

The Herd Instinct in Business

What does a pack of primitive hunter-gatherers in the Neolithic era and a company that provides, for example, translation services have in common? Are things more difficult for modern translators or primitive hunters? What techniques developed in antiquity do we still use? And how do we use them?

Are people rational?

We humans think we are smart. Some even consider themselves smarter than others. It is easy to recall the idiots you have met in your life, right? They did stupid things or didn't notice something obvious.

And what were people like in ancient times? They considered the earth to be flat, looked for a way to turn lead into gold (which, by the way, was not such a stupid thing), tried to make rain fall by dancing around the campfire, worshiped stuffed animals, etc.

Can we honestly say that we are smarter? No: they acted based on a different knowledge base and in very different conditions. Try to use your intelligence when stuck in the woods hundreds of kilometers from civilization without food, water or a mobile phone, and your middle-of-the-road Cro-Magnon will seem like an expert, and he would consider you an idiot who is incapable of dealing with life's basic problems.

In terms of physiology, we are no different from either the medieval inquisitor or the mammoth hunter. Over 70,000 years of human existence, and even in the last 500 years of scientific progress, the world around us has changed beyond recognition. But the human brain has remained practically the same, only now it has 'recorded' other 'programmes' that are suitable for our times. Therefore, we will consider man as a being living in a pack of similar beings regardless of the era he lived in. Gradually we will get on to business.

Out pack

Why did prehistoric man need such a 'powerful' brain? He did not build space shuttles or compute logarithms, or was even able to write. Was our intellect standing idle, waiting for the scientific revolution?

Of course not. The computational powers of the brain were directed primarily towards building relationships with others. People kept a who's who in their memory, who would support them when needed, who they should avoid, etc. Everyone maintained a detailed dossier on their tribesmen, where they 'recorded' both their good and bad deeds. Our brains were originally intended for this purpose, and that is precisely the part where information about relationships was freed up to make room for culture, science and modern life skills. We have replaced the detailed dossiers of each tribesman with common templates under which we categorize people. This saves energy.

But the brain itself has not changed. In our minds, the same 200 compartments are allocated for people in our social circle (this limit was confirmed by numerous studies). But now our tribesmen have been replaced by relatives, friends, colleagues, clients, and sometimes celebrities and even fictional characters.

Modern social behaviour in the family, at work or anywhere else, reflects the same laws obeyed by mammoth hunters. So your business is part of the relationship within the 'pack' to which you identify yourself.

What does this mean for you as a leader?

A leader is in a dominant position in relation to his subordinates. From the point of view of anthropology this is neither a good or bad thing or grounds to be happy or sad — it's a simple naked scientific fact. To be successful, you need to properly use the laws by which such groups of people live.

Belonging to a pack

Employee motivation can be broken down as follows:

- 1) **Financial** — you need to earn money for food, housing, family, entertainment, etc.
- 2) **Professional** — work should be enjoyable.
- 3) **Social** — everyone has different relationships within their team (these are the same relationships between the members of the pack).
- 4) **Ideological** — a sense of belonging to something significant.

The first point is related to the survival instinct, the second with intrinsic motivation. In this case the leader does not have much leverage: pay a competitive salary and give employee a job he or she likes. But points three and four always require attention.

Social motivation

A couple of decades ago, predictions were circulating in academia that offices would soon disappear, and people would work remotely without exception. There are certainly more freelancers now. But people still go to offices, albeit with a more flexible schedule and the ability to sometimes work from home.

The predictions did not come true because office work gives people a sense of belonging to a team and satisfies their basic need to interact with others. For them, working from home means living on a desert island, alone in the wilderness.

But every pack has a hierarchy: without which there would be chaos. The goal of the leader (the leader of the pack), is to create a healthy atmosphere in the team. People should not find communication with fellow workers stressful. And stress occurs when people view each other as a threat.

Externally, the threat usually manifests itself in the following way: an employee joins a team who, for unknown reasons, deems that people should consider him special and tries to prove his superiority over others at every turn (intellectually, physically, culturally, etc.). It also saps motivation if he gets what he wants simply because he wants it, rather than actually deserving it, for example, he does less work for the same salary or makes fun of his colleagues and gets away with it.

From the point of view of anthropology, such a troublemaker is a dominant individual, seeking to raise his status within the pack. It violates the established order of things, pushing someone else down to the lower ranks of the hierarchy or challenging those with a 'higher rank.' While defending themselves, the victims begin to snap. Of course, nobody in the office is going to bare fangs or claws: instead, the office workers resort to flattery, scheming and manipulation.

It is at this time that you, as a leader, should take advantage of your status as a leader and protect the interests of the victims: after all, they instinctively see you as the defender of their interests. To ignore their problems would be to lose your credibility. A leader who cannot look after his tribe is not a leader. Maybe you should look for someone else?

You have leverage, from a reprimand to dismissal, but we won't analyse them here. It is vital that the conflict is resolved: if the problem employee weaves a network of social connections around him, you will no longer be confronted by a lone wolf, but by the leader of an alternative group. This will further aggravate the conflict, and to resolve it many more factors will have to be considered. As a result, you can lose control not only of the ringleader, but also the employees who have fallen under his influence.

Leading as an example

The worst thing is of course when the leader is the source of stress. This happens to leaders who constantly feel threatened by their dominant status and so try to assert themselves by criticizing employees, downplaying their merits, not giving them credit and surrounding themselves with a group of sycophants whose fragile status is of more concern than the company's success. Unfortunately, in such cases the company is most often doomed.

There is one more remarkable property of social animals: the pack members copy the leader. An experiment was conducted: a monkey, which was taught to extract a banana from an elaborate device, returned to the pack, where it proceeded to extract it in the presence of its pack members. It turned out that the subsequent development of events was determined by its status: they simply took the banana off low-ranking monkeys, and if the leader extracted it, the others watched and studied his movements.

The same principle works in groups of people: employees, without realising it, adopt your approach to work, your values, and sometimes even your hobbies. Your mood, attitude to people and beliefs are inherited by managers a rung below, who pass them on down the chain. To some extent, the whole company becomes a reflection of your behaviour and values. And if anything goes wrong, you know who to blame.

Corporate mythology

Legend has it that Alexander the Great knew the face and name of all of his 5,000 soldiers. Perhaps this is true. But it is unlikely that he had a personal relationship with all of these soldiers beyond the formal boss-slave relationship.

In a company where more than 50 people work, it is no longer possible to maintain social connections with everyone. There is simply not enough time for this. You will know some employees by face, but have no emotional connection to them. Do not blame yourself: it is not because you are unkind or conceited. It's just that in your inner pack all 200 vacant places are already taken, and there is nothing you can do about that. After all, in addition to work, you still have your family, friends, neighbours, tennis partners, etc. It is simply not possible to dedicate more than 50 'memory compartments' to your staff.

Another interesting fact: the majority of family businesses experienced a crisis when crossing the 50-employee mark. The reason is the same: our physiological inability to maintain a large number of social connections.

But how then do large companies function if their very existence contradicts the social laws of the human pack? Why don't they break up into smaller companies, as was always the case with hunter-gatherer tribes that reached 200 people? And many people are of-course keen to work in 'heavyweight' companies. Why is that?

People, unlike animals, are able to invent abstract ideas and collectively believe in them. The first shaman who 'saw' the spirits of wind and fire, without even realising it, 'launched' our entire civilization: they believed in these spirits, and they became real. Then rituals and sacred symbols emerged that brought strangers together. It is no longer necessary to remember a particular person and allocate a space in your memory to him: instead of the person's name, gestures, tattoos, and amulets are used to distinguish someone as being your own or someone else's.

Over time, even more complex ideas emerged that brought strangers together and enabled them to work together without knowing each other personally: religions, money, countries, philosophies, corporations, and much more. Our entire world consists of such invented entities, which combine to make up our culture. If they suddenly disappeared, we would again fall into small warring tribes.

All this has a direct bearing on your company: after all, your company is also an invented entity. Companies in their current form have existed for less than 200 years. The very existence of your company is an idea. It cannot be touched, seen, etc. What makes its existence real? Notarised statutory documents? But in terms of the job description, a notary is not very different from a shaman: he carried out a ritual and convinced others that your company exists, just as the shamans previously convinced others of the existence of spirits. And another invented entity, the state, made you believe in the power of notary. And in the state — yet another.

Let's go back to the 'source data'. The number of people in your company has exceeded the critical mass, and interpersonal relationships are no longer able to hold the people together. This means that they now need a symbol that embodies their unity.

The role of this symbol is assumed by the logo, corporate style, code of conduct, company mission; ratings and brands work for the symbol. Their goal is to translate into reality something that is easy to understand and of particular value for people who despite working together still barely know each other, and this brings them together.

Having a common object that they believe in, strangers have accomplished incredible things: they built pyramids, blocked off rivers with dams, and flew to the moon. A company that has reached a certain scale requires a super-idea: its employees must understand why the company exists, beyond simple financial gain. And something in the symbolism and culture of the company should embody this super-idea.

We should make an important reservation: a myth does not mean a lie. A myth, unlike a lie, is a real idea. It exists as long as people believe in it — both its creators and the people that follow it. The shaman sincerely believes in the existence of spirits, the general in the existence of his country, the bank teller in the existence of valuable items in the form of rectangular pieces of paper. And the company leader must sincerely believe in the idea that he conveys to his subordinates.

It's impossible to quickly outline the company's mission, hide it in the Our Mission section of the corporate website, forget about it a day later, and then expect it to bring your employees together and boost job motivation. First, belief, and then everything else.

Clients

Strangely enough, the company's clients, even though they are 'on the other side of the barricade,' are in this sense guided by the same considerations as the employees. And the battle for clients is also fought out at the level of the idea.

For a person to start long-term cooperation with you, it is not enough to just write him an e-mail or talk to him at a conference. Until he learns about who you are, he will instinctively treat you as a stranger. If you begin to aggressively market your services, he will treat you as a threat and try to either escape (under the pretext 'we have no orders for you'), or object ('thanks, but we already have a supplier'), or simply ignore you. But if you chat with him at different events and drink a couple of beers together and talk about life in general, he will suddenly have orders for you.

It is clear why this happens: having got to know you better, he let you into his 'pack', even if only temporarily. And his attitude towards you has changed: you are no longer considered a threat. You are a trusted person, and now you just need to justify this trust. If you do this, you will gain a permanent client, but if you do not justify this trust, you will be kicked out of the pack, and the invisible stigma 'stranger' attached to you.

Your success or failure is determined not only by personal connections, but also by the image of your company. If, for whatever reason, people around you believe that your company is reliable, they will deal with you. But if they find out that your employees have lied or let others down, things will get more difficult.

This is how mythology works: it allows you to make a purchasing decision without communicating with the seller. For some companies their mythology is their main asset. For example, Coca Cola and Apple are primarily quasi-religions, and only then about drinks and smartphones. That is why the reputation and level of recognition of your company is so vital.

Conclusion

We have taken a quick look at companies from the point of view of anthropology. We hope that this article will allow you to better understand the basic mechanisms of how your company works.

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