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The Similarities Between Business Organizations and Psychology

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Academic Leadership Journal

When one looks at a list of common psychology words, terms and phrases along with their definitions; and then attempt to apply these to business organizations; it is amazing how psychology applies to business organizations in a very direct manner.

Let's review some common psychology words, terms, phrases and their definitions; and apply them to business organizations.

Get ready for amazement and a revelation that will create much personal thought and serious discussions with others.

Business Organization:

Departments, functions, employees and staff not working together affectively as a team and not towards a single positive purpose and goal (a 'Mission Statement' alone does not fix this)

Psychology Term, Word, Phrase + Definition: Dysfunctional

Inability to function emotionally or as a social unit

Not performing as expected

Affected by disease or impairment

Malfunctioning as a structure

Business Organization:

Major tasks and needed improvements rarely gets completed and often delayed with comments of 'let's schedule for next year'

When next year comes around, it is delayed yet again

Psychology Term, Word, Phrase + Definition: Procrastination

Procrastination is the counterproductive deferment of actions or tasks to a later time

A mechanism for coping with the anxiety associated with starting or completing any task or decision

Often producing stress, guilt, crisis and severe loss of productivity

Procrastination is often surrounded with issues of anxiety, low sense of self-worth and self-defeating mentality

Business Organization:

Customers, clients and markets not having a good understanding of a business organization or lack of positive feelings toward it, is often referred to as lacking brand and lacking positive brand awareness.

The business organization internally can be confused about themselves regarding purpose, objectives, value to market clients and customers, capabilities and more.

Psychology Term, Word, Phrase + Definition: Identity Crisis

Losing a sense of personal sameness and historical continuity of some shared world image

Critical period in emotional maturity and personality development involving reworking and abandoning earlier ways

The turning point of a disease for better or worse

Time of intense analysis and exploration of different ways of looking at oneself

Balance of identity and confusion, leads to making a total commitment to an identity

Business Organization:

Not seeking out, recruiting, hiring and retaining staff and employees with the highest level of skills, knowledge and expertise that is available that then causes struggles and a lack of business growth in many ways. Not building a team of individuals with the highest level of expertise that can be found

Psychology Term, Word, Phrase + Definition: Peer Group Influence

Peer groups are an important influencer throughout ones' life

Peer groups influence and encourage attitudes, values and behavior

Peer groups can cause people to do things that they would not normally do, both positive and negative

A negative could be not being productive or exhibiting bad behavior that harms oneself or others

A positive could include being more ambitious, working as a team member, working hard to succeed

Business Organization:

It makes good business sense to hire staff and employees with the highest level of knowledge, skills and expertise. This is what helps grow the business.

Often times, business organizations do not do so and you can hear employees comment about how the organization does not hire the most competent people that they should

This can be company-wide or focused on specific departments depending on leadership and management

Specific individuals in management in positions of authority may directly influence the hiring of staff well below their own level of knowledge and competence. They may not feel good about the potential of

hiring those with higher levels of knowledge, skills and expertise than their own. They may feel that such higher skilled individuals are a direct threat to themselves for a variety of reasons. This can happen both consciously and unconsciously but it usually is obvious from their actions and from the observations of others.

Of course, this hinders the business organization from growing and puts it jeopardy to struggle and fail

Psychology Term, Word, Phrase + Definition: Ego Defense Mechanism

The ego is one's self image and who we believe ourselves to be

This can be positive and productive, it can negative and non productive or it can be misleading and non productive

It is how we look at the world and how we want the world to look at us

It directly interfaces with the world around us so it can be healthy and productive or it can be not so healthy and not productive

It directly influences our perceptions, good decisions and bad decisions

When there is a threat perceived to ones' self-ego, we can react in a negative non productive way
This can happen to maintain our self-image

This false ego and protecting of one's ego is often stimulated from an earlier loss or traumatic experiences

Business Organization:

Making some initial attempts to improve and to grow but stopping short

Psychology Term, Word, Phrase + Definition: Approach Avoidance

Conflicts, of something positive and the actual contact with that behavior

The tendency to flee or act defensively is stronger than the tendency to go forward

Conflicts occur when a goal has both positive and negative characteristics causing an individual to fear something that they desire

When the goal is far away, both positive and negative feelings about the goal are less strong

A pattern of approaching a goal or behavior and when getting close, then backing off and avoiding it

Business Organization:

Feeling that the business organization cannot grow, has low worth or value to the market and to customers and clients; and does not deserve staff and employees with high level of skills, knowledge and expertise that can help the organization to grow

Failing to be progressive and positive to grow the business

Psychology Term, Word, Phrase + Definition: Low Self-Esteem and Depression

Low Self-Esteem:

Lack of self -worth and confidence

Feeling overwhelmed by the pace of life and a failure compared to everyone else

Playing it safe and not trying anything new

Behaving timidly and not asserting oneself

Not asserting oneself and putting oneself down

Trying to escape unpleasant realities

Dwelling on the negatives

Taking pleasure in stories about the troubles of others

Being negative; nothing is good and everything is horrible

Do not like one-self and ones' looks

Putting little effort into things because of doubt to be successful

Depression:

Depression is more than just a feeling of being 'down in the dumps' for a few days. It is over a longer period of time

Symptoms include; sadness, loss of interest, loss of interest in activities that once gave pleasure and was enjoyed, difficulty sleeping, change in weight, energy loss, feelings of worthlessness and helplessness, and sometimes even thoughts of death and ending all

The symptoms persist and interfere with everyday life

Business Organization:

Resisting expanding business within current market, into other markets in application and geographically, national and international

Psychology Term, Word, Phrase + Definition: Anti Social

Lack of adherence to social standards and beliefs that allow members of that society to coexist peaceably

Extremely selfish and self-centered

Sometimes arrogant, overly confident and cruel

Most deviants have an early onset and showed clear signs of anti social behavior early in growing up and developing

Business Organization:

Feeling that they are the greatest and 'the best' no matter how wrong or lacking

Psychology Term, Word, Phrase + Definition: Delusions of Grandeur

Fixed beliefs that are false

Fantastic beliefs that one is powerful, great, famous and knows everything

Sufferer does not have insight into their loss of touch in reality

Business Organization:

A fear and avoiding efforts to change, improve and grow, no matter what staff encourages, market demands and customers and clients ask for

Psychology Term, Word, Phrase + Definition: Phobias and Fears

An intense fear for something that in reality poses little or no danger

The experience can be so nerve-wracking that you may go to great extent to avoid it

Business Organization:

MBWA / 'Management by Walking Around' is always effective. This is where management continually walks though the business talking with employees and staff to inquire how is everything, how are they and any suggestions that they have. This shows employees and staff that management cares about them and they value their personal efforts, inputs, ideas and suggestions

When this is not a normal occurrence in an organization and management occasionally and suddenly comes out of their office to demand abnormal tasks to be done immediately lacking beneficial meaning, it can be a symptom of something else

Psychology Term, Word, Phrase + Definition: Manic, Manic Depression, Bi Polar

Manic is when an individual is excessively distracted by an unimportant stimuli. It is a state of abnormally elevated or irritable mood, arousal and energy levels

When it is linked to other times of depression as in a cycle, it may be referred to as manic depression or bi polar

Business Organization:

A belief about themselves, their markets, capabilities, value, customers and clients that is not close to

reality

Psychology Term, Word, Phrase + Definition: Schizophrenia

Interpreting reality abnormally

Abnormal perceptions that contribute to chronic problems individually and socially

Business Organization:

Continue to act and do things over and over again that are not affective or productive but hoping that someday results may be different or better

This wastes time and money and contributes to the decline of the business

Psychology Term, Word, Phrase + Definition: Psychosis

Loss of contact in reality

Impaired reality testing

Unable to distinguish between personal subjective experiences from reality

Business Organization:

Business executives and managers that deliberately mislead, lie, cheat and steal to cause harm to others; customers, clients, employees, the business organization

Psychology Term, Word, Phrase + Definition: Psychopath or SCDD Social Conscience Deficit Disorder

Not concerned with wrecking or hurting of others

Having only contempt for others' feelings and ready to take advantage of them

Lack of empathy, unable to empathize with the pain of their victims

Lack of remorse, shame or guilt

Persistent lying and stealing

Rationalizes the pain and harm they cause to others

Exploits others

Authoritarian and secretive

Grandiose sense of self

Superficial charm

Incapable of true emotions

No concern for their impact on others and no remorse

Oblivious to the devastation that they cause

A pattern of violating the rights of others

Usually the behavior starts in child hood

Changes their image and life story as needed to avoid criminal prosecution

Business Organization:

Not making decisions, taking too long to make decisions or making bad decisions that causes a business to decline

Psychology Term, Word, Phrase + Definition: Poor Decision Making

Decision making is vital for individual's health and social well-being

Good decisions are based on a foundation of knowledge and sound reasoning

Decisions that are made on a basis of flawed logic, emotionalism or incomplete information will hinder an individual, personally and socially

The quality of a decision in a timely manner affects health, mentally and physically

Business Organization:

Making poor decisions that hurt the business even though better options are obvious and available. Recruiting and hiring lower skilled staff even though it is clear that higher skilled individuals with more knowledge are available to hire and would contribute to the growth of the business.

Psychology Term, Word, Phrase + Definition: Self Defeating Personality Disorder

Chooses people and situations that lead to disappointment, failure or mistreatment even when better options are clearly available

Fails to accomplish tasks crucial to his or her objectives despite demonstrated ability to do so

This behavior does not occur only when depressed

Business Organization:

Difficulty in recognizing, understanding and affectively resolving problems contributing to business decline

Psychology Term, Word, Phrase + Definition: Problem Solving

A mental process that includes problem finding, problem shaping, understanding and affective

resolution

This is defined as a 'higher-order' in the cognitive and thinking process

This is critical for survival and health

Business Organization:

Lacking or struggling to have a better and more in-depth understanding to the needs of the markets, customers and clients

(Understanding the needs of the markets, customers and clients is part of the foundation to affective marketing and selling)

Psychology Term, Word, Phrase + Definition: Needs Analysis

Needs Analysis includes all activities needed to collect information about others wants, wishes, desires, requirements and expectations

Some needs may be unclear needing uncovering and clarifying more

Needs can change

Business Organization:

All business organizations need to improve in all departments and functions; quality, efficiency, expand capabilities, increase team effort, eliminate wastes, eliminate needless efforts, computerize and automate, and increase knowledge and effectiveness

Many business organizations either fail to do this adequately or struggle with it

Psychology Term, Word, Phrase + Definition: Self-Improvement and Self-Empowerment

Self-Improvement:

Individuals' and group effort improving intellectually, mentally, emotionally, physically, economically and all with a substantial psychological basis

Self-Empowerment:

Gaining control over oneself

Empower self in many areas in ones' life

Definitions can range from psychological, sociological, business to philosophical

Such efforts help regain self-confidence, self-sufficiency and gain skills for such

Results from such include; increase of self-image, increase of one's thinking and effective decision

making, stimulates positive thinking, increase of assertiveness, increase of feeling of well-being and stimulates growth

It also stimulates a stronger sense of self and the ability to change things and improve

There are even more common business situations that parallels psychology words, terms, phrases and their definitions.

Most businesses and companies have many of these ailments, issues and problems.

Some business organizations have far more of these ailments than others.

Outsiders looking at businesses with such ailments often think that it is ridiculous to have such issues and that the business organizations should know better.

Employees and staff who work for businesses with such ailments and issues often feel frustrated and angry at the situation.

These ailments, issues and challenges can be improved with some aggressive and progressive internal 'turn-around management' efforts.

As Albert Einstein once mentioned, 'you cannot fix a problem with the same attitudes that created it'.

As many legal experts mention, 'an attorney representing themselves in a court of law for their own personal problem and issue, has a fool for a client'

As Sigmund Freud once mentioned, 'people do not get better unless they recognize the problem, are highly motivated to improve and willing to pay for it'

To this extent, a professional business advisor and consultant can be an immense benefit to help business organizations navigate through the changes and improvements needed to get into better health and business growth.

Recruiting, hiring and retaining staff and employees with the highest level of knowledge, skills and expertise that is available, is fundamental and the right step to take, as well.

When your automobile is not working and needs repairs, you seek out a good auto mechanic.

You do not say, they are too good of an auto mechanic to fix your car.

When a house appliance breaks and needs repair, you contact a good repair person to come over to fix the appliance.

You do not say, they are too good to fix your appliance.

When your telephone or computer does not work and seems broken, you contact a good repair person.

You do not say, they are too good to fix your equipment

When your family pet is sick, you take it to a good veterinarian.

You do not say, they are too good of a veterinarian to help your pet get well.

When you or a family member is personally physically sick and ailing, you seek out a good medical doctor.

You do not say that they are too good of a doctor to help you get better and get back your health.

When you or a family member has mental health problems, you seek out a good psychologist or a good psychiatrist to help.

You do not say that they are too good to help you get better.

There is no reason to feel different about hiring staff and employees with the highest level of knowledge, skills and expertise that is available.

There is no excuse for anything less.

Fill your business organization with staff that has the highest level of competence and expertise that you can find and fully support their efforts.

You will see critical improvements that will help improve the business health and grow the business.

Like an individual with ailments, business organizations with ailments can get better and improve their business health.

ditional information or assistance, please feel free to contact me directly.

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Michael has 25 years of business experience in numerous markets with a variety of products and services. Prior to his extensive business career, he was a behavioral health counselor.

His education includes a PhD in business, MBA, BS degrees in psychology and social human behavior, Federal International Business Certification, and over 34 other advanced certifications in; business management, business development, sales, marketing, marketing communications, customer service, product management and development, training and business strategy.

His passion is 'Business Development' and 'Creatively Finding Ways to Grow the Business' using his psychology and behavioral health background and training.

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