

The New York Times

March 23, 2013

A Boss's Challenge: Have Everyone Join the 'In' Group

By [ADAM BRYANT](#)

This interview with David Rock, director of [the Neuro-leadership Institute](#), was conducted and edited by Adam Bryant.

Q. *You've developed an acronym — SCARF — to better explain people's behavior, particularly at work. Can you explain it?*

A. It's really a summary of what motivates us, the things we feel most passionately about, both positively and negatively, that are driving our behavior all the time. They're almost like the primary colors of intrinsic motivation.

So, simply put, the brain categorizes everything into one of two categories: threat or reward. We're driven unconsciously to stay away from threat. We're driven unconsciously to go toward reward. This decision about threat or reward happens five times every second. It's very subtle. We're making this decision about everything good or bad all the time.

There's been a ton of research in the last 10 years or so that shows that things that create the strongest threats and rewards are social. And social threats and rewards activate what's called the brain's primary threat-and-reward center, which is actually the pain-and-pleasure center. This was a big surprise, to see that someone feeling left out of an activity, for example, would activate the same regions as if they had put their hand on a hot plate.

So it's not just a metaphor that these social feelings are sort of like pain. They use the same network in the brain as pain. But they also use the same network as pleasure, which is why we get so addicted to social media. It's almost like chocolate. It's this reward that now we've made easily accessible.

Q. *I've heard a lot of C.E.O.'s say that early experiences with bad bosses created "scar tissue" for them that had a big impact on their leadership style.*

A. There are a couple of quirks of social pain and pleasure. One is that social pleasure, especially, is the gift that keeps on giving. But if your boss disses you in front of a team, every time you remember that for the rest of your life, you feel the pain again. That's scar tissue.

Q. *So what does the SCARF acronym stand for?*

A. It stands for status, certainty, autonomy, relatedness and fairness.

Status is literally your perception of where you are in the pecking order around you, and it's a feeling of being better than or worse than others. We feel uncomfortable until we work out our status with people. We are more comfortable and we're more effective when there's a clear status arrangement between people. When we feel a higher status, we get a slight reward. When we feel lower status, we get a strong threat. The challenge is that if somebody continuously fights for high status, all the other people around them might be getting a strong threat response.

One of the challenges with management is you've got very smart people who are high status, and they like to feel smart. They give lots of feedback to everyone else about what they should be doing better, and other people take that as a threat. People react to a performance review as if someone is saying your life is in danger. And the pushback is real. People will push back so intensely because they experience a strong non-conscious threat response. It's the same mechanism that makes people argue to be right even when they know they're wrong.

Certainty is a constant drive for the brain. We saw this with [Hurricane Sandy](#). The feeling of uncertainty feels like pain, when you can't predict when the lights will come back on and you're holding multiple possible futures in your head. That turns out to be cognitively exhausting. And the more we can predict the future, the more rewarded we feel. The less we can predict the future, the more threatened we feel. As soon as any ambiguity arises in even a very simple activity, we get a threat response. So we are driven to create certainty.

This is challenging in the context of work. When the boss walks in the room, they create a status threat, but they also create a certainty threat because they often create all sorts of change, all sorts of chaos, and you don't know what's coming next. But many organizations are taking an open-book-management approach, making all their financials available to everyone. I think there's a lot of power in increasing people's sense of certainty and reducing the inherent uncertainty that can happen in an organization.

The third one is autonomy, which is a sense of control. It's similar to certainty, but it's different. Certainty is prediction. Autonomy is control. And it's a very important thing for us to feel a sense of control, so much so that a small stress where you have no control generally is in fact a very big stress. When autonomy goes down, it's a strong threat. So when the boss walks in the room, they've got the final say, so suddenly your autonomy goes down. So now we're three for three with just the boss walking in the room.

Let's shift to relatedness. We make a decision about each person we interact with that impacts basic processing and many other things. And the decision we make about everyone is, "Are you in my 'in' group or in my 'out' group?" If you decide that I'm in your "in" group, you process what I'm saying using the same brain networks as thinking your own thoughts. If you decide I'm in your "out" group, you use a totally different brain network. So the very level of unconscious perception has a huge impact based on this decision of: "Is this person similar to me? Are they on my team? Do we have shared goals, or are they in my out group?"

This is the neurobiology of trust in a sense, but also of teamwork and collaboration. It feels good to be with “in” group members. But we basically treat everyone as foe until proven otherwise, with the exception of really attractive people or if you’ve had a moderate amount to drink.

The important question this raises is, “How do we create an ‘in’ group?” And the research is really clear. If you can create shared goals among people, you can create quite a strong “in” group quite quickly. When you can find a shared goal, you turn an “out” group” into an “in” group. Unless a leader creates shared goals across an organization, an organization will be a series of silos. That’s the inherent way that we live. We naturally think in small groups.

The final one is fairness, and it’s very fundamental. A fair exchange of anything is intrinsically rewarding. An unfair exchange of anything is intrinsically threatening — and not just threatening, but very intensely threatening. So you can give someone \$20 in a study and they can be really angry at you, rather than happy, because someone else got \$40.

So these are the five domains of SCARF, and they are playing out in every situation, every interaction.

When a leader walks in the room, everyone else’s status goes down, everyone’s certainty goes down, everyone’s autonomy goes down. The relatedness to the leader goes down. And often fairness will go down in particular just because leaders are paid so much more money for what can look to others like less work. So what you see in general situations at work is people feeling a threat in all five domains, just due to their boss’s existence.

A smart boss will notice this and do all sorts of things to try to fix it. Some bosses will try to play down their status. A smart boss will work on certainty and make sure they’re establishing clear expectations. That really helps people. That also helps with autonomy, when you have really clear expectations.

You can’t do much about fairness. You can be more transparent. That will help fairness, but leaders are going to be paid more money for what looks to some people like less work. People will probably think it’s unfair.

I think the domain where leaders can have the biggest impact is relatedness. Many people have had a boss they really wanted to work hard for because they respected them. It doesn’t have to be love, but it’s a sense of respect. And I think that those bosses have worked hard to have a sense of relatedness with people, which comes from having shared goals and making sure there’s a feeling of being on the same team, not a sense of “us” and “them.”

Q. *How does this dynamic play out in terms of having frank discussions, and giving feedback? So many people go out of their way to avoid those kinds of discussions.*

A. Usually, we can predict that the person who’s receiving the feedback is going to argue. And once you’ve tried a few times as a manager to give feedback, you see people really arguing and pushing back, and what we think will be a five-minute conversation ends up being an hour and a

half, and you find yourself going around in circles. That's exhausting, and that's a threat response. People will defend themselves. You can see it in their body language.

Our research shows that about 75 percent of the time you can get people to give themselves feedback, and we call it self-directed "feed forward" rather than feedback. Giving themselves feedback, is actually a status reward for them, rather than a status threat.

Let's say you've just blown a client meeting and I'm your boss and I know the meeting's gone badly. If I say to you, "That meeting went badly — what went wrong?" you're going to defend yourself. You're going to feel the status attack, and all your cognitive resources will go toward defending yourself.

But what if I say to you: "You're a smart person. I bet you've been thinking about that meeting. What are your thoughts on what you'll do next time?" Then I'm giving you a chance to look good, and you'll now reflect and think deeply about what you might do next time. If there's not a strong threat, and you're not fighting against something, it does turn out to be intrinsically rewarding for people to talk about how they might do something better next time. You can get to good insights and useful ways forward.