



**Actuaries  
Institute**

# **Fearless Leadership – Where Neuroscience Meets Leadership**

Katharine McLennan

# FEARLESS LEADERSHIP

I shall be telling this with a sigh  
Somewhere ages and ages hence:  
Two roads diverged in a wood, and I --  
I took the one less travelled by,  
and that has made all the difference.

-Robert Frost, 1915







**Recession in the US 'has arrived'**  
The feared recession in the US economy has already arrived, according to a report from Merrill Lynch.  
It said that Friday's employment numbers will trigger global slump

**Soros predicts worst recession for 50 years**  
And collapsing stock prices worldwide, the for George Soros has told an  
ve Soros, that the United  
worst financial crisis in half  
ation is much more serious  
that since the 1930s

**Black Monday: recession fears spark global share crash**  
FTSE suffers biggest fall since 2001  
Interest rate cuts predicted

**FEAR STALKS BEAR MARKET**  
A SPECIAL ISSUE ON THE GLOBAL FINANCIAL CRISIS  
FULL REPORTS PAGES 2-7, HOW IT AFFECTS YOU PAGES 4-5, JEREMY WARNER PAGE 47



**CNN.com** **Dow's wild ride** **Bloomberg.com**  
**Vertigo on Wall Street** **World markets topple after U.S. fall**  
**ush Just Makes It Worse** **washingtonpost.com**

**Fear-Driven Selling Punishes Markets**  
**A Day of Wild Swings for U.S. Markets**  
**The New York Times** **THE WORST WEEK**  
**DRUDGE REPORT**  
**Stocks Lower After Day of Wild Swings**

**Wall St. Caps One of Its Worst Weeks Mixed**  
**U.S. Proceeds With Plan for Equity Stakes in Banks**



**Economist**  
**Off a cliff**  
**When fortune frowned**

**abc NEWS**  
**Treasury chief: U.S. working on plan to invest in banks**

**Worst Week on Wall Street Ends Down**

**G-7 Pledges to Take 'All Necessary Steps' to Stem Global Financial Crisis**  
**HITTING HOME** **THE ECONOMIC SQUEEZE**

**BusinessWeek**  
**MELTDOWN**  
FOR HOUSING, THE WORST IS YET TO COME

**The Economist**  
Sarkozy's Thatcher moment  
Green protectionism  
The coal boom  
Banking in Africa  
Killing pigs in Romania

**America's vulnerable economy**



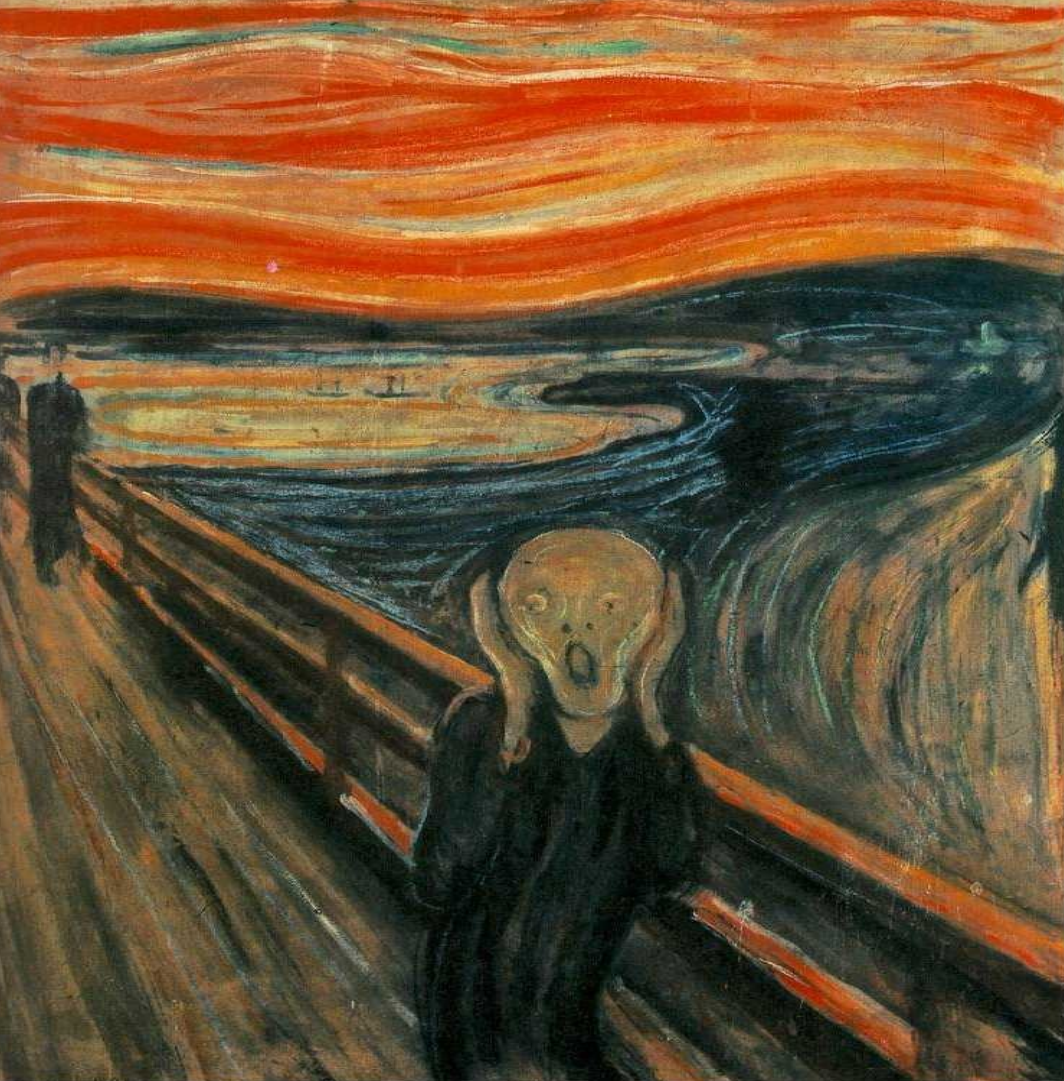
Don't tell me we have  
another reorg coming.

Reorgs make me angry.

You wouldn't like me  
when I'm angry







**F**<sub>alse</sub>

**E**<sub>vidence</sub>

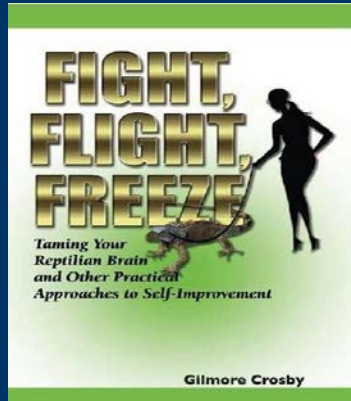
**A**<sub>ppearing</sub>

**R**<sub>éal</sub>

1 Know what  
triggers  
you

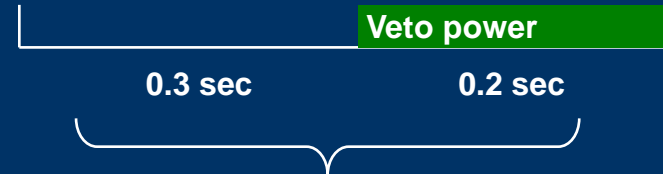


2 Know how you  
respond  
automatically

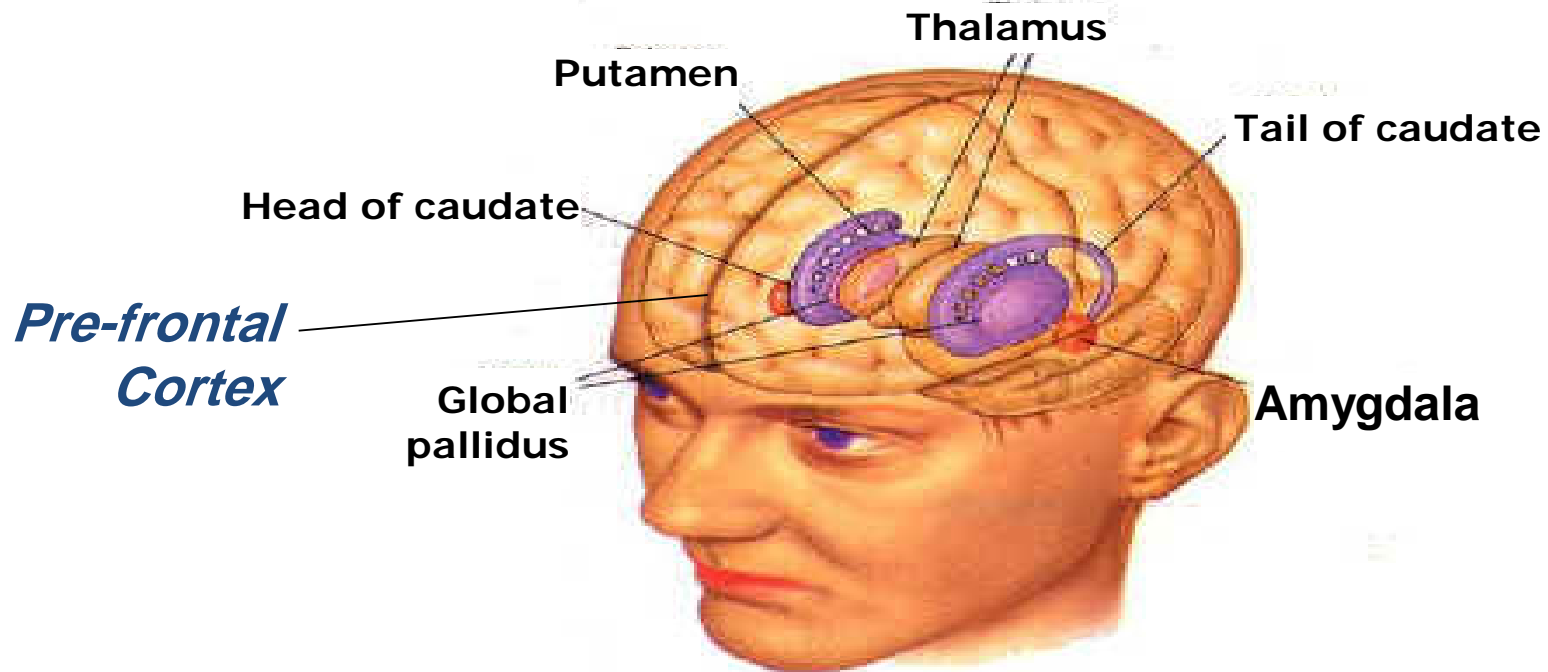


4 Mind  
fitness

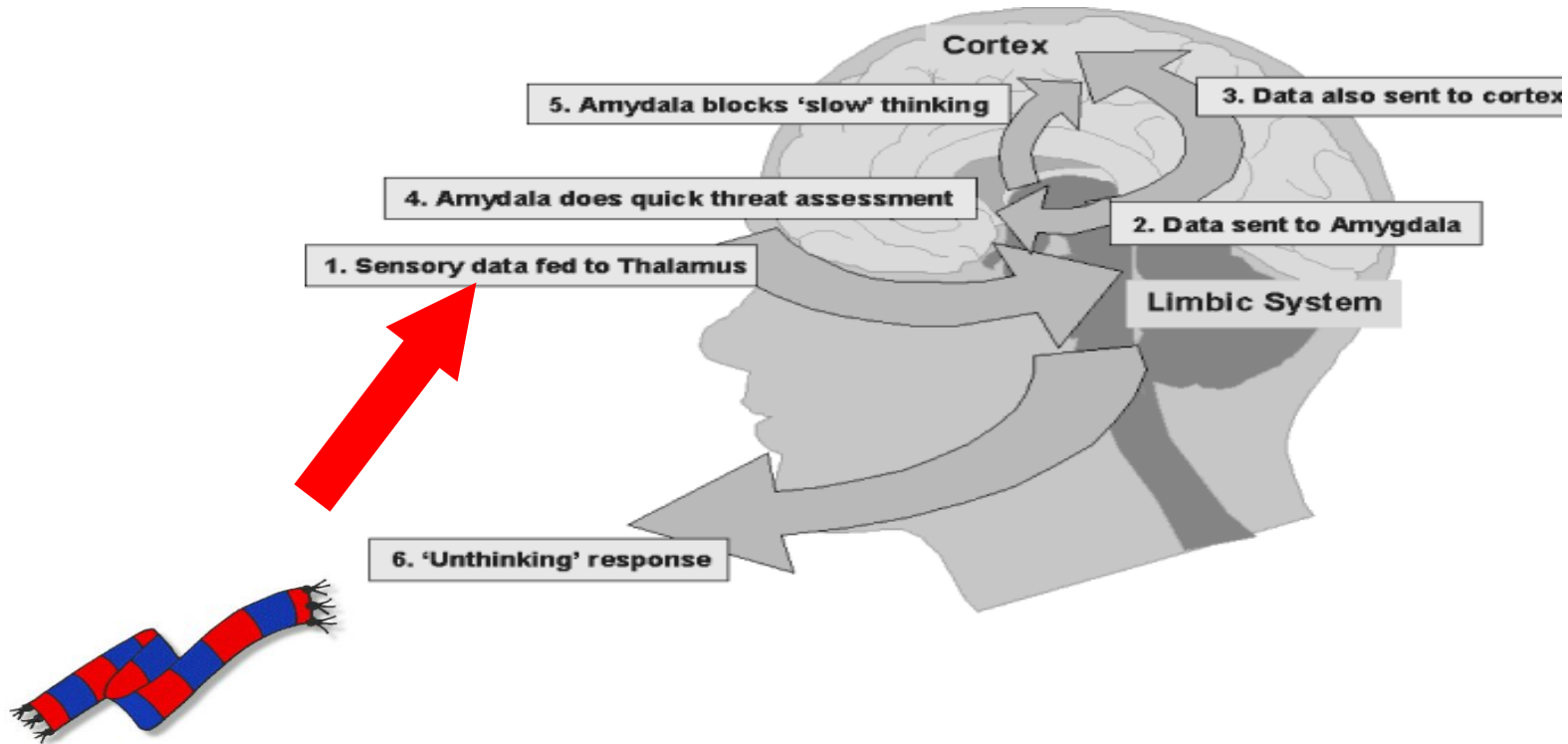
3 CHOOSE  
rationally  
instead

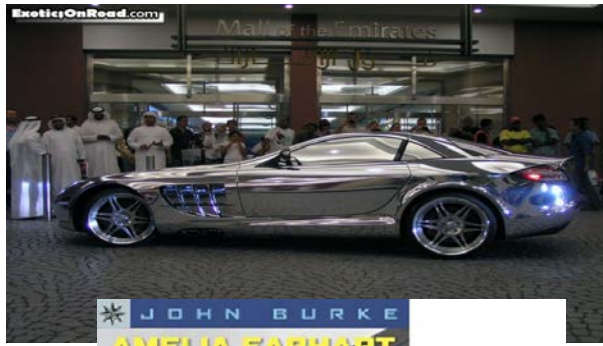






# THE AMYGDALA HIJACK





**S**tatus

**C**ertainty

**A**utonomy

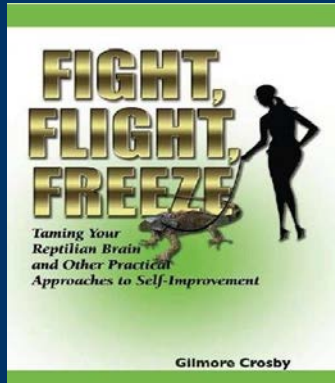
**R**elatedness

**F**airness



1 Know what triggers you

2 Know how you respond automatically



3 Choose rationally instead

4 Mind fitness





An iceberg floating in the ocean. The small tip above the water is labeled 'Perceived Behaviour'. The much larger submerged part is labeled 'Conscious Intention' and 'Subconscious Core Beliefs: Needs'.

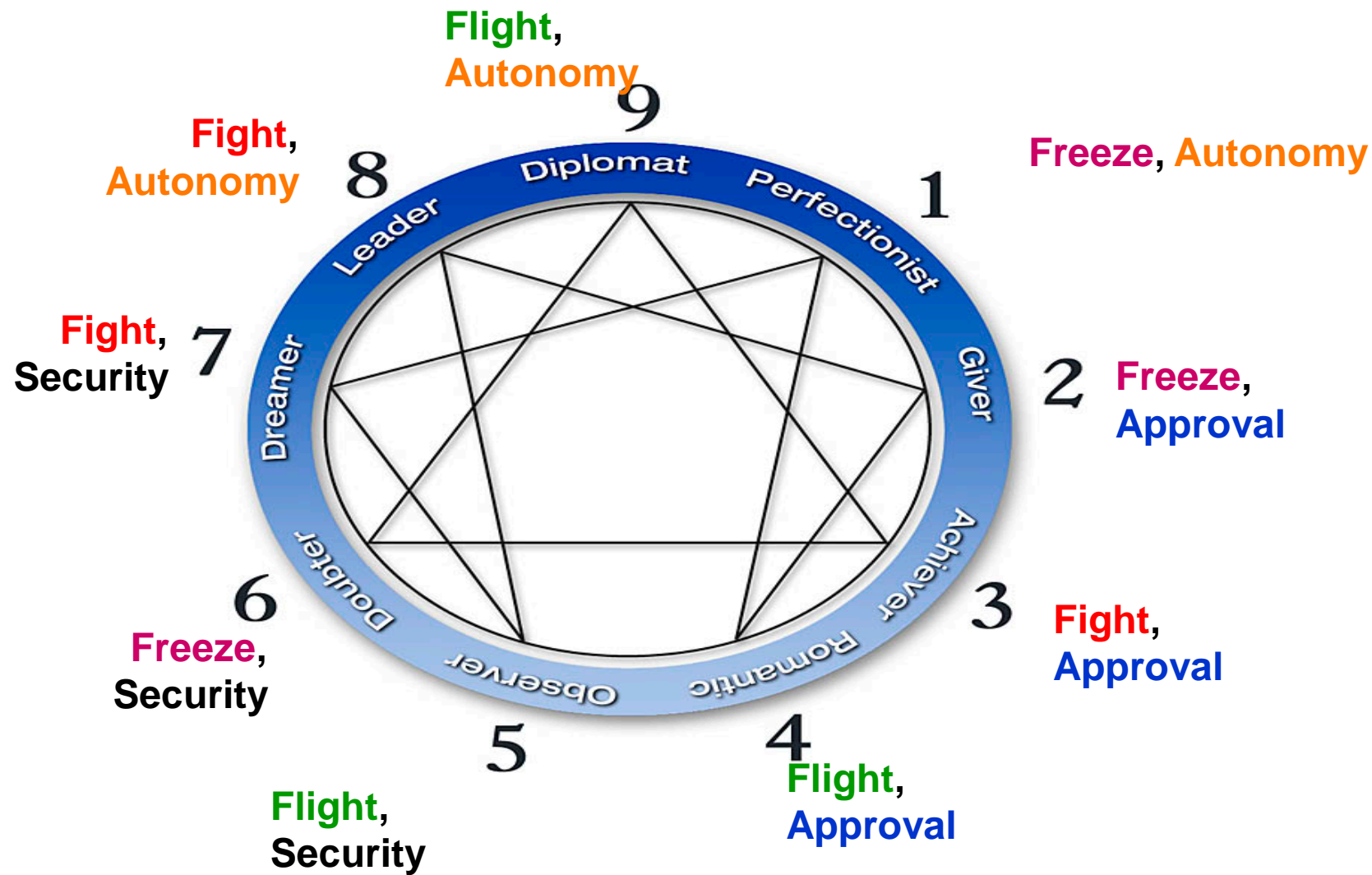
Perceived  
Behaviour

Conscious Intention

Subconscious Core  
Beliefs:  
Needs

- 1) **Fight**
- 2) **Flight**
- 3) **Freeze → Comply**

- 1) **Attention, approval → Heart**
- 2) **Autonomy, anger → Body**
- 3) **Security, fear → Head**



*fears failure and  
loss of power*

*fears rejection  
and loss of  
reputation*

EXTROVERT

Dominating, Directing,  
Demanding, Determined,  
Decisive, Doing

Inspiring, Influencing, Inducing,  
Impressing, Interactive,  
Interested in people

TASKS

PEOPLE

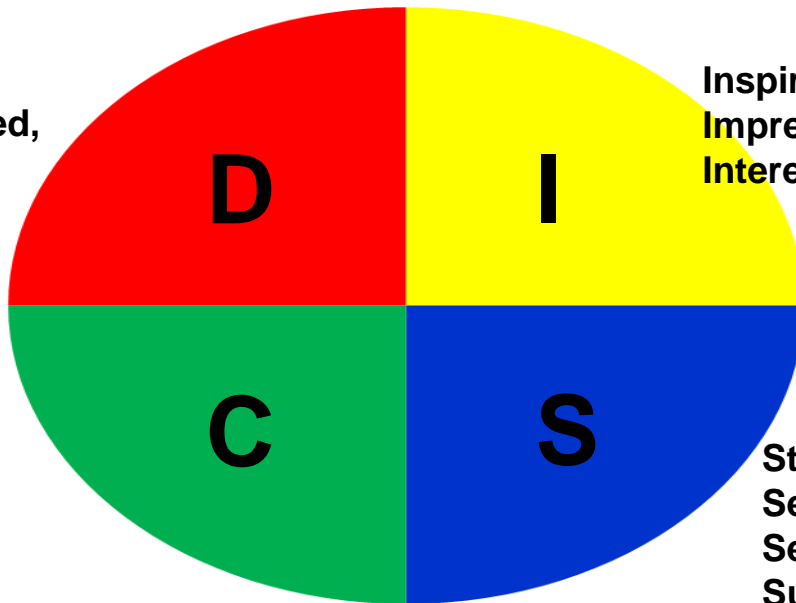
Cautious,  
Competent,  
Calculating,  
Compliant, Careful,  
Contemplative

Steady, Stable, Shy,  
Security-oriented,  
Servant,  
Submissive,  
Specialist

*fears inaccuracy  
and  
unpredictability*

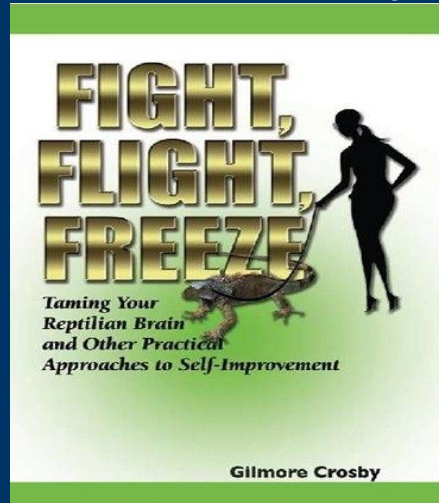
*fears insecurity  
and change*

INTROVERT



1 Know what  
triggers  
you

2 Know how you  
respond  
automatically



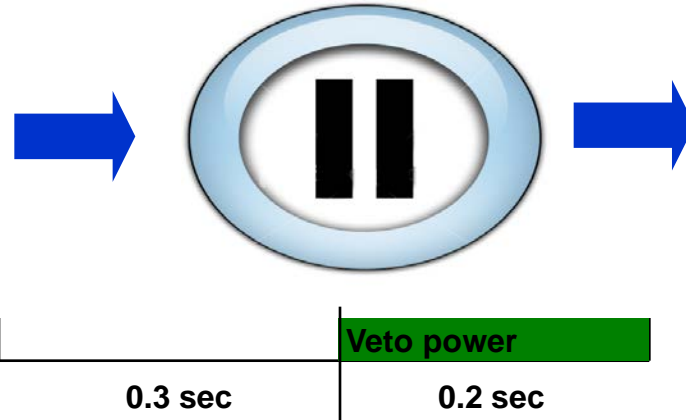
4 Mind  
Fitness

3 Choose  
rationally  
instead

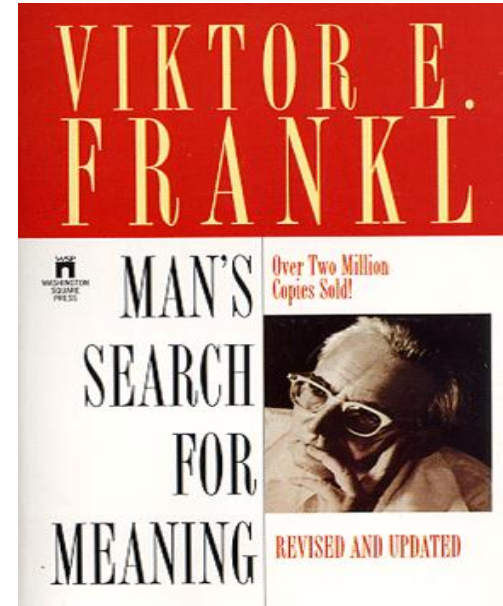




We *do* have choice



Our Response



# THE LEADER'S CHOICE

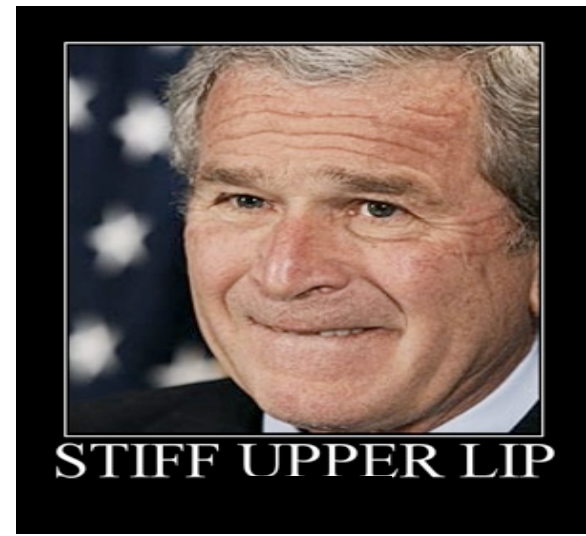


**FEAR**  
**Amygdala**  
**Hijack**



**SUPPRESS**

**OR**



**False**  
**Evidence**  
**Appearing**  
**Real**

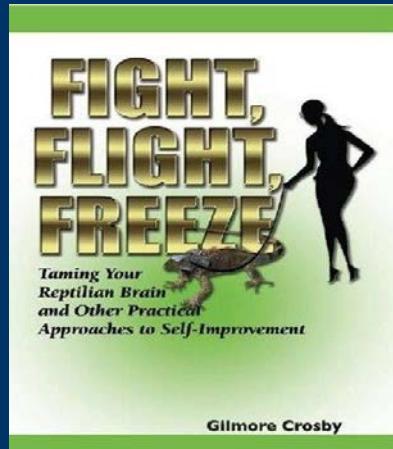


**REAPPRAISE**



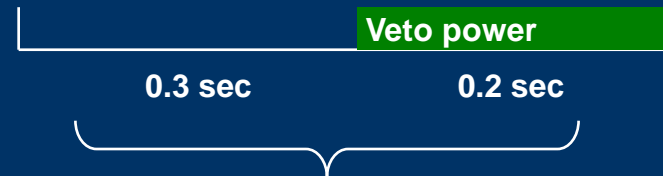
1 Know what triggers you

2 Know how you respond automatically



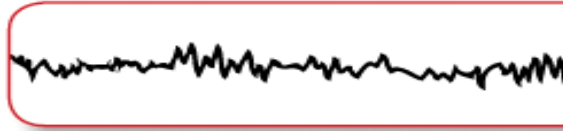
4 Mind Fitness

3 Choose rationally instead

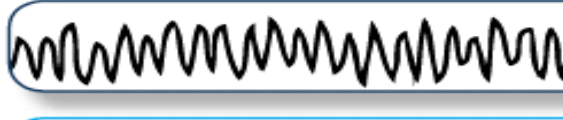


# Brain fitness through mindfulness

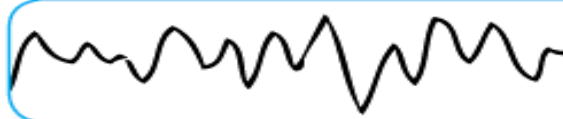
BETA



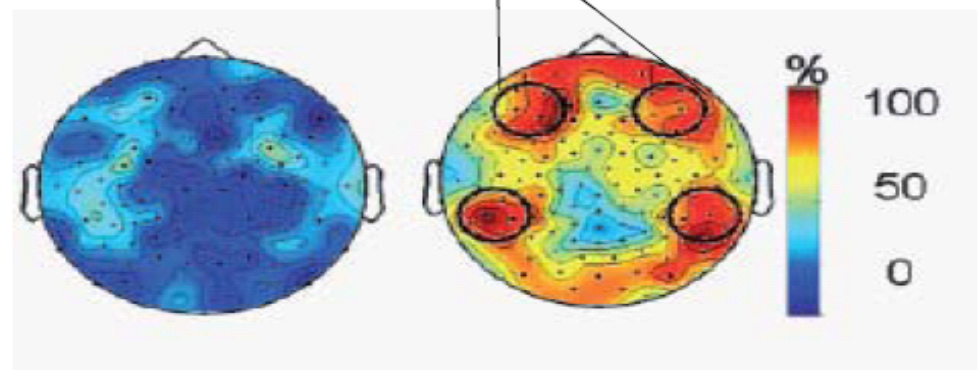
ALPHA



THETA

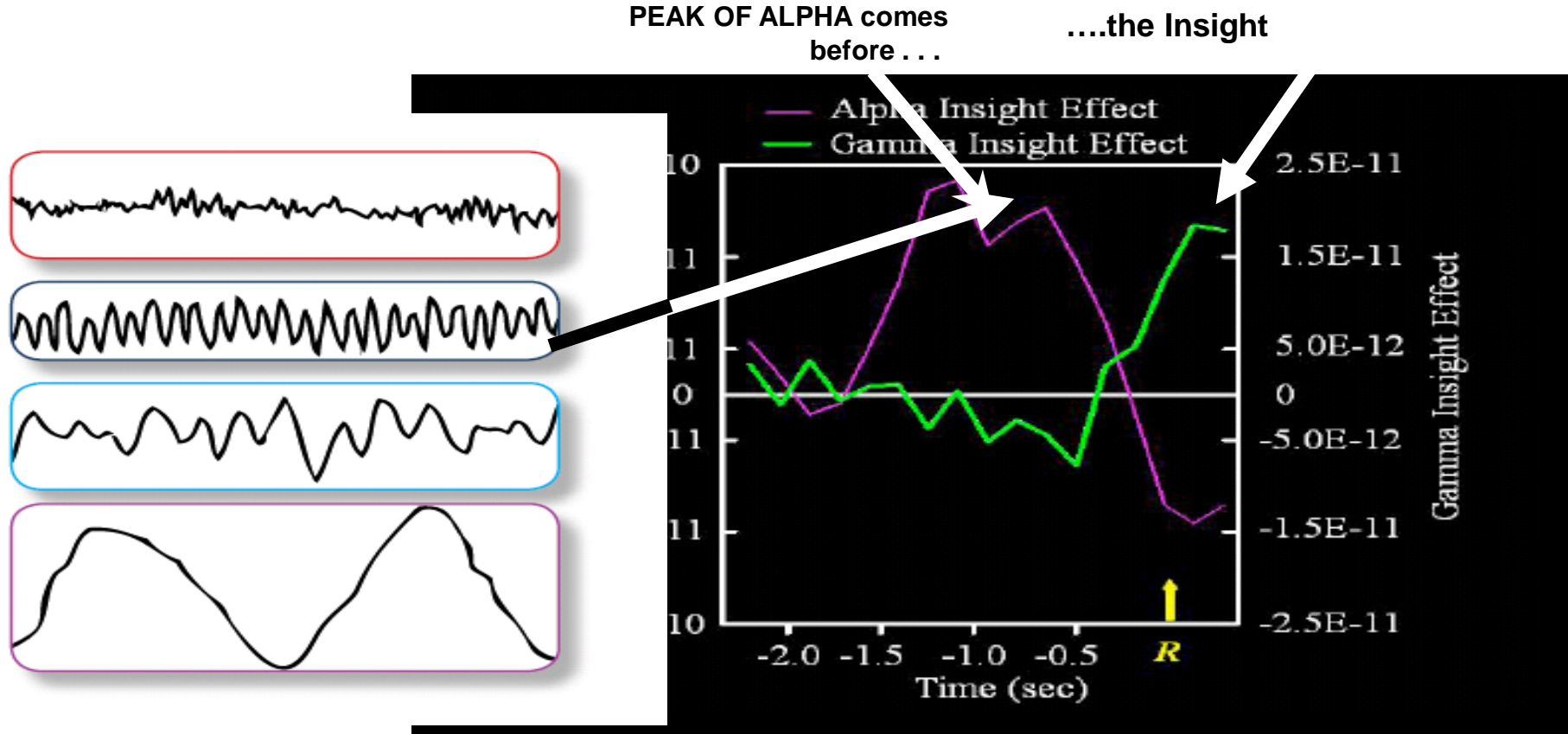


DELTA





# The mind must be relaxing before innovation arrives



## Holistic fitness . . . .

Education

Stress management

Spirituality

Exercise

Nutrition

Connectedness

Environment

### *Spirituality?*

"He who has a why  
to live can bear with  
almost any how."  
Nietzsche

**Leadership: The ability to still the mind and see the potential**

**SAWUBONA!**



**SIKEIONA**



**The Nelson Mandela Rule**

A photograph of a dirt path in a forest, with a large green rectangular overlay on the top half containing text.

**An optimist sees an opportunity in every calamity;**

**A pessimist sees a calamity in every opportunity.**

**Winston Churchill**

**Which road will you take?**