

Freud and the Managers

Psychology in the firm: How the findings of Sigmund Freud and his successors influence modern management methods.

Management by Freud: The dealing with psychological factors is the decisive success strategy for economic life.

Hardly has the public digested the Mozart overflow, the next big caliber of national identity approaches the agenda: Sigmund Freud, the founder of psychoanalysis, whose 150th birthday anniversary is on May 6. The marketing machinery unfolds in full swing – as an economic factor, Freud's path from the unconscious into the collective consciousness is amazingly short. From this perspective of the economy plays Sigmund Freud not only a role in a case-specific exploring of his broad appeal, but his findings form also the fundament of modern management strategies. Based on the often quite expensive – and how the example of the Bawag shows, current – experience that top managers sometimes develop an uncontrolled ego-dynamics in the wake of required dynamics, that defines the coming-back-down-to-earth as the petty-minded playground for infantry, moves (since the nineties) psychology increasingly in the focus of companies. Management training, coaching boom and psychologically oriented communication consulting develop into a prospering service sector, which – despite a certain degree of elasticity in the seriousness (keyword: Astro-Coaching) – established the acting individual at the core of entrepreneurial thinking. And with this also the theories of Sigmund Freud.

“We deal with all the psychological factors in the economy”, says Alfred Pritz, president of the World Federation for Psychotherapy and Rector of the Sigmund Freud University Vienna, summarizing a hardly overseeable research and application field. And by this he enters uncharted territory in many ways. Even though the intrinsic connection between the exploration

of psychological aspects of modern business strategies and the ancestor of this discipline, Sigmund Freud, may be obvious, a critical gap opens between goal-oriented coaching and process-oriented analysis. Coaching deals with the function that a person exercises within a structure, the psychotherapeutic approach, however, with the people themselves. This mismatch the Freud University wants to close. If one looks closely at the program, which Pritz and his highly qualified team of experts set up, the statement by Peter Drucker, the Austro-American pioneer of modern management theory, was almost prophetic: “Actually I am a psychiatrist without authorization.”

The coach of the couch. A concept that plays in almost every manager coaching a central role is authority. Of course, there are different interpretations of how the practice of formal power can be learned or trained; at one point, the coaching strategies, however, agree: authority is felt positively by subordinates only, when it is accompanied by a high degree of authenticity and therefore is transparent. In short: If an employee understands the motives of the leadership, the willingness to follow increases. This positive career role-playing, however, demands that managers themselves are aware, how they define their claim to power. And this journey of discovery often leads directly into the subconscious. “The exercise of professional authority should be accompanied by a continuous self-reflection. Because formal power is usually in a very fragile balance between pleasure and fear”, explains the trained psychotherapist Gabriele Kofler-Kraxberger, who also works as a coach. “Of course we may not confuse psychotherapy and coaching, but the therapeutic background offers much more depth and thus a greater sustainability.” A depth that particularly at the leading management level often falls too short, as the necessary hierarchical structures prevent an authentic communication. It is not easy to speak in clear text with the boss.

Authenticity is more important than training. Also in the communication from top to bottom runs something wrong in practice. “Especially because of too much training often the authenticity suffers”, observes the business psychologist Othmar Hill. “Speak directly, but don’t

slain anyone with the truth,” so his practical advice to executives. Manipulative communication is from his perspective one of the biggest productivity and motivation killer. “If someone says something, it should be correct, if you do not want to tell the truth, you should shut up”, so Hill. Communication techniques such as NLP, based on the now outdated behavioral psychology (Behaviourism), he qualifies as “manipulative and overestimated” – even though they remain to constitute a factor in the vast seminar scene.

Also another key word, which developed in modern management conceptually to a powerful all-rounder, creates in psychological context a much more sophisticated figure: the highly vaunted flexibility. Is flexibility defined as the opposite of rigidity, the inability to abandon trained structural patterns, it then requires the ability to create new patterns. And that in turn demands a high level of mental maturity and, above all, self-determination. If, under the guise of flexibility actually the invitation to obedience is being transported, the problems are therefore programmed. Like a majority of the problems with which professional management coaching deals – only that this programming is not at the conscious level, but in the unconscious. Kofler-Kraxberger therefore concludes: “The ability for self-reflection is one of the most important skills that tag successful, modern managers.”

Trust is good, control is better: a wisdom, which is also applicable to self-confidence. So recommends Regina Jankowitsch, who has crucial coaching experience in the field of politics, every manager to set up a kind of control group – be it from the circle of friends or professionally run – that tests in regular intervals the own consciousness-raising as an emotional corrective. Without these reflective breaks the manager risks losing his or her mental balance and turns his working relationship into an emotional dependency. “In a balanced ideal state the mental condition rests on three pillars: the job, the private life and the personal passion, which you have completely for yourself”, describes Jankowitsch her coaching model. “In the top management is the risk that this balance will tilt in the direction of the job very high, because success and power often have effects like a drug. The job takes over as the only meaningful instance the whole life situation. But

who sets everything on one card is automatically extremely vulnerable and highly dependent. The logical consequence is fear, which establishes itself subconsciously.” And from there co-determines the professional interaction processes. Apparent consequence is avoiding any conflicts. Behind every conflict is the “danger” of a change that threatens your life-world. “That can go so far that executives will not enter elevators jointly with their employees. But who is afraid of people, can not be a good manager.”

“Leadership positions are particularly attractive for neurotic personalities”, says business psychologist Hill. One international survey claims that the personality of every third boss expresses psychopathic patterns. The percentage of psychopaths in the total population is around one percent. Fatal thereby: characteristics such as not being able to lose, ego-relatedness and self-optimization can be of advantage for climbing up the career ladder. In the long run those personalities, who place not the company but their own achievements and sensitivities at the heart of things, threaten the status of firms. The U.S. psychologists Paul Babiak and Robert Hare have therefore developed a test (B-Scan), which should already detect preventively such personality structures, before a potential psychopath rises to higher management positions.

Economy and psychology as export hits? The diverse and significant influence of psychological factors on the performance and competitiveness of companies creates an expectation that the demand of the economy for professional assistance from trained coaches and therapists will continue to increase in the next few years. “Especially the advancing globalization requires not only cultural, but also psychological sensitivity”, says Pritz. With the Sigmund Freud University, Vienna wants to be a distinguished international center of academic training for these tasks. The nimbus of a qualification, acquired in the hometown of Freud, could be useful in the future for economically active therapists and psychologists in their fight for lucrative consultancy. Pritz: “There is already interest in cooperation with us from Berlin, Paris and Beijing.”

– Jakob Hübner, Michael Schmid

