

Managing (ir)Rational Behavior

(Case Studies in Managerial Psychology)

Robert F. Kenny, Ph.D.
Florida Gulf Coast University

The Theory of Relativity

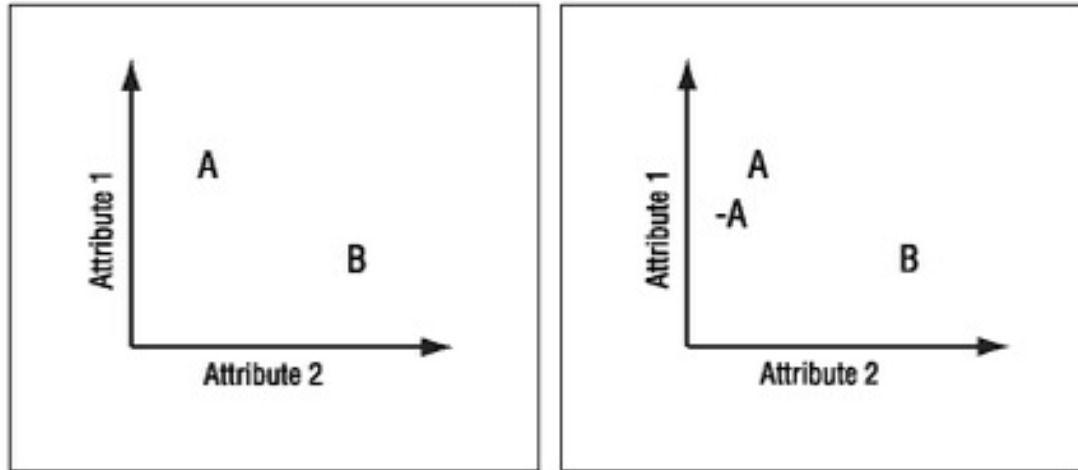
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The Theory of Relativity

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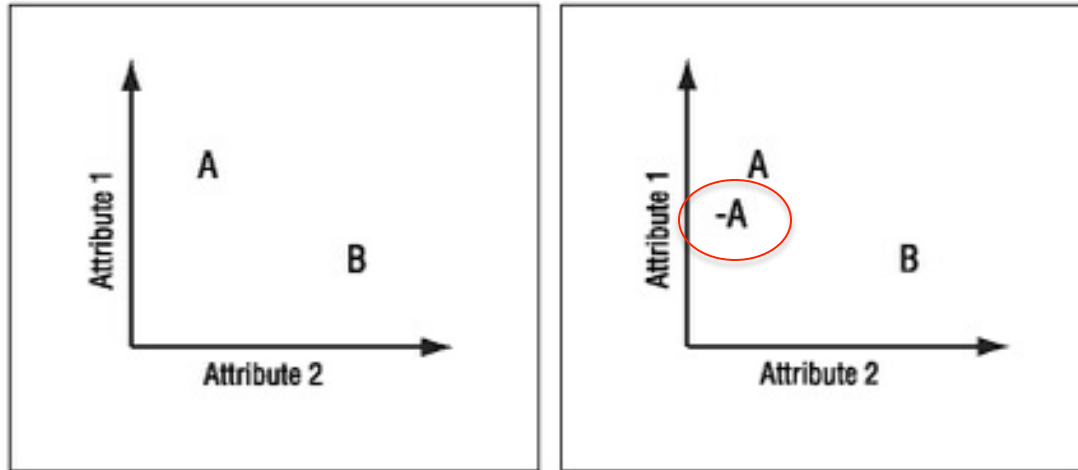
The Theory of relativity

- Arbitrary coherence



The Theory of relativity

- Arbitrary coherence



“YTP”

- From Wikipedia:

YouTube Poop (often called YTP or Poop for short) is a type of video mashup made by editing pre-existing media sources for the purposes of humor, entertainment, shock, and/or confusion

The Downside of Relativity

- Wanting what others have:



'Group Think'

- Gaining Consensus vs Managing by Committee:



Think like a 'Freak'



A Word about Moat Building



What Stupid Criminals and Smart Chess Players Have in Common

- People who are least able are often the most confident



- Chess players have a rating system but they tend to ignore it

“To know that we know what we know and that we do not know what we do not know”

“... that is true knowledge”

- Confucious

The Effect of Expectations

- Where to Set the Bar:



Would the world be a better place if we always trusted our guts?

- Snap Judgments
- The gosling experiment
- The Illusion of Confidence
- Not letting our emotions rule

The Cost of Social Norms

- Making something difficult to attain helps humans covet something more
- Work as a source of motivation and self-definition
- Paying someone in situations governed by social norms can be demotivating

When Zero > One

- People tend to devalue things that are (almost) free
- Once money enters the equation we tend to take more than we need
- When it is free we tend to share

When Zero = Zero

- Everyone Wins a Trophy:



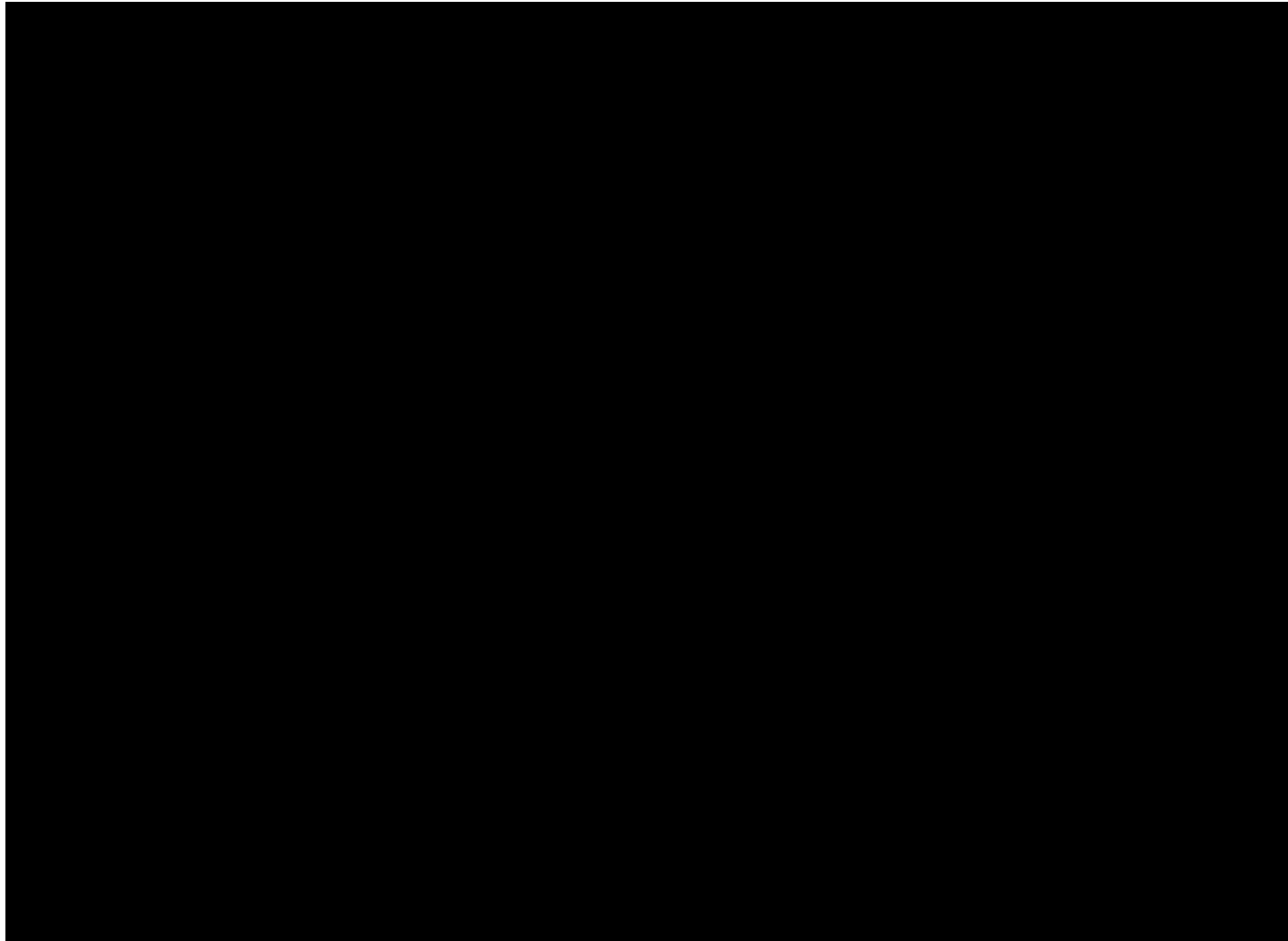
“There are liars, damn liars, and then... there are statisticians”

- The Truth about (dis)Honesty

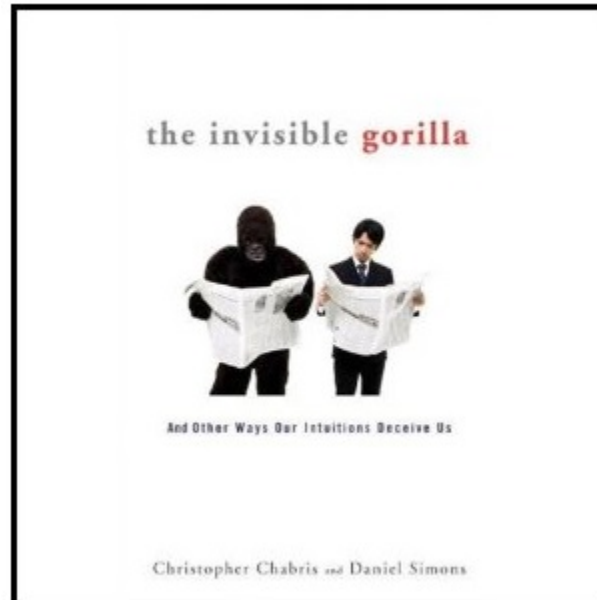


- Sometimes data simply helps us justify what we want, not what is rationally correct
- Ignoring/over-relying on data

Passing the Ball



Did You See the Invisible Gorilla?



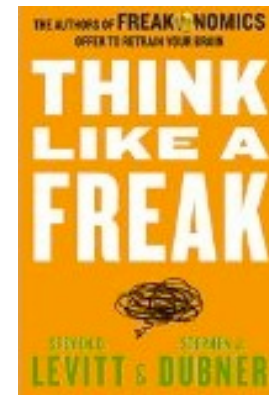
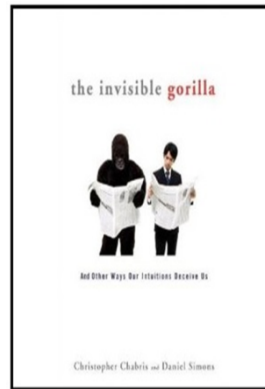
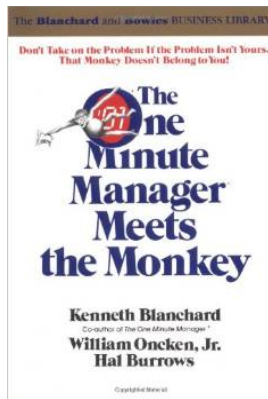
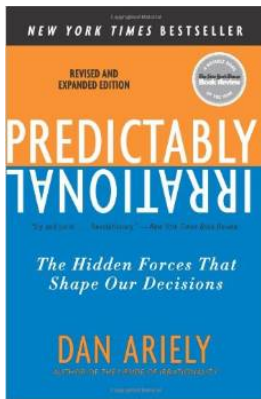
- Seeing what you want to see
- Hearing what you want to hear
- Wrong perceptions

Failing to see the Big Picture

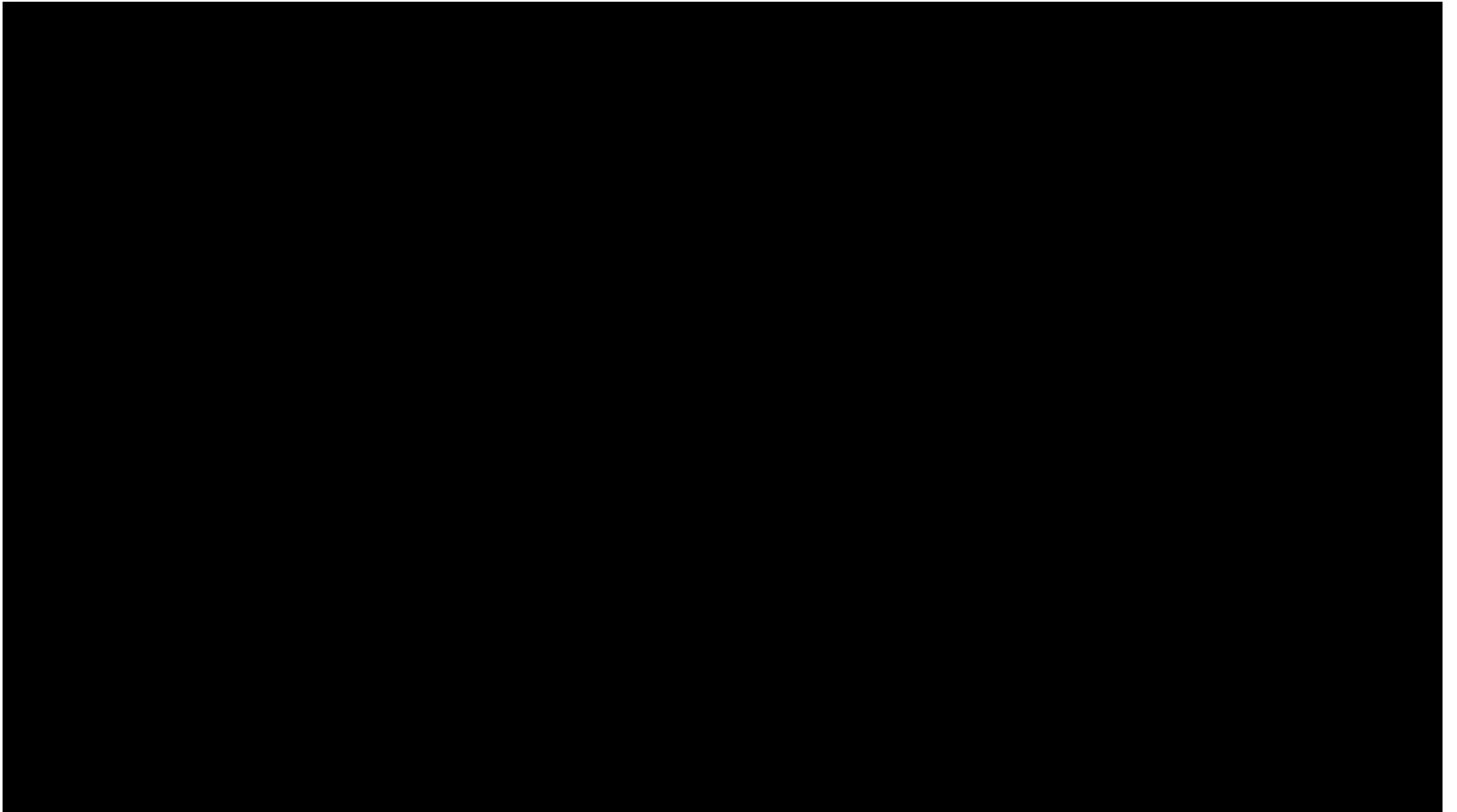


Passing the Monkey

- Allowing your faculty to pass their monkey on to you
- Meeting your own priorities
- When your faculty thinks they are over-worked
- Self-created crises



Some Things You Just Can't 'Fix'



rkenny@fgcu.edu