the rational thing—nothing.

I have studied human motivation for 30 years. I know what the human engine looks like, how many cylinders it has and how companies can tap into it. The human engine is fueled by feelings and if we turn those feelings off, as we did with the lobotomy patients, human beings come to a screeching halt. Furthermore, there are 10 flavors of feeling that motivate us—five that regulate our biologic survival and five that regulate our social survival. We are often unaware of these regulatory feelings because they are subtle and operate on the edge of our conscious awareness. Taken as a whole, human motivation is an elegantly-designed survival system that has allowed a puny primate to thrive in every ecosystem on the planet. It is pure arrogance and hubris, therefore, to make fun of this vital mechanism that makes our very existence possible.

I recommend that we completely rethink how emotions impact business success. One helpful construct is the emotional paycheck. Companies measure monetary benefits to the nearest penny but then proceed to ignore the intrinsic rewards that are every bit as motivating to human beings as money. Companies therefore have a flawed perception of employee

compensation and a flawed payroll accounting system. I've invented a tool that captures the emotional paycheck by measuring the five pleasures that nature built into our brains to motivate productive human behavior. This tool fixes the broken accounting system and provides executives with accurate compensation data.

I call the emotional paycheck the master metric because it drives everything happening inside a business. If companies can get their emotional paycheck to go up, then every desirable financial, operational and HR metric will go up as well. The logic behind this bold statement is simple; rewarding feelings drive behavior and behavior determines organizational success. It all boils down to how rewarded people feel in their work and money is just part of that reward.

The business logic for paying attention to emotions is simple and compelling: would you rather double your employees' monetary salaries to get them to work harder, or would you rather create an exciting workplace that boosts the emotional paycheck? In my book, *Primal Management: Unraveling the Secrets of Human Nature to Drive High Performance*, I explain how to improve the emotional paycheck by triggering the five productive pleasures. I show where these pleasures originate in the brain, which neurotransmitters regulate them, and how managers can tap into them to create a dynamic workplace that fires on all cylinders. If you follow my advice to the letter, you can create a workplace that is so rewarding that your employee might even pay for the opportunity to play!

About the Author

You can learn more about Paul Herr and his book, *Primal Management: Unraveling the Secrets of Human Nature to Drive High Performance*, by visiting www.primalmanagement.com.

If you'd like to test-drive Herr's motivation-management tool, The Horsepower System™, enter the following URL into your browser and enter "guest" for the username and password.

<http://horsepowermetric.com/demo.php>

If you'd like to contact Mr. Herr, visit www.paulherrconsulting.com or give him a call at 608-833-9446.