

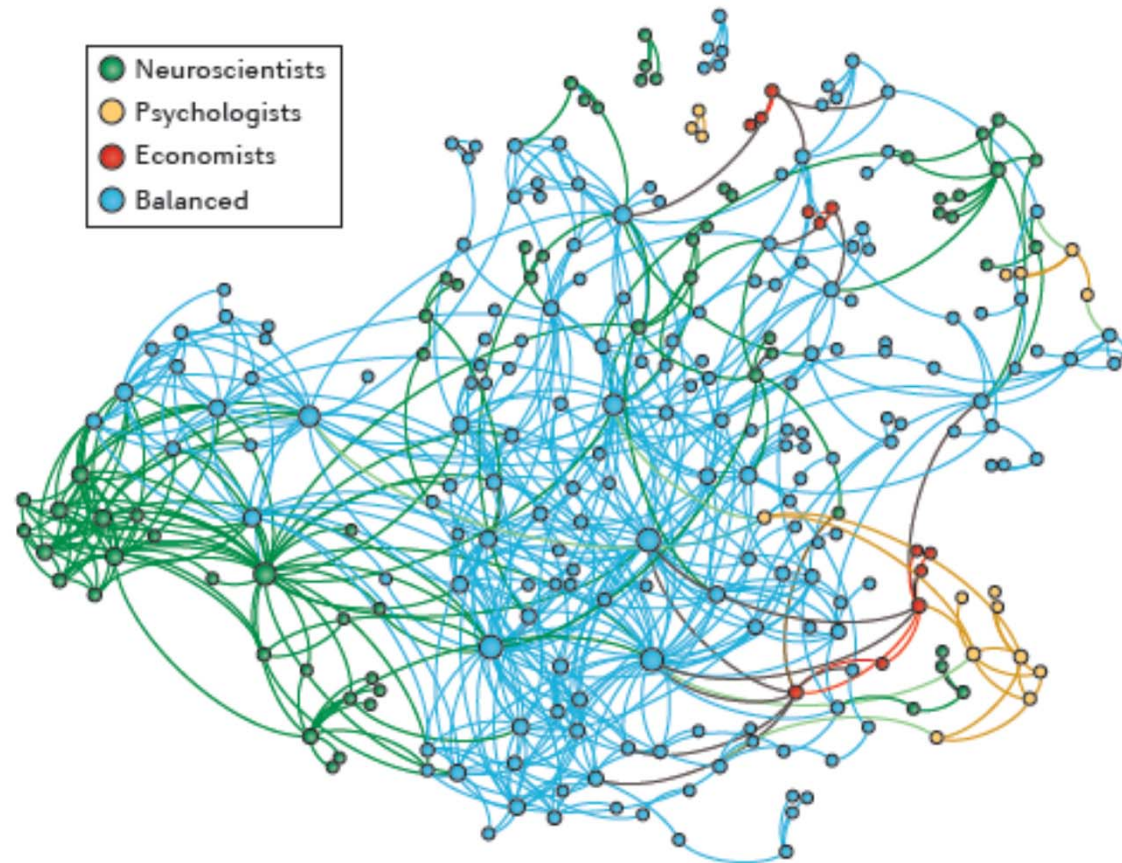


# The contribution of neuroimaging and neuromodulation to management science

Stefano F. Cappa  
Vita-Salute University and San Raffaele  
Scientific Institute  
Milan, Italy

Translating upwards: linking the neural and social sciences via neuroeconomics

*Clement Levallois, John A. Clithero, Paul Wouters, Ale Smidts and Scott A. Huettel*



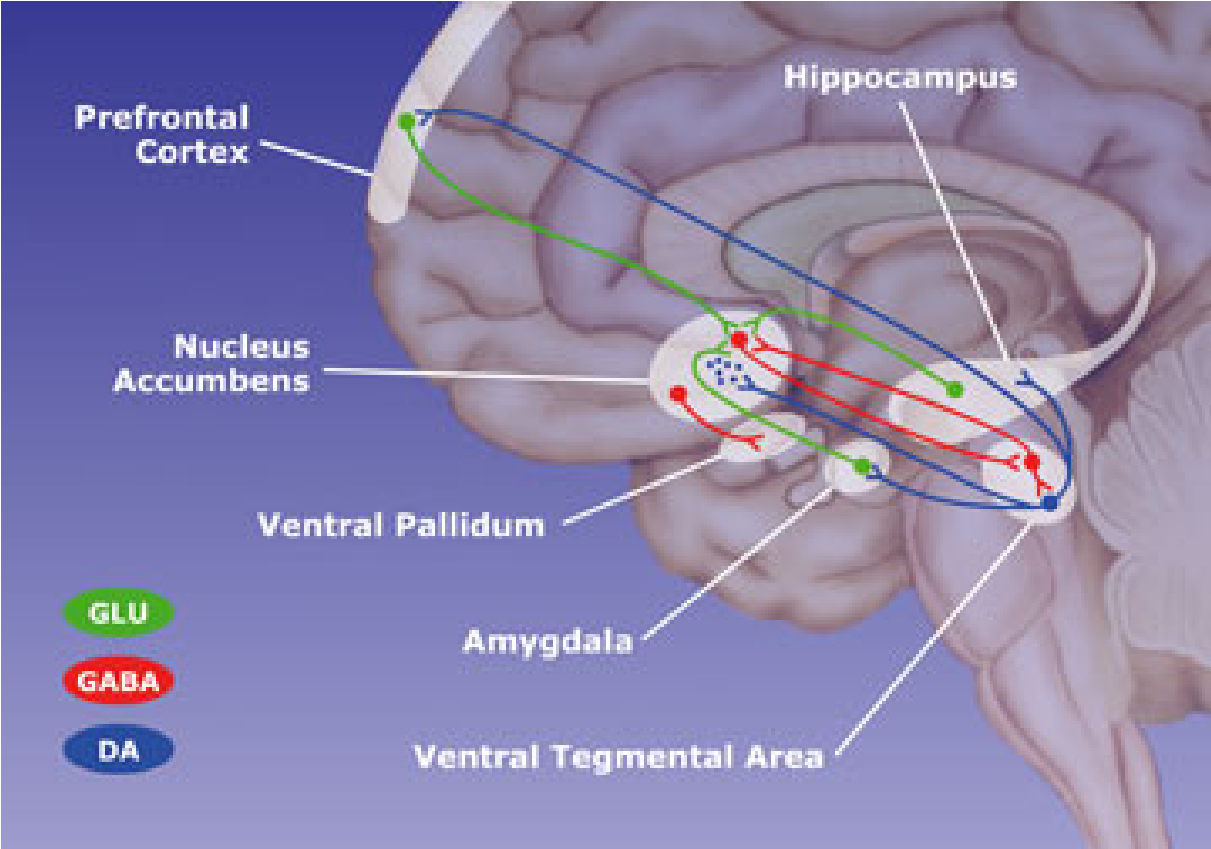
Bridging social and neural sciences

# The biology of decision-making: goal-directed activity and motivation



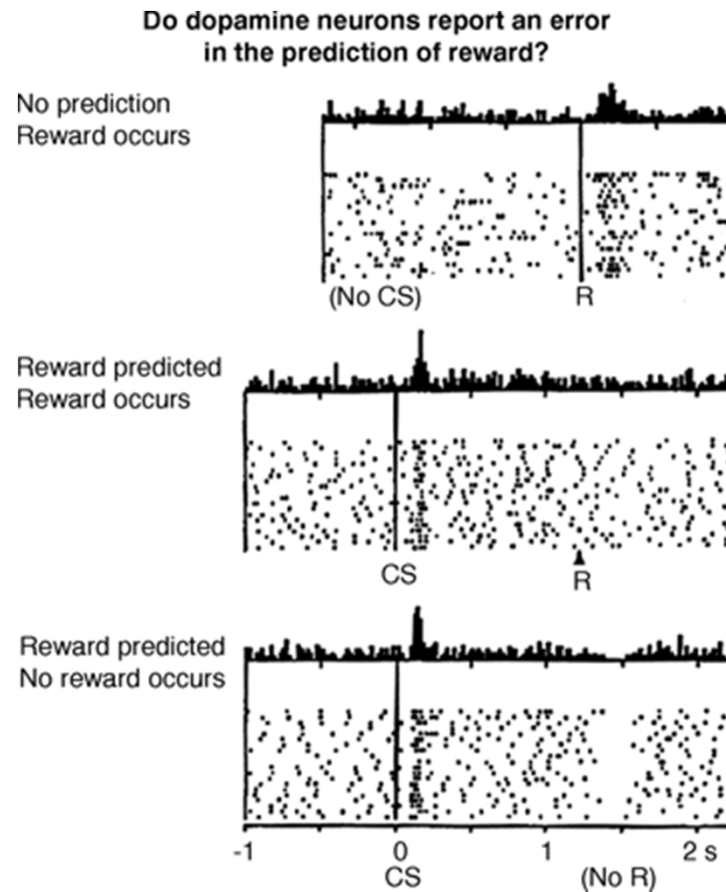




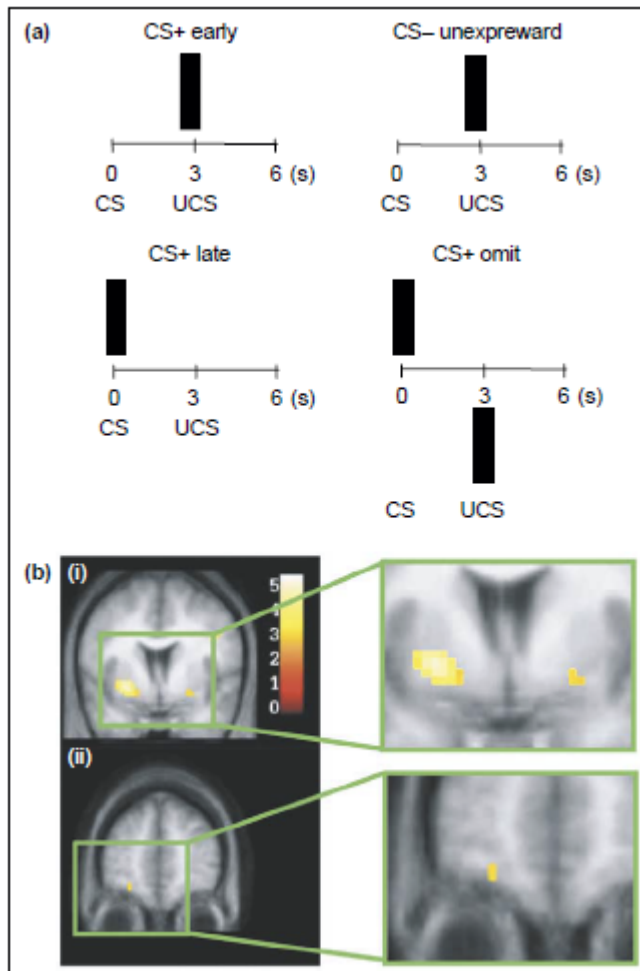




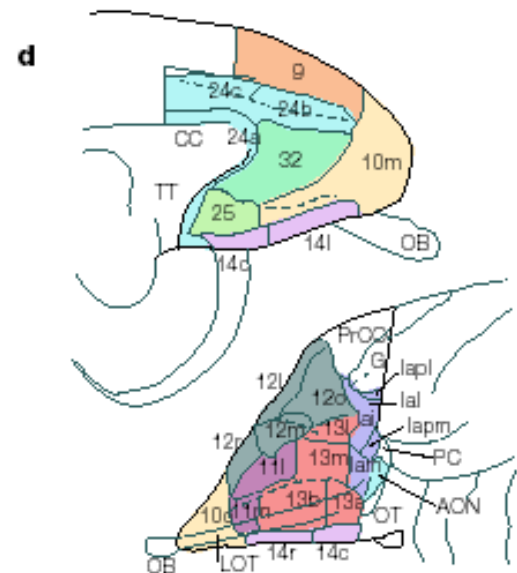
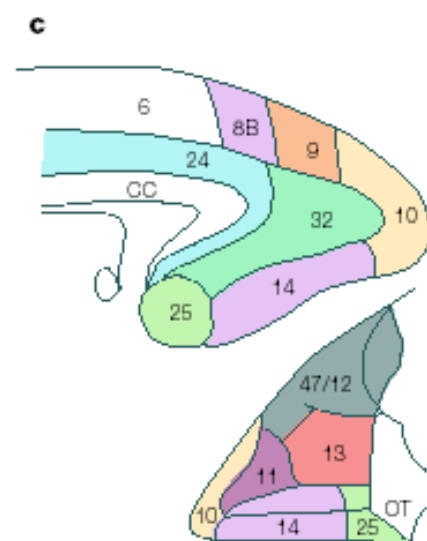
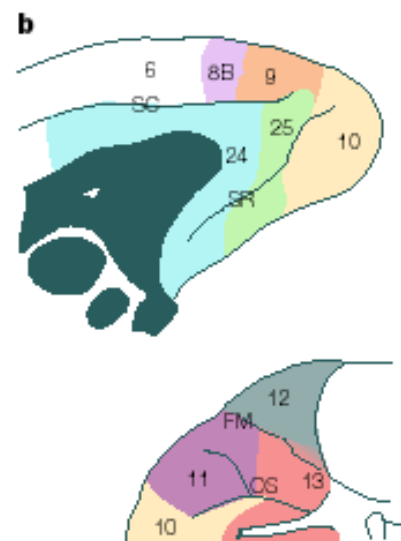
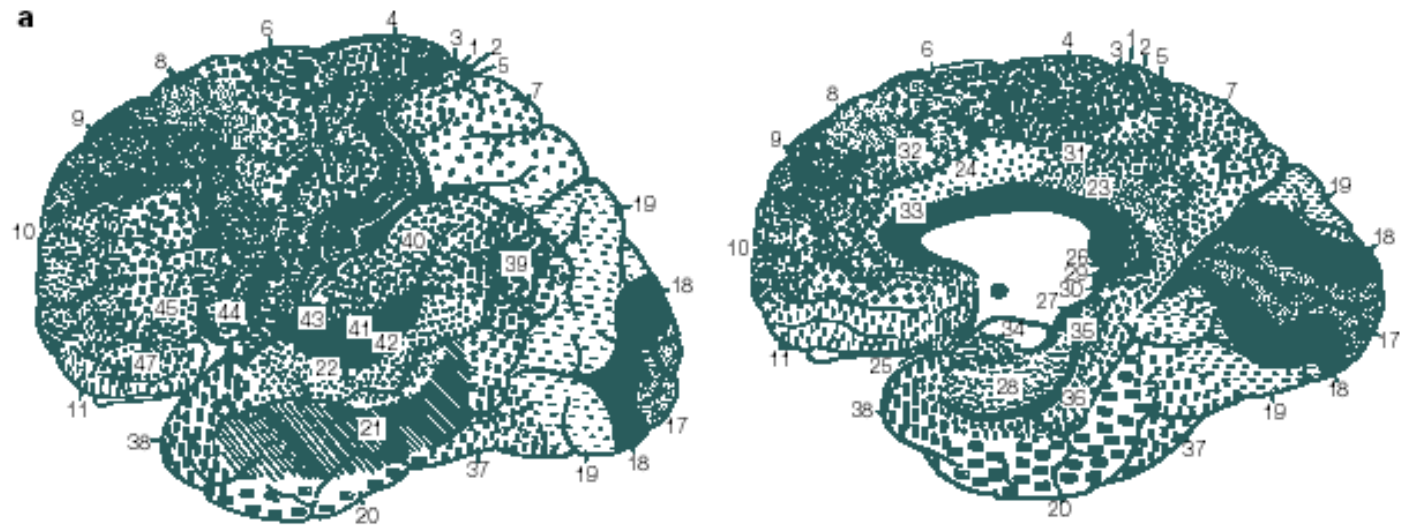
# Temporal prediction error (Schultz et al., 1997)



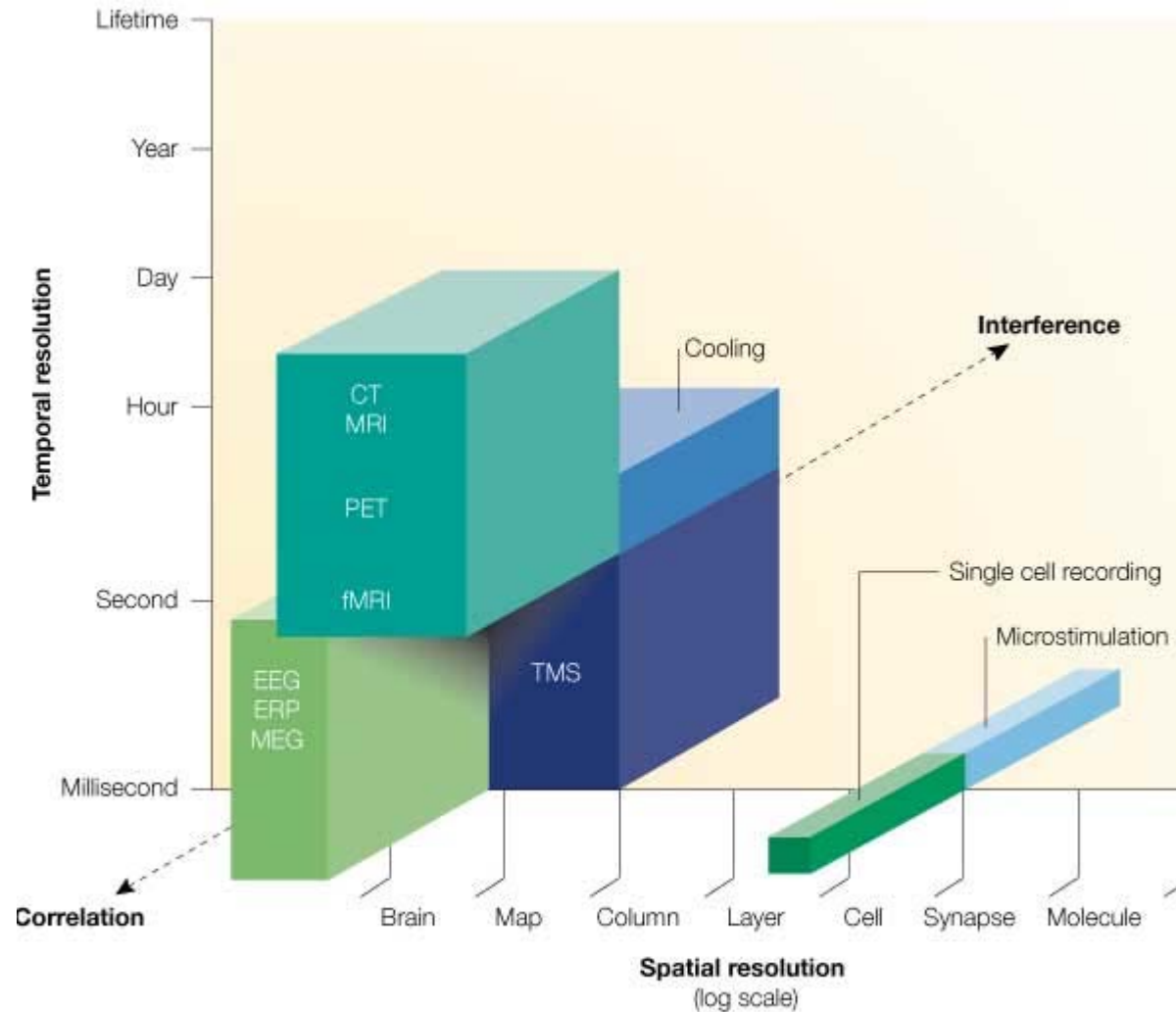




O'Doherty et al., 2004



# Cognitive neuroscience and windows into the brain in action



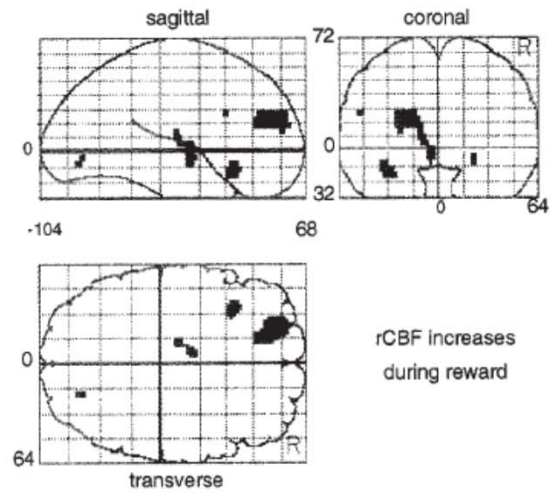
First principle.  
Functional segregation



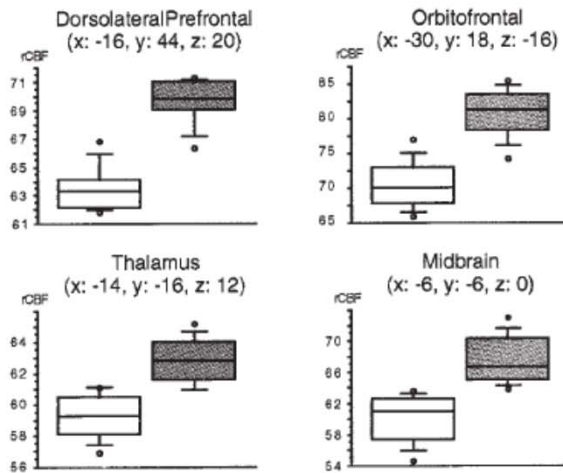
# The brain is not a bowl of porridge

- Or an organ, such as the liver or the kidney
- The brain has structure, and this is reflected in its function as a complex system

Activation of the human brain by monetary reward



A:



B:

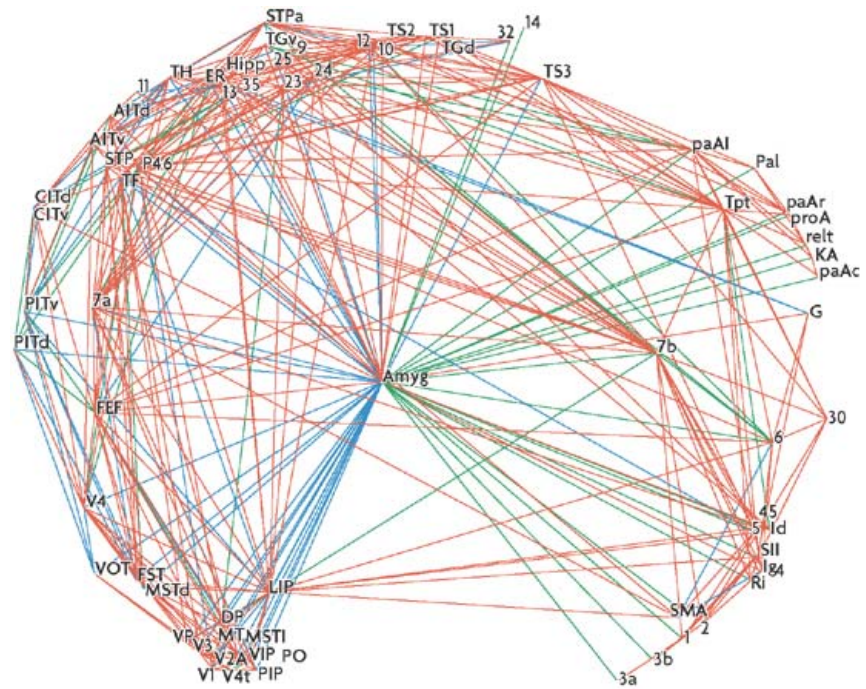
NeuroReport 8, 1225-1228 (1997)

## Activation of the human brain by monetary reward

Gregor Thut, Wolfram Schultz,<sup>1</sup>  
Ulrich Roelcke,  
Matthias Nienhusmeier,  
John Missimer, R. Paul Maguire  
and Klaus L. Leenders<sup>CA</sup>

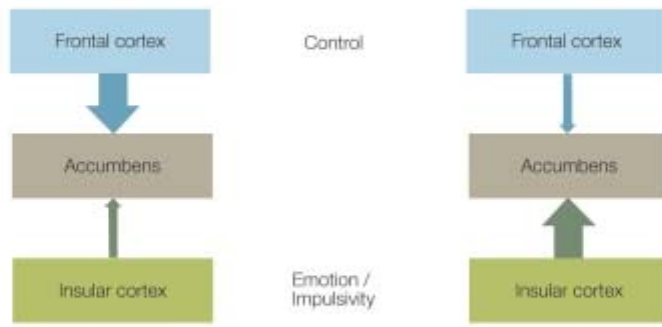
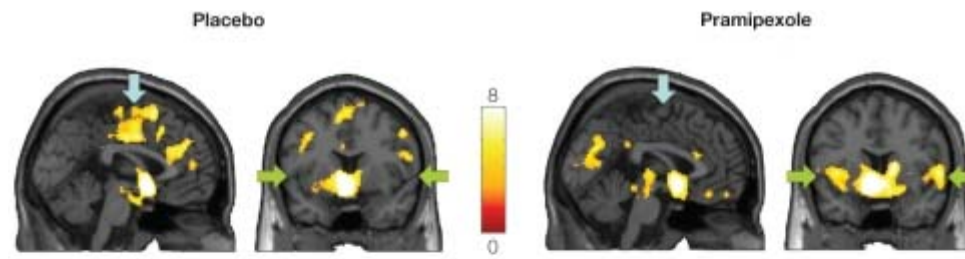


Second principle.  
Functional integration



# Connectivity in functional MR

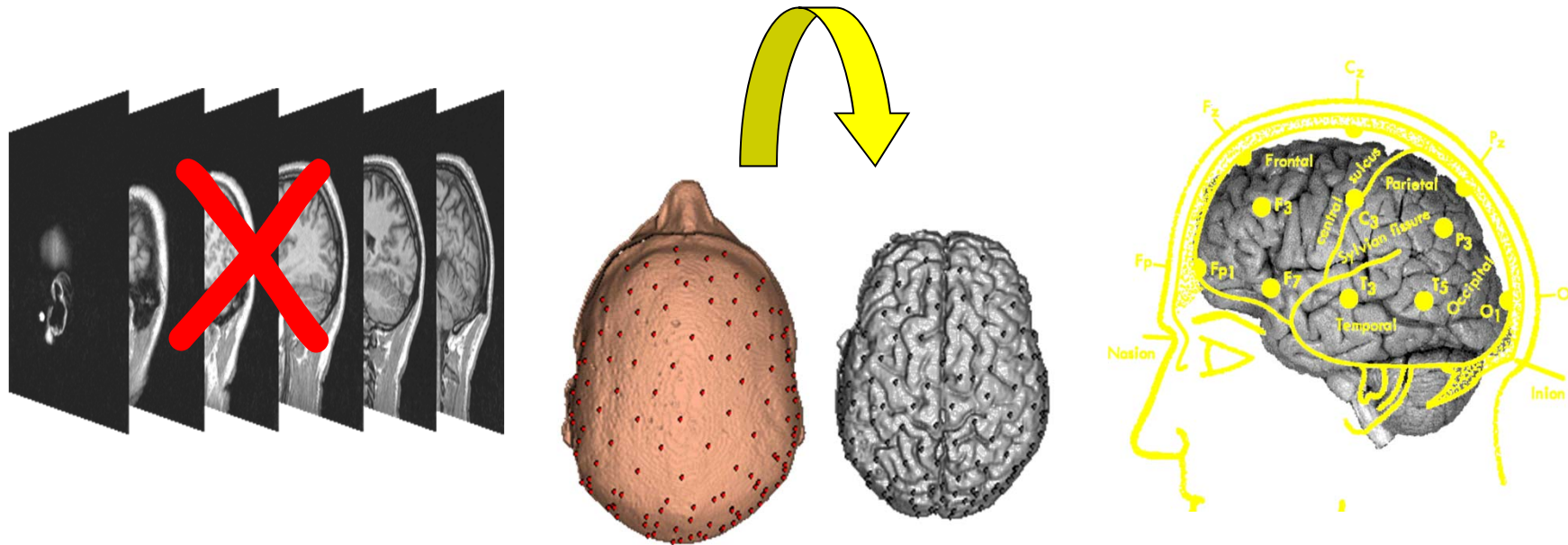
- functional connectivity: *correlations between spatially remote neurophysiological events (data driven)*
- effective connectivity: *influence one neuronal system exerts over another (hypothesis driven)*



Camara et al., 2009

Third principle.  
Testing for causality

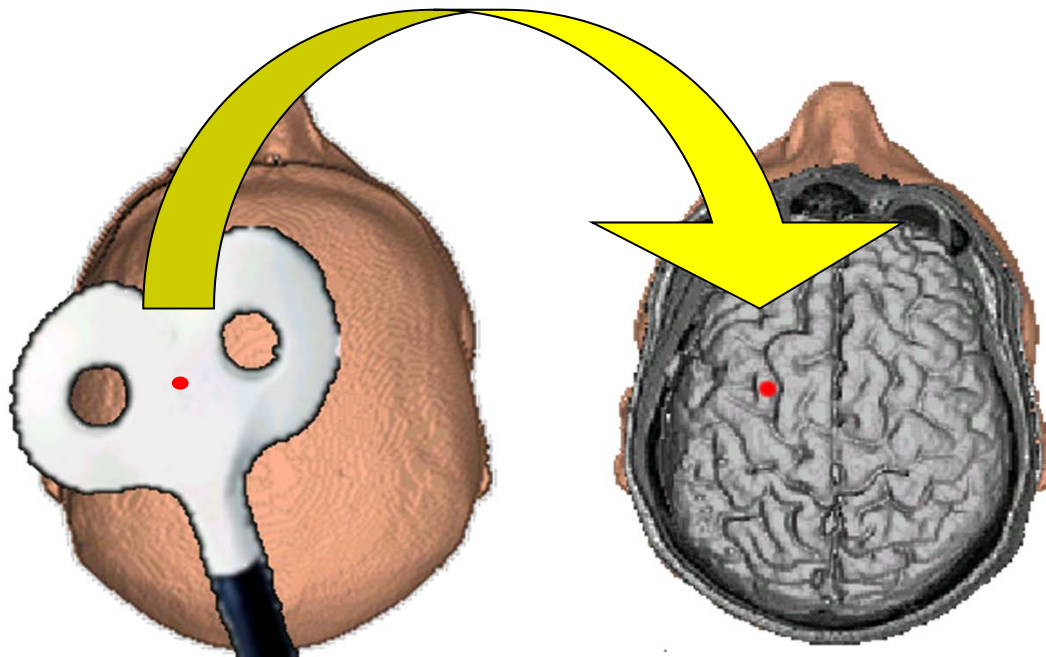
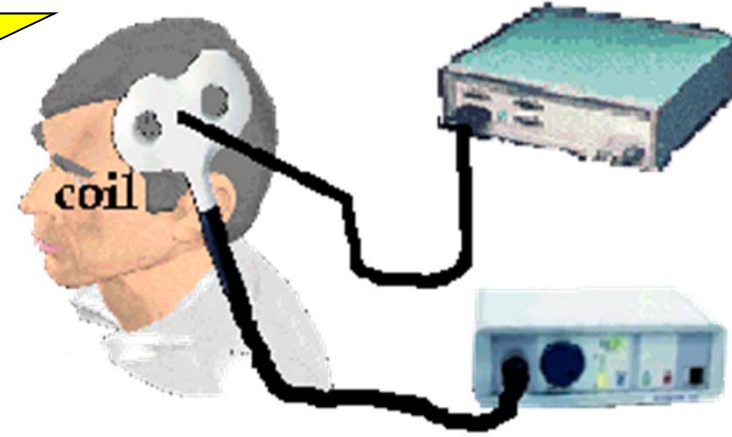
# TMS with a MRI template



## *Softaxic Navigator system*

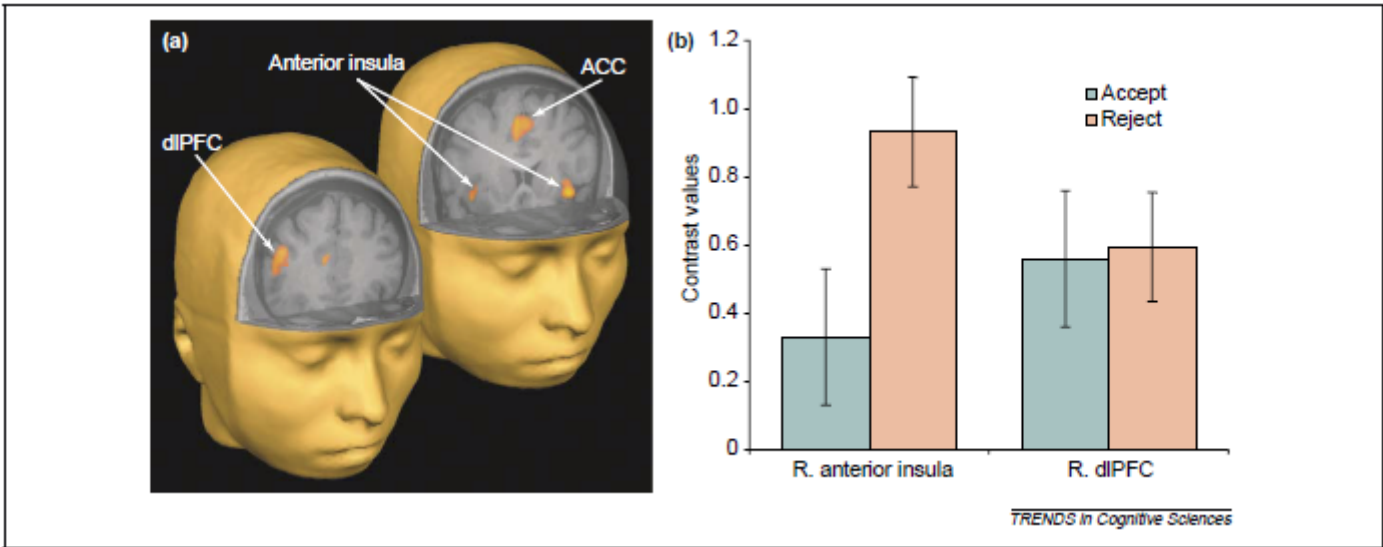
based on digitized skull landmarks (nasion, inion and two pre-auricular points) and about 40 scalp points (Fastrak Polhemus digitizer)

fMRI  
studies:  
activated  
areas

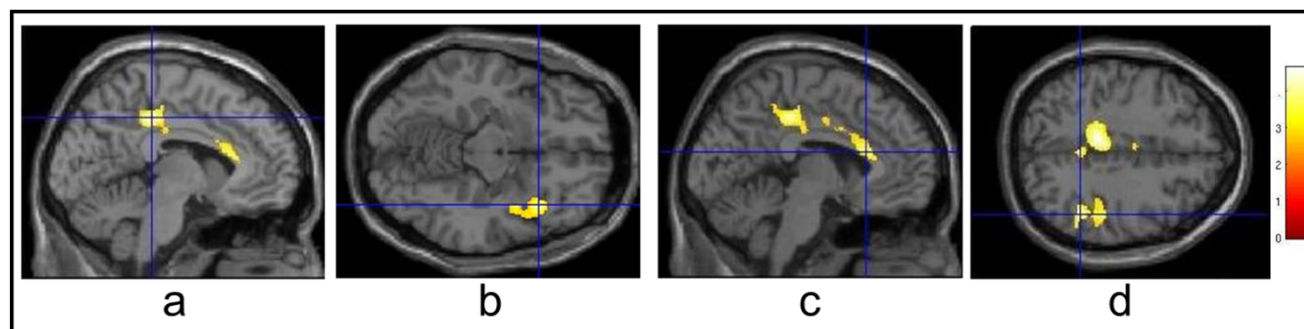
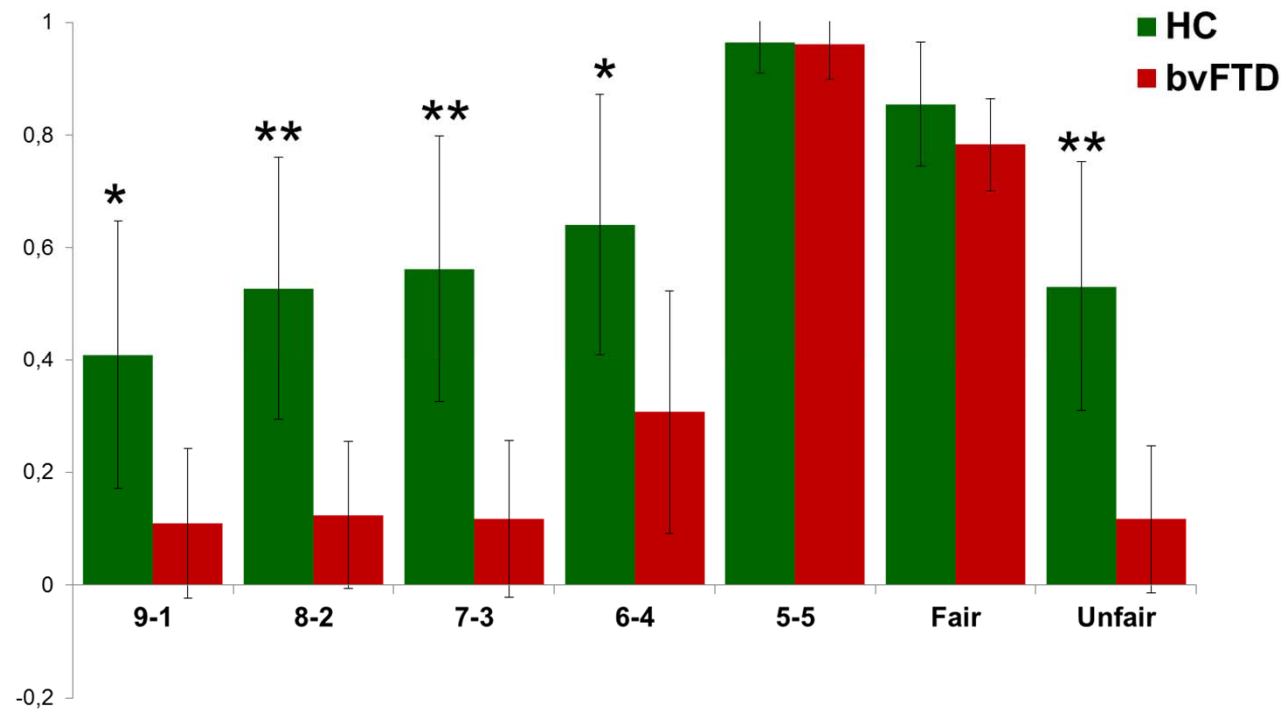


Behavioural  
changes?



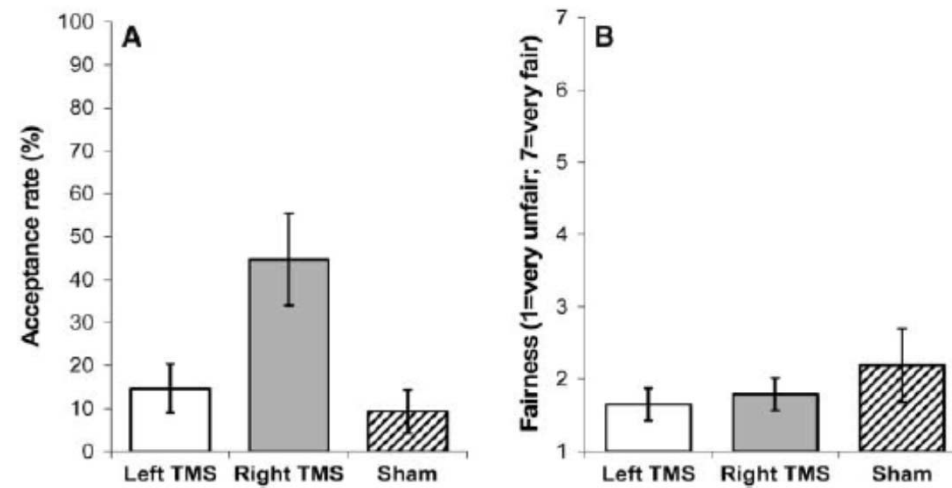


Sanfey et al., 2006



# Diminishing Reciprocal Fairness by Disrupting the Right Prefrontal Cortex

Daria Knoch,<sup>1,2,3\*</sup> Alvaro Pascual-Leone,<sup>4</sup> Kaspar Meyer,<sup>1</sup> Valerie Treyer,<sup>5</sup> Ernst Fehr<sup>1,3\*</sup>



Neuroscience of management.  
Normative or applicative?

# Normative aspects

- Mechanistic understanding of the neural mechanisms involved in analysis, decision and action at the individual and group level
  - Assessing magnitude and probability of reward
  - Evaluation of risk and uncertainty
  - Exploitation and innovation
  - Goal reassessment

# Applications: from psychology to neurology of individual differences



INTERNATIONAL HEALTH EXHIBITION, 1884.

ANTHROPOMETRIC LABORATORY,

Arranged by FRANCIS GALTON, F.R.S.

Sex	Colour of eyes	Date	Initials
<p><b>EYESIGHT.</b></p> <p>right eye                      left eye</p> <p>Greatest distance in } inches, of reading } "Diamond" type }</p>		<p><b>SWIFTNESS</b></p> <p>of blow of hand in } feet per second }</p>	
<p>Colour sense, good- } ness of }</p>		<p><b>STRENGTH</b></p> <p>of squeeze } right hand                      of pull } in lbs. of } left ,,                                      in lbs. }</p>	
<p><b>JUDGMENT OF EYE.</b></p> <p>Error per cent. in } dividing a line of } in three                      in two 15 inches                      parts                      parts</p>		<p><b>SPAN OF ARMS</b></p> <p>From finger tips of } opposite hands }                      feet,                      inches.</p>	
<p>Error in degrees } of estimating } squareness }</p>		<p><b>HEIGHT</b></p> <p>Sitting, measured } from seat of chair }                      feet,                      inches.</p>	
<p><b>HEARING.</b></p> <p>Keeness can hardly be tested here owing to the noises and echoes.</p>			
<p>Highest audible } note                      }</p>		<p>between {</p>	<p>0.000 } and } vibrations 0.000 } per           } second.</p>
<p><b>BREATHING POWER.</b></p> <p>Greatest expiration } in cubic inches }</p>		<p><b>WEIGHT</b></p> <p>in ordinary in-door } clothing in lbs. }</p>	

Age last birthday?

Married or unmarried?

Birthplace?

Occupation?

Residence in town, suburb or country?



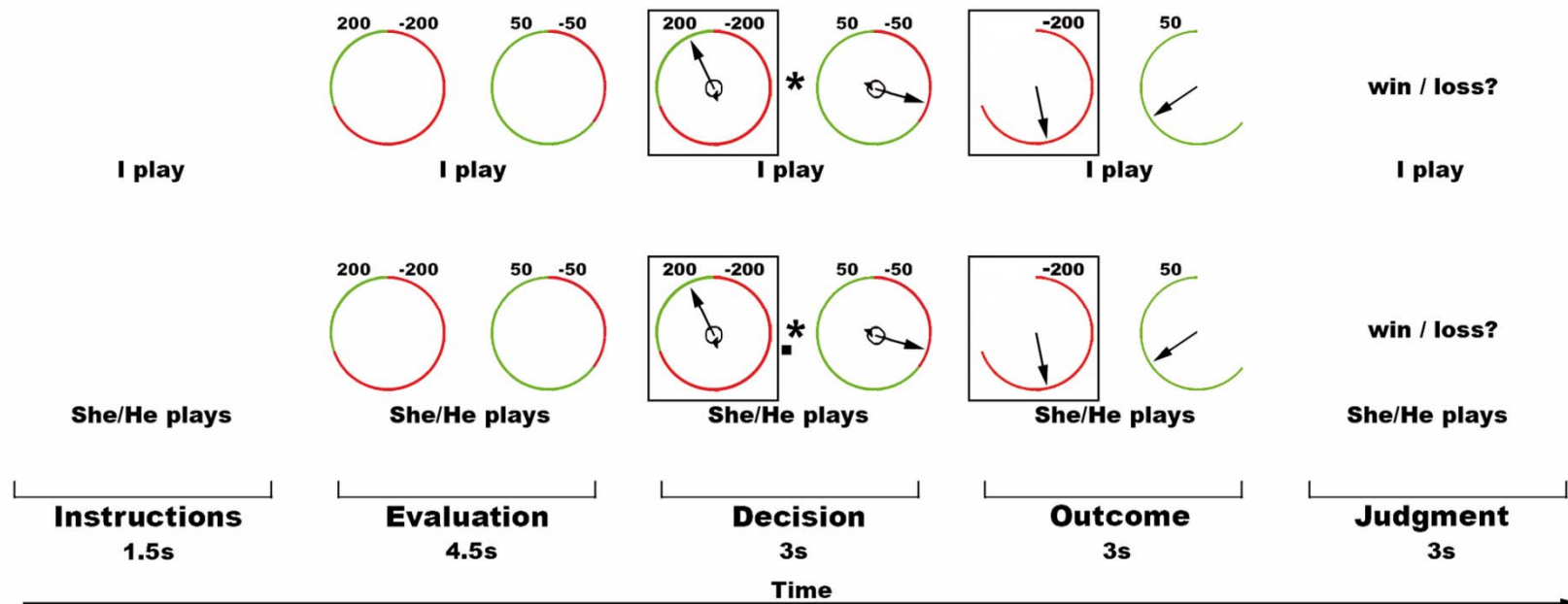
# Main variables

(usually considered in neuroscience studies)

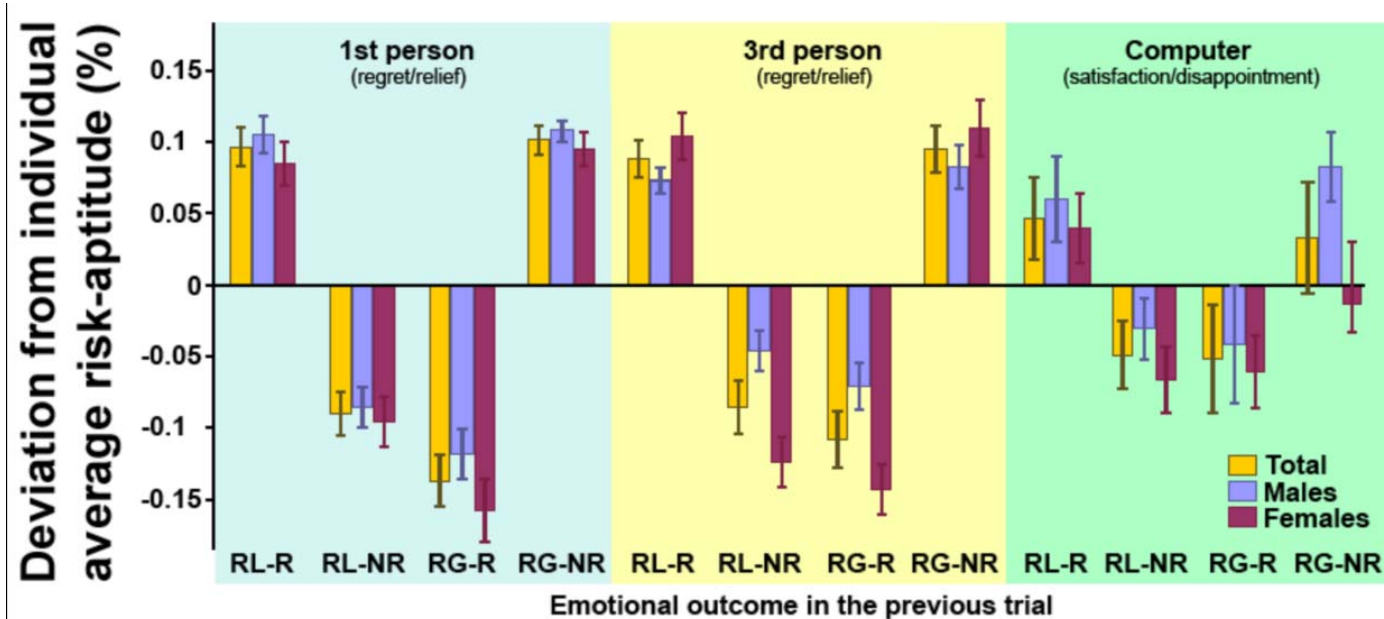
- Age
- Gender
- Education/occupation
- Linguistic background

# Gender and decision-making

- Playing a gambling task: 1<sup>st</sup> person regret/relief
- Observing the outcomes of another player (3<sup>rd</sup> person “shared” regret/relief)
- Observing the outcomes of random choices by the computer (no responsibility, “shared” disappointment/satisfaction)

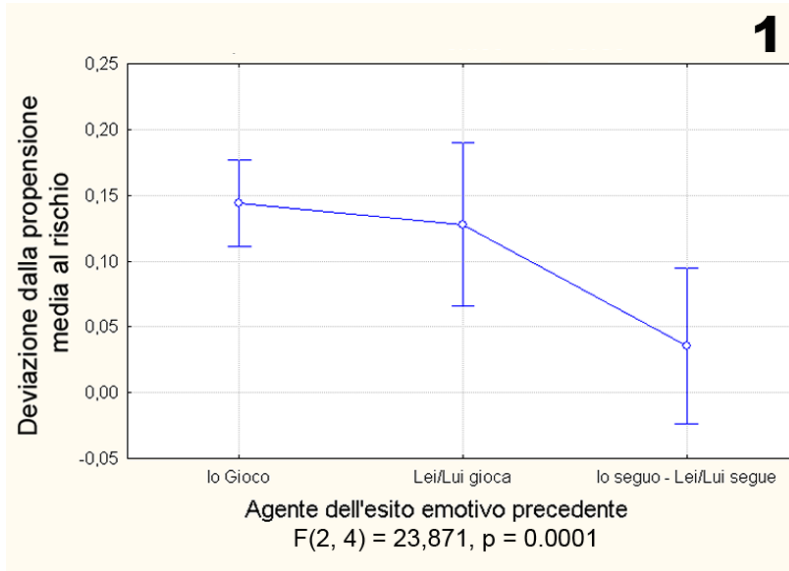


# Effects of experienced and attended emotional outcomes on risk-aptitude

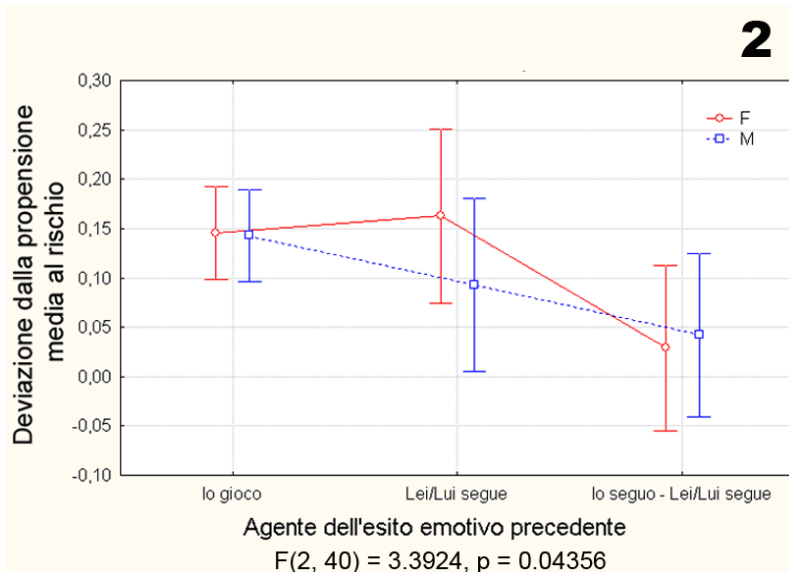


- Changes in risk-taking coherent with the preceding outcomes:
- Increased risk-seeking after relief for a risky choice or regret for a non-risky choice, and viceversa, only if the agent is human (both 1st and 3rd person)

# Gender behavioral effects



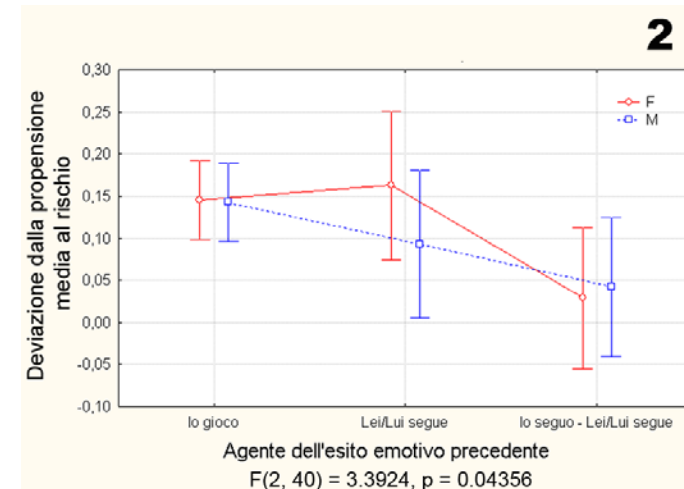
- No significant difference between the effects of experienced and attended outcomes; both larger than the effect of random choices by the computer



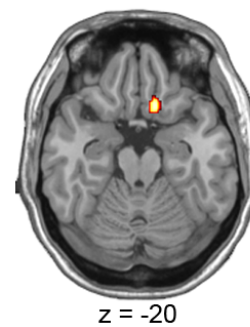
- Stronger influence from others' outcomes in female than male subject; no significant interaction with outcome-type

# Gender effects in learning not to risk from others' past experience

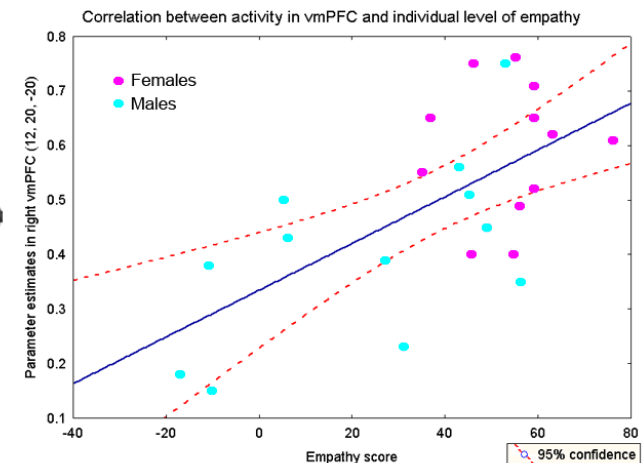
- Stronger influence from others' outcomes in female than male subject; no significant interaction with outcome-type
- Stronger activation of the mOFC, reflecting the effect of previous outcome that behaviorally decrease risk-seeking, in female than male participants
- Significant correlation with empathy (BEES) scores



Gender effects: females > males RL-R or RG-NR



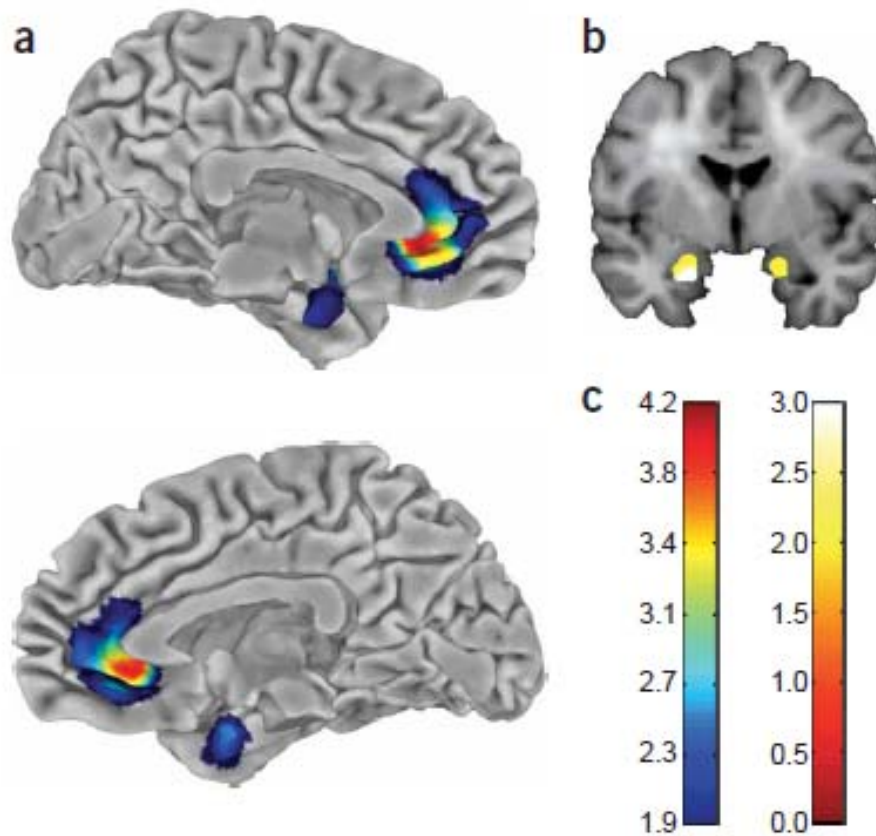
0 3  
p < 0.001 uncorrected



# Additional variables (starting to be considered)

- Genetic background
- Temperament
- Specific skills
- Motivation
- ...

# Genetics and brain structure



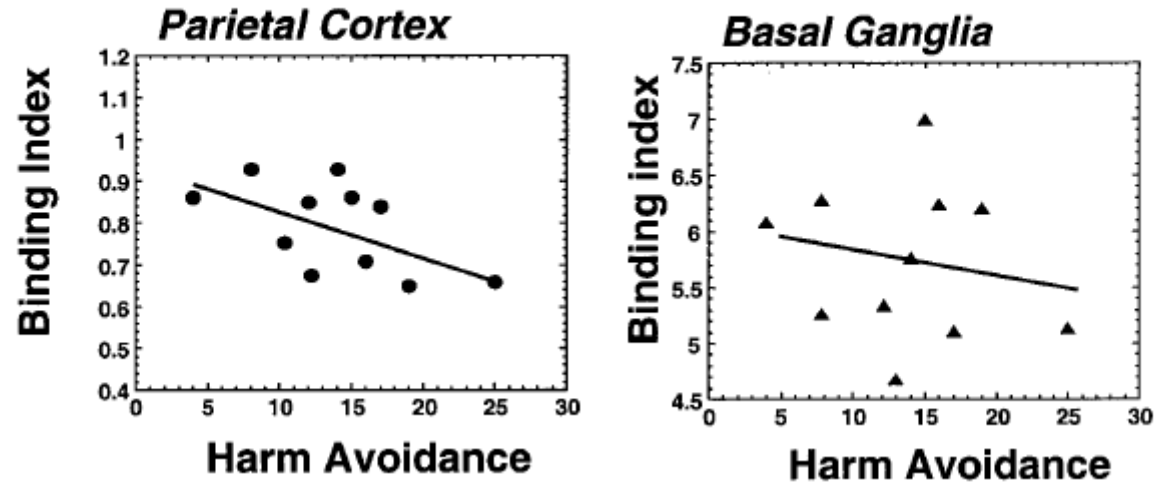
**5-HTTLPR polymorphism impacts human cingulate-amygdala interactions: a genetic susceptibility mechanism for depression**

Lukas Pezawas<sup>1,3</sup>, Andreas Meyer-Lindenberg<sup>1,3</sup>, Emily M Drabant<sup>1</sup>, Beth A Verchinski<sup>1</sup>, Karen E Munoz<sup>1</sup>, Bhaskar S Kolachana<sup>1</sup>, Michael F Egan<sup>1</sup>, Venkata S Mattay<sup>1</sup>, Ahmad R Hariri<sup>2</sup> & Daniel R Weinberger<sup>1</sup>

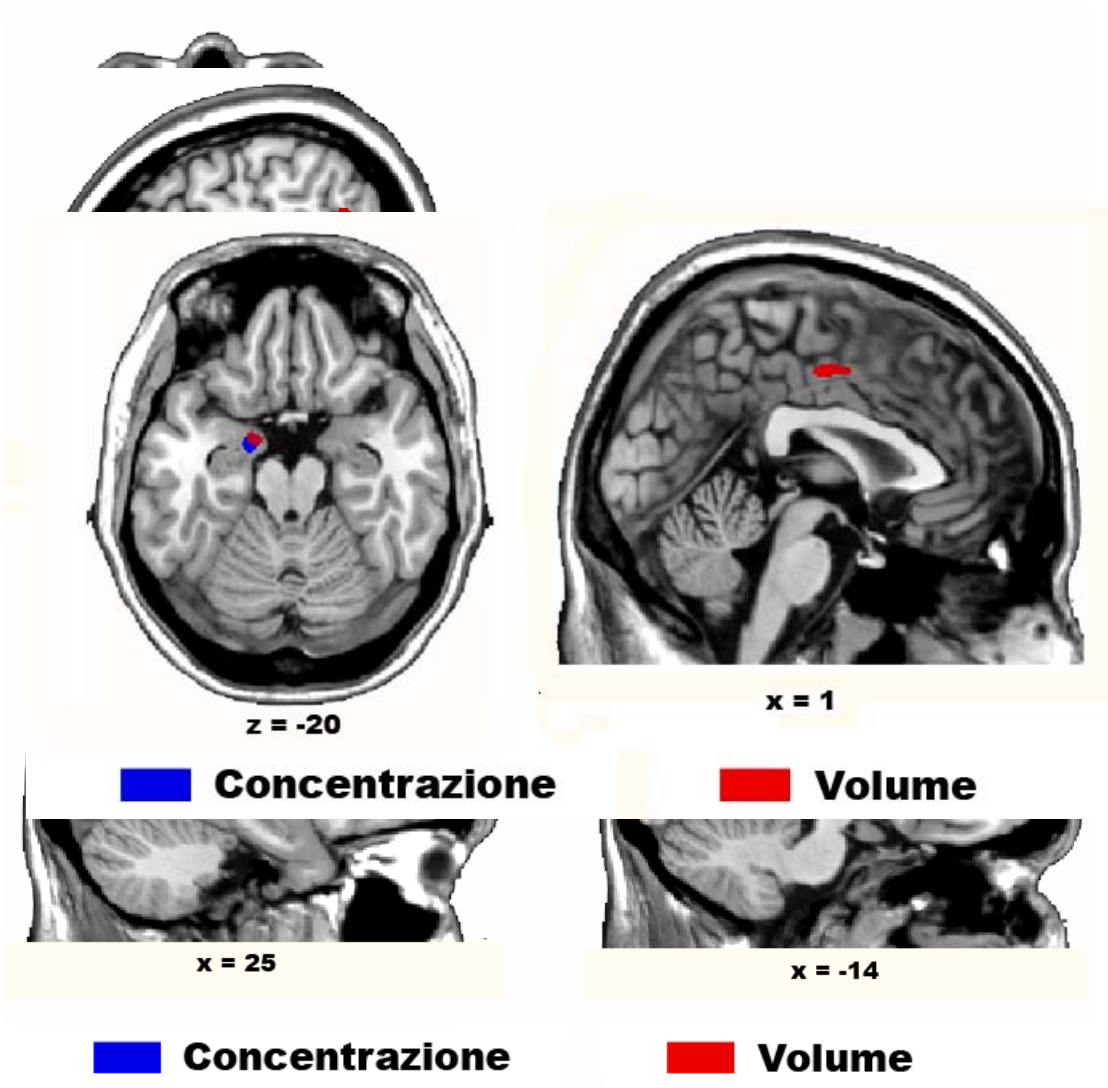


# Temperament and neurotransmitter binding

MORESCO ET AL.



# Empathy score and brain structure



Negative correlation

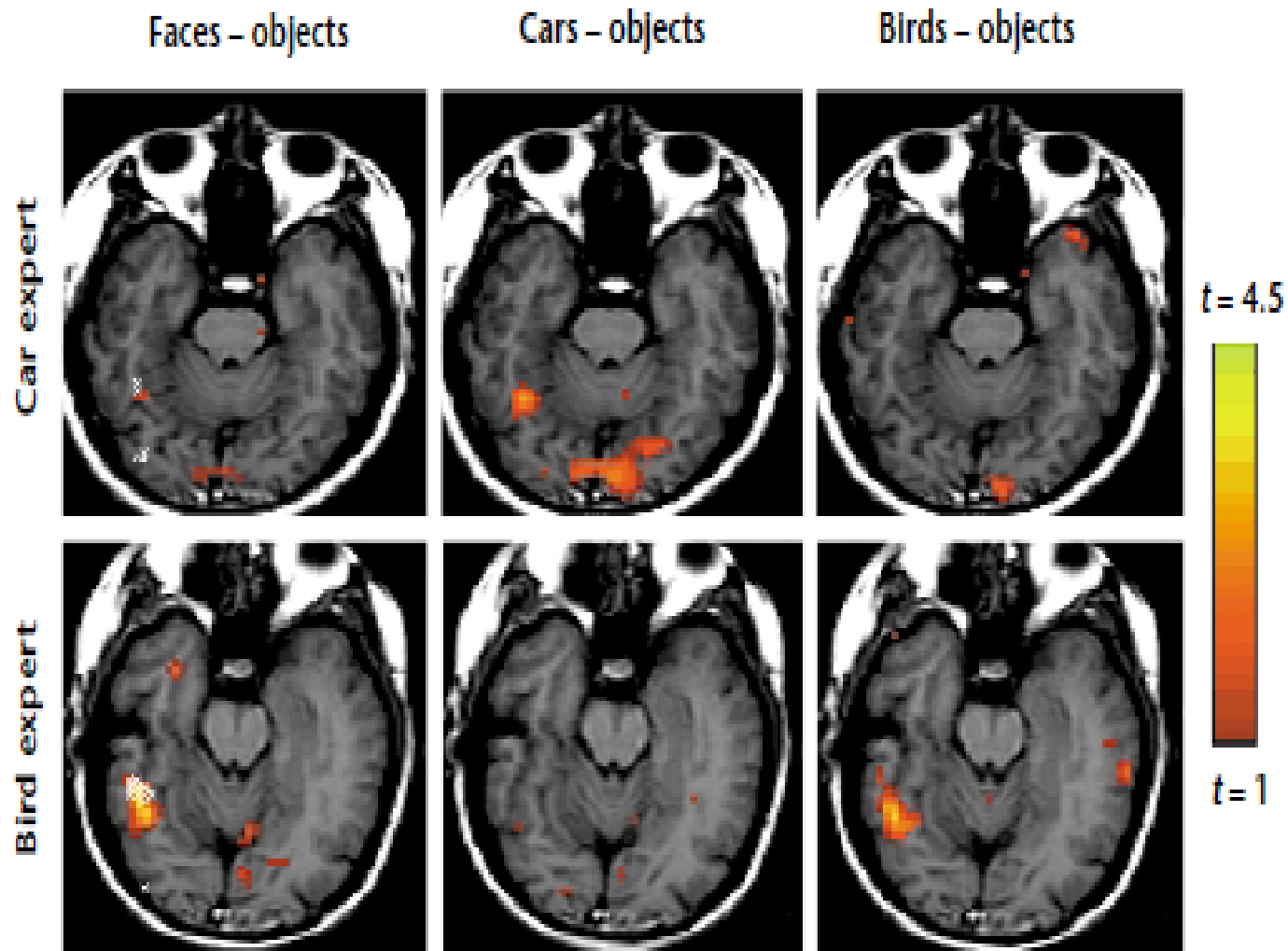
Right temporal pole

Left temporal pole  
junction

amygdala, middle  
cingulate  
Right parahippocampal  
gyrus

Left SMA

# Expertise and brain activation



**Expertise for cars and birds recruits brain areas involved in face recognition**



**Università Commerciale  
Luigi Bocconi**





ORGANIZATION SCIENCE

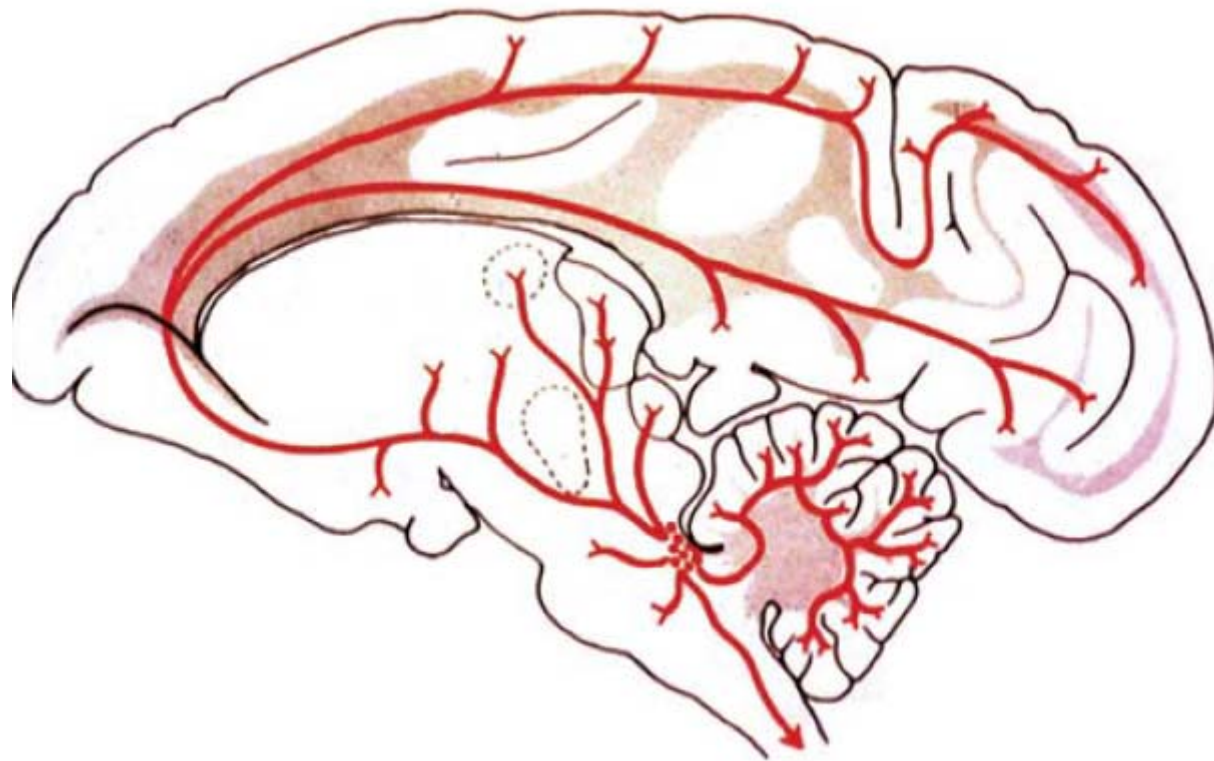
Vol. 2, No. 1, February 1991

*Printed in U.S.A.*

EXPLORATION AND EXPLOITATION IN  
ORGANIZATIONAL LEARNING\*

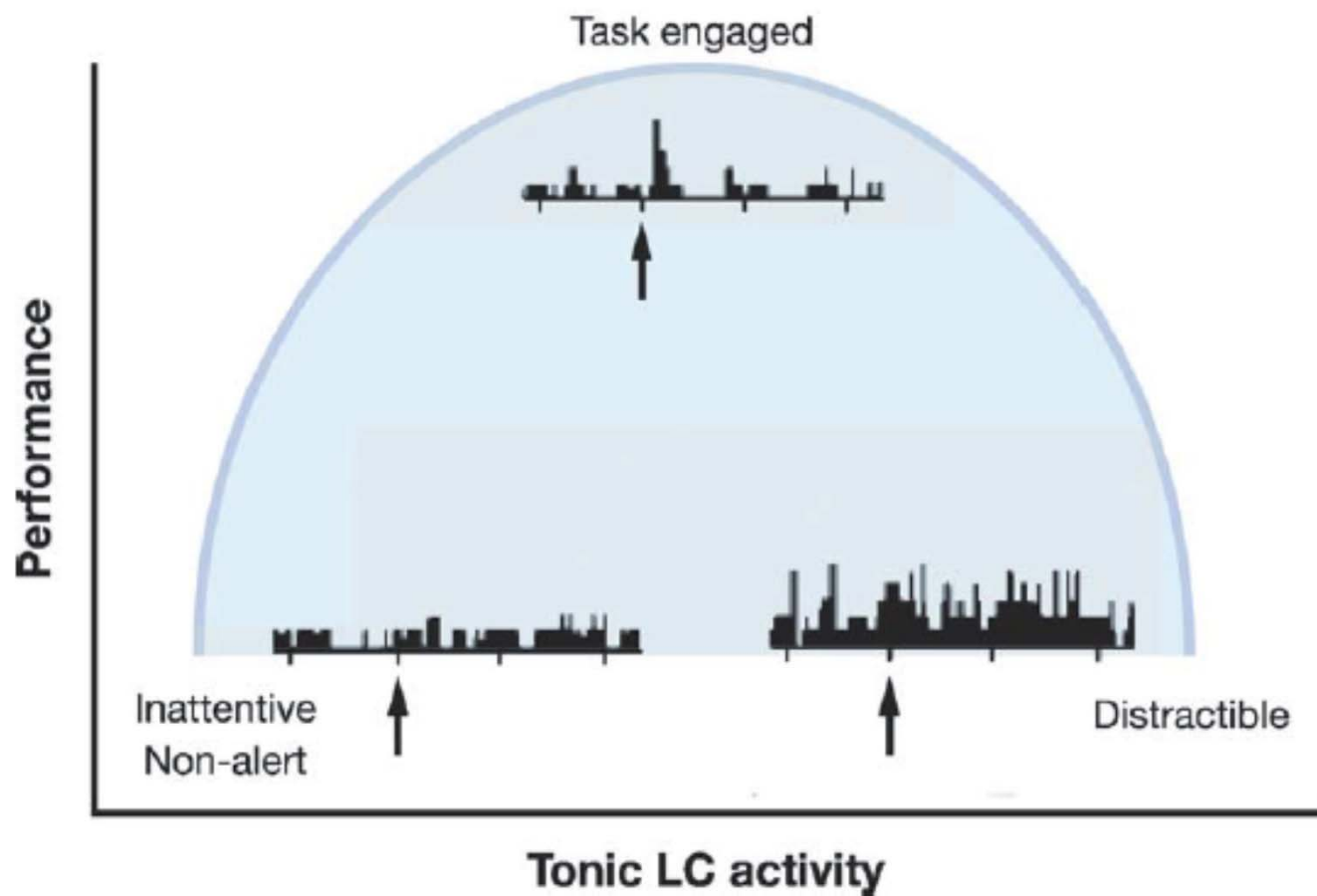
JAMES G. MARCH

*Graduate School of Business, Stanford University,  
Stanford, California 94305*



Locus Coeruleus projections

### YERKES-DODSON RELATIONSHIP





# To summarize...

- Neuroscience knowledge is infiltrating any science dealing with human activity, including management
- Knowledge of the potentials and of the limits is necessary to critically evaluate any claim
- A better understanding of the neural mechanisms involved in complex human behaviors may be beneficial, both at the theoretical and application level