# **EXECUTIVE EDUCATION**

# INTRODUCTION TO: THE SOCIAL PSYCHOLOGY OF RISK

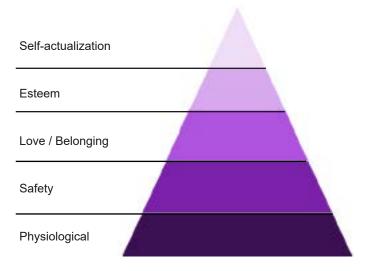
Discussion Paper





# INTRODUCTION TO THE SOCIAL PSYCHOLOGY OF RISK'

### Maslow's Hierarchy of Human Needs



While Australia is undeniably an amazing country, with enormous potential, it is interesting that many people who What I do when I work have lived here all their lives often take for granted how amazing this country is. Part of the challenge is that for the last three decades, people have generally grown up, been What I do when I'm not working educated and have worked without ever having to think about

something goes seriously wrong - or what they may or may not have to eat, or where they will stay.

They have the luxury of being able to almost solely think about those matters further up Maslow's Hierarchical pyramid such as: Do I have a good group of friends? Will I find someone I love? Do I feel special? Does the job I do give me fulfilment? How do the things around me make me feel?

the physiological and safety issues illustrated in the hierarchy above. Most people never have to think about what to do when

Consequently (and part of the problem), people exposed to the lower level issues often crumble in worst-case scenarios. This is primarily due to the fact that they have never been given the skills they need to cope with these worst-case scenarios. Thus, we see increases in issues such as drug abuse, mental health issues, alcohol abuse, etc.

So how should this all be factored in? It must start with the idea of the Whole of Person Model<sup>2</sup>.

Applying the

## WHOLE OF PERSON MODEL (WOPM)

- Personal life
- Work life
- Virtual life

Think about yourself – there are three aspects to your life:

The time when I transact virtually.

More and more our lives are virtual, increasingly in a VUCA world these aspects intersect. Would old-school, industrial age thinking (think old-school Work Place Health and Safety which focused only on the work place) consider how many people check emails at the airport, on the train or bus, take work calls in random places, or work from home? The world has changed.

Old school methodologies do not work as effectively as they did – policies and procedures that tell people what to do, explicitly in the context of one site, may not work at all. How do we manage WHS, when the popularity of work-from-home employees is drastically rising? Managers cannot inspect all employees working from home to ensure they're standing up every half hour, or to make sure they're managing their teams to do this. This new virtual, VUCA world presents many challenges and places a much higher level of trust on employees.

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<sup>1</sup> Much of this material is drawn from 'Can I see your Hands' by Dr Gav Schneider (2017), Universal publishers and Risk 2 Solution IP and used with permission.

<sup>2</sup> Note the WOPM and the appropriate methodology to develop it are the intellectual property of Risk 2 Solution and cannot be utilised by any party without express written permission



In addition, the focus needs to be on the way virtual markets are intersecting. To illustrate – imagine a seemingly trustworthy staff member is given a \$10 million budget to manage. At night that same person goes home, logs onto an online gambling site, enters their credit card details onto the site (likely not all that trustworthy) and ultimately sees nothing wrong with their gambling addiction. Would this person be seen as someone who could make good decisions in the workplace?

The way managers and leaders think must evolve. Attributes must be built that cover all three areas – professional, virtual and personal – and start by addressing what people do in worst-case scenarios. If people struggle to manage workload, how do we expect them to improvise, adapt, be agile, seize emergent opportunities, and manage stress associated with that.

What has been found, in the Social Psychology of Risk program and its underpinning research, is people do not differentiate between social stress or physical threat. For example, the same fight or flight response is triggered if someone is stabbed, or if they are alienated because they are not in the 'it' group. It causes the same, adrenal responses, and creates the same negativity. This is why it is so important to train those real attributes (agility, resilience, listening, empathy, emotional intelligence, situational awareness, decision making capability, etc.), as opposed to only traditional perceived attributes.

If people are not taught how to manage adrenalin and stress, regardless of its manifestation, it makes it far more difficult for them to cope with complexities the world throws at them.

There is a lot of talk around psychological safety these days. But it still seems that the basic things people learn at kindergarten are forgotten, or ignored, when entering the business world – namely, the ability to play nicely and share – which are fundamental life skills. It is somehow thought that this doesn't translate up to the highest level, so while at times the focus is on complex management and leadership development processes, the basic skill of listening and the ability to develop basic level emotional intelligence is assumed but not often taught or developed. It is assumed that leaders, already possess these skills – because people wouldn't be a manager, or a leader, if they didn't.

This has to change – we need to put effort into these core skills to create embodied leaders who can make great decisions and personify great risk culture.

#### **DR GAVRIEL SCHNEIDER**

Gavriel is a global entrepreneur and behavioural change specialist with over 15 years leadership experience, working in complex environments across the globe. He is the CEO of Risk 2 Solution Group, a market leading, integrated risk consultancy and also the founder of the Take Action Foundation, a charity that supports children and women who live in violent or disadvantaged areas. Gavriel is the Course Director for ACU's Graduate Certificate in Psychology of Risk.

This discussion paper, in part, captures key findings from a series of executive events. Please note that Dr Gavriel (Gav) Schneider, is a 'scholar-practitioner'. He has intertwined real life experience with robust academic practice. This paper has been written in a manner which switches between Dr Schneider speaking in the first person and the citation of more academic approaches. This has been done purposefully to enable the reader to get a feeling for the sessions that were held and the research and outcomes of Dr Schneider and his team, which are taught as part of the highly respected Graduate Certificate in Psychology of Risk.

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