



# Business Performance in the New Behavioral Economy<sup>™</sup>

A Behavioral Guide for Leaders and  
Managers



## About this Behavioral Guide

This Behavioral Guide is intended to serve as an introductory framework for leaders and managers so that they can improve their business performance with a behavioral approach. We will demonstrate in practical terms how leaders and managers can apply behavioral concepts in guiding and communicating with their teams and customers to more confidently make business decisions.

The information presented in this Behavioral Guide is based on research that has been independently validated since 1999 by a highly qualified team with 100+ years of combined academic and practical profile development experience.

## Who Is DNA Behavior International?

DNA Behavior International was established in 1999 to provide human performance advisory services using behavioral insights. We are an industry-recognized worldwide leader and pioneer in:

- the measurement of human performance
- the discovery and application of natural behaviors to business performance
- client and customer engagement
- the movement to the “New Behavioral Economy”

DNA Behavior International has developed proprietary DNA Profiling systems that reliably predict natural talents and behaviors with an unparalleled level of depth. These behavioral insights are uniquely designed to help individuals and businesses to maximise their performance.

Since commencing business, our products and solutions have been delivered in over 47 countries and translated into 6 languages. We currently have a client base of more than 2,000 leading businesses that use our advisory services and proprietary DNA Profiling systems to increase revenues, engage their employees and customers and transform their business performance.

For more information about our Business Performance Solutions, please contact us at [inquiries@dnabehavior.com](mailto:inquiries@dnabehavior.com)

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## 1. Introduction to Business Performance in the New Behavioral Economy

The winds of change are moving fast through the modern economy. What we are seeing is the emergence of the “New Behavioral Economy™.” In the New Behavioral Economy, the client or customer is king and emotional engagement is in. This means the approach to providing business products and services will become client or customer centred and will revolve more around behavioral insights as key drivers.

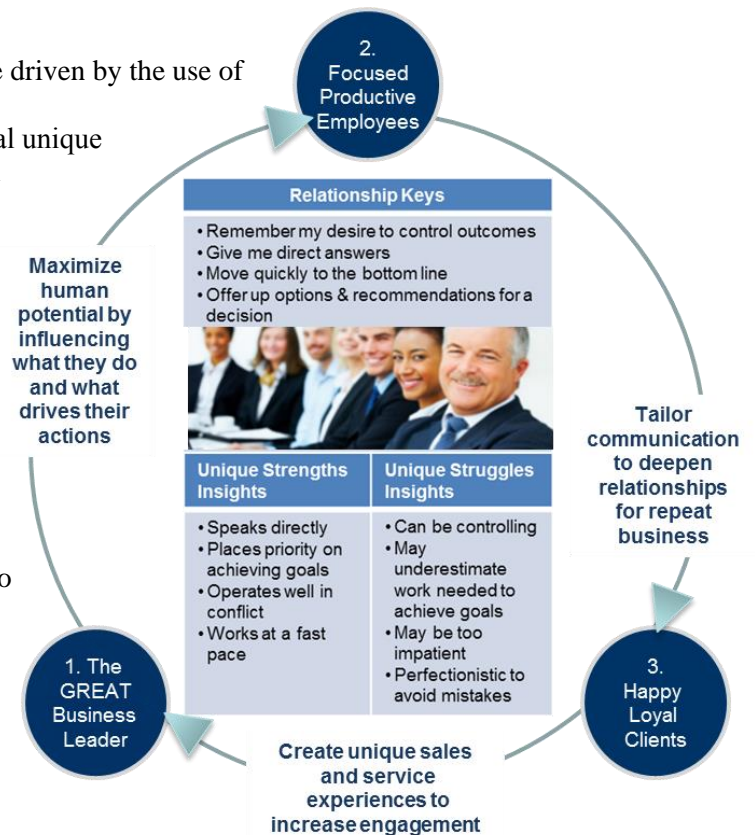
Achieving great business performance through your clients or customers is no longer just going to come from smart strategies, new innovative products, improving technology and better information. Rather, it will be driven by understanding the behavior of clients and customers and how they make decisions. Closing the gap between a customer’s true behavior and the rationality required for their decisions requires a deep understanding of their behavioral personality. Therefore, gaining objectively measurable, reliable and predictive behavioral insights about how a customer will make and communicate business decisions before providing a product or service is critical.

### The Definition of Business Performance

Achieving improved individual and business results through acting with high levels of confidence and understanding your own, your teams and your customer’s behavioral motivations to create sustainable outcomes.

We believe that Business Performance in the New Behavioral Economy is going to have the following primary features:

1. **Human Capital**...business performance driven by the use of behavioral talents
2. **Discovery**...profiling to reveal individual unique needs and motivations of employees and customers
3. **Framing**...recognizing different learning styles to re-frame solutions to customers
4. **Engagement**...customer service to move from satisfaction to connection & loyalty
5. **Customization**...solutions tailored to behavior and need
6. **Management**...business management based on behavioral guidance
7. **Matching**...service providers matched to customers based on behavioral fit
8. **Responsibility**...customers guided to make emotionally committed decisions
9. **Services**...based on value and delivered in a behavioral cognizant manner
10. **Trust**...business relationships based on transparency and sustainability



## 2. Connecting Business Outcomes to Behavioral Discovery

The business behavior approach we adopt assumes that while business people may not always make perfect decisions, their decision-making style is nevertheless relatively predictable. This is the core belief behind the DNA Behavior research that our firm has performed since 1999.

In many cases, we often hear that ‘xyz’ company is taking the following business decisions... In reality these decisions are not made by the ‘company’ but key decision makers within the company. Understanding at a deeper level the behavior of these decision makers unlocks the key to how decisions are often made and gives insight into their future decisions, and therefore the behavior of the company. In changing times many business people are under pressure in their roles. This environment typically forces many of these business people to ‘revert to type’ in terms of their natural hard wired behavior. The consequence is that often their learned behaviors and levels of emotional intelligence fall off for periods of time. This can lead to poor, if not unwise decision-making which is not in the best interests of the business long-term.

### Behavioral Discovery

Business decisions seen from an external perspective often appear puzzling. When you know who is making the decision and their natural behavioral bias, these decisions are far more predictable.

Knowing your own propensities and that of your teams provides great insight into the performance levers a leader has within his grasp. Importantly, it is also possible to educate employees and customers/ clients with behavioral awareness. This will help them become more self-empowered and discerning in their decision-making.

In the future, our prediction is that the “framing” of customer information, products and services or concepts to the different behavioral styles of customers will hold the key to business performance. Those people who can discover and adapt to different “left brain” and “right brain” learning styles will become the leaders of business and achieve stronger overall performance for their companies.



## 3. The Paradigm Shift: Leaders Becoming the Coaches of Employees and Performance Guides for Stakeholders

For every person there is always a lot going on below the surface that is motivating his or her life and business behavior. Generally, these behaviors cannot be easily or quickly measured by human observation. This then makes it difficult to know how extreme and predictable the behavior will be and what if any, impact these unseen behaviors may or may not have in their business performance.

A behavioral approach to business performance benefits both the company and the customers they serve. It provides that key point of connection and engagement that can lead to long term loyalty and the potential to extract *up to a 23% premium from your customer base in terms of revenue, profit and relationship growth over the average customer* – Gallup Research 2009.

### Manager Bias

As a Manager you will have your own biases, and your “blind-spots” must be managed so that employees and customers are not negatively influenced by your behavior.

A key point that leaders and managers must always remember is their behavioral style will influence how they perceive the business opportunity before them and how a customer will react. Research studies show that certain behavioral traits often exhibit “Over Confidence” or alternatively “Risk aversion”. Therefore, naturally leaders and managers will have a behavioral bias that may influence their direct decision making approach and their influence over more collaborative decisions taken by a team.

### Performance Belief

We believe that behavior drives business performance, and the emotions triggered by money and poor relationships can get in the way of business performance.

Both employee and customer performance can be significantly influenced by our behavioral traits. These traits carry a memory bank of emotion that either support or detract from the business decisions we face. For example, one leader having had a poor relationship with a customer with certain assertive traits in the past may overlook the business opportunity before them out of fear of repeating the same experience. This is known as having a “blind spot,” and can become a weakness without conscious awareness.



There is a “two-way” paradigm shift that needs to happen. Customers need to learn to be open to having solutions presented to them and business people need to learn to listen to the customer and read their messages in all forms of communication. With this approach the trust becomes deeper and is accelerated. We believe the role of the business service personnel goes beyond the traditional sale or services function to the role of educator and supporter:

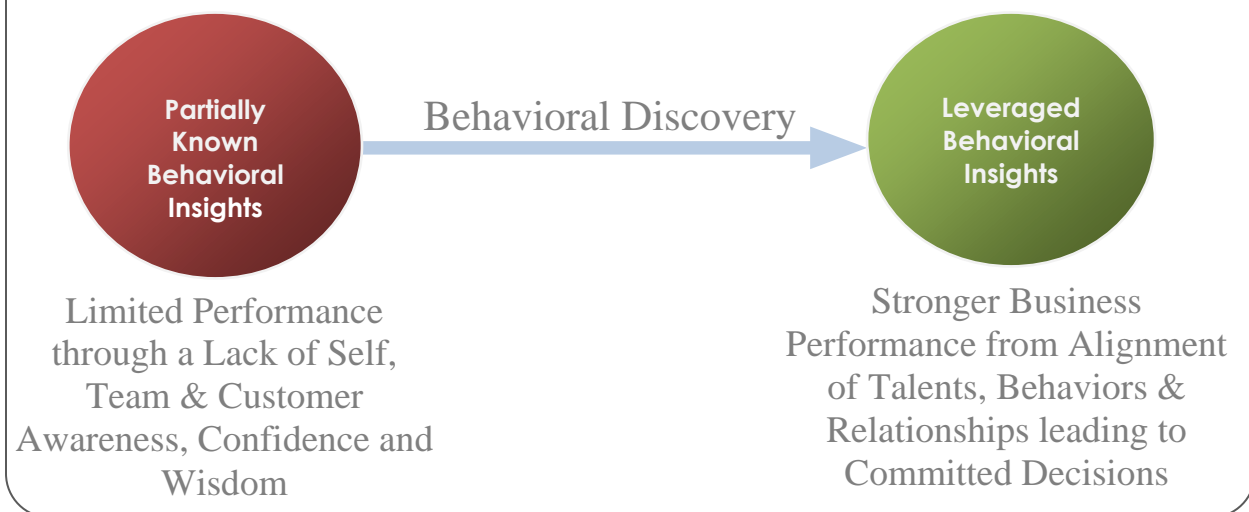
- Acting as the behavioral guide based on objective behavioral insights
- Mutually sharing with each other to build deeper trust and engagement
- Acting as a sounding board and wisdom transferor to customers
- Tailoring deals with behavioral insights to ensure the value is delivered



## 4. DNA Business Behavior Research Insights

The following business behavior insights will help you gain greater self-awareness for recognizing some of your own behavioral tendencies and also those of your employees and customers. This will be a starting place to address the quality of your business recommendations in helping customers achieve greater business performance. The behavioral insights we have provided below apply equally to males and females. Also, please feel free to complete the “Business Blind Spots” exercise in Appendix A to gain a pulse check of your tendencies and those of your customers.

In the future, leading businesses will approach performance by using behavioral profiling systems to address the behaviors of employees and customers in the markets in which they operate.



## Behavioral Insight 1: The Influence of Natural Behavior on Decision-Making

*Roger Simons is a successful business leader. At the age of 40 he was appointed to the role of President of a joint venture company. Roger is a visionary, and passionately drives the strategic direction of any organization he's involved in. Roger soon discovers that his courageous and strategic style is not appreciated by all of the shareholders or some of his management team. Roger believes in his ability to win over people however and sets about driving his vision harder. His early attempts fail and he adopts an even more direct and challenging style. His ability to engage the board and his management team is being severely tested. Overtime the company's performance begins to slip despite Roger having many strong performance based conversations. In total frustration and in fear of losing his career he rings an old friend for advice.*

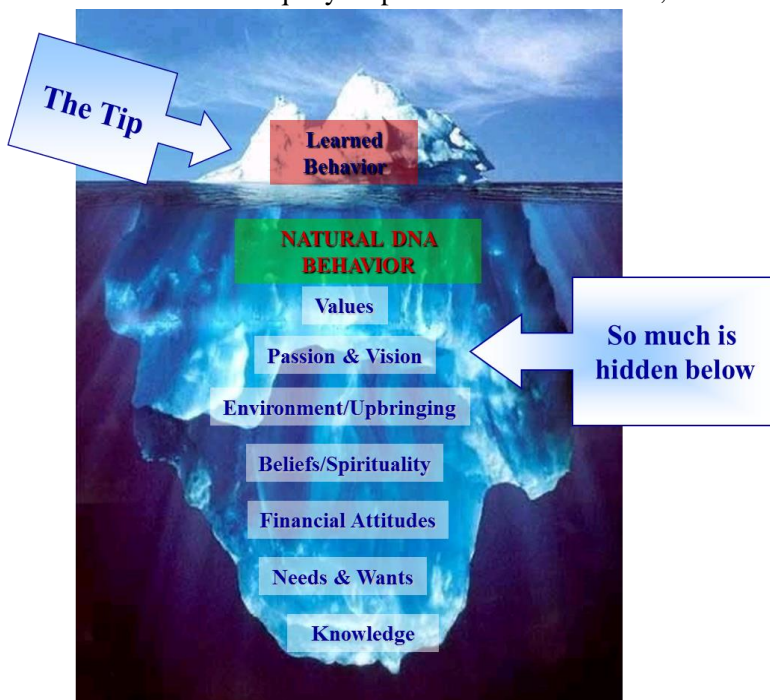
What is driving Roger's decision-making and leadership behavior? We often assume it is the energy of a vision or ambition and emotions that drive a leader or managers decision-making. However, it goes much deeper than this. The correct starting point to understanding a leader's behavior is to discover their natural DNA Behavior, the core of who they are. This is the behavior that was "hard wired" into them by the age of 3 years old based on their genetic DNA and early life experiences. The natural behavior often sits deep below the surface, and the leader or team member can be easily blind to it.

When leaders are under pressure they will revert back to their natural DNA Behavior, as it is the "go to" or "revert to type" behavior. Pressure is often caused by reputational impact of decisions, deteriorating relationships and business events often outside your control, and this then drives associated emotions. What we have learned is that a person's natural DNA Behavior drives how he or she uniquely responds to life and events, and therefore how business decisions are made. A key

### Behavioral Insight 1

Natural DNA Behavior predicts how people will respond to life, relationships and business events, and therefore what drives many of their decisions, particularly when under pressure. However, at times their decision may be shaped by additional elements such as a significant life experience, circumstances or education.

point is that the natural DNA Behavior will remain inherently consistent throughout a person's life and therefore is highly predictive. Of course, people will make business decisions from time to time outside of their natural DNA Behavior because of current circumstances, life history, values and education or even because of advice they receive.



### Learning Point:

*The leader or business manager needs to use behavioral profiles upfront to objectively discover their own and their teams natural DNA Behavior. This self-discovery will greatly enhance their ability to recognize and understand customer/client behavior and be better able to interact more effectively with them to secure a good business outcome.*



## Behavioral Insight 2: Framing

*Brian Smith is the Business Development Manager of a large division of a company. Brian is great at his job and regularly comes up with brilliant business ideas. Last week Brian was asked to present to the Senior Management Team (SMT) on a potential new project. Brian is passionate and loves to research ideas and concepts. Brian attends the SMT meeting and is well prepared for his hour long presentation. He begins to run through his presentation. Initially members of the SMT are impressed by the thoroughness of Brian's work. Ten minutes into the presentation Brian does not notice the frowns beginning to appear. Brian marches on through his presentation providing great detail to the concept presented. Twenty five minutes later after some restless questioning the SMT chair intervenes and thanks Brian for his presentation and advises the board will consider his proposal. Somewhat bewildered Brian nods and exits the meeting wondering how the board can make a decision when they have only heard half of the proposal.*

Have you ever attended a presentation like the one Brian gave and been left confused or de-energized, bamboozled by detail and not sure how it all fits in?

Understanding the audiences learning styles and propensities for receiving information, new ideas, strategies, products and solutions is critical to successfully presenting to them. This will increase the chance that they understand the proposal for what it is and how it is relevant to them. The mistake many people make is that they naturally present to others through their own lens. Instead, they should be “re-framing” how they present to be much more to the uniqueness of their audiences.

Leaders and Managers need to appreciate that with 20 people in the room there could be 20 different reactions, because each person is unique. The best way to get around this is to re-structure the proposal being presented into 4 quadrants so that each broad category of behavioral needs is addressed: 1. The big picture and how it relates to achieving goals and bottom-line returns, 2. Indicate how their involvement will create success in developing and managing the product or solution, 3. Address risk and assurance around potential scenarios and provide your views on the likely probability of outcomes, 4. Make the solution tangible and provide the history and research details in summary format and highlight where more detail can be found.

Brian simply misread his audience and as a result missed the opportunity to bring a great business opportunity to a successful conclusion.

### Behavioral Insight 2

The difference between what the advisor said and what the client heard will be attributable to the behavioral lens of each. The communication of products and solutions must be adapted.



### Learning Point:

*Leaders and Managers need to use behavioral insights to customize their communication with stakeholders and to re-frame the presentation of ideas and solutions so the stakeholder interprets the information as it was intended.*

## Behavioral Insight 3: Take-Charge Visionary

*Barry Jacobs is a 40-year-old businessman who has come to meet with you to discuss his new business proposal. You have learned that Barry has just sold one of his businesses and he now has capital to re-invest. You ask Barry the question: What is your vision for the business in 3, 5 or 10 years? Barry is able to immediately respond with a well-articulated strategy. As the discussion goes on it becomes obvious Barry has many more ideas and businesses to start. Barry does not mind what businesses he buys or industries he's involved with so long as it makes money. He says he is interested in the overall return of all his businesses and not overly concerned about the short term performance of any particular business.*

Barry is a “Take-Charge Visionary” who is naturally a big-picture thinker. He can see a long way into the future. Being able to more easily get the big-picture clarity does mean he will be predictably more comfortable making long term business plans. Further, this clarity will help Barry with being able to more confidently make business decisions.

When it comes to managing businesses, Take-Charge Visionaries will typically look at their businesses in the aggregate. This will generally



help them focus on the overall result and not get overly focused on looking at whether each particular business is performing well or not in any particular quarter.

A struggle that a Take-Charge Visionary will have is listening to advice from people around them because it is about their agenda and plans. This means they could miss engaging others and learning important information before making a decision.

A leader who is a Take-Charge Visionary will be naturally good at giving the business direction but needs to slow it down and listen to what their employees and management team has to say. This type of leader needs to be very careful that their dominance does not overly influence business decisions that end in less than maximum returns.

### *Learning Point:*

*The Take-Charge Visionary will be more independent in setting the direction of their organisations. Their team should aim to support them by providing options and recommendations on any business choice. Ask the team the questions: What milestones would be the most important for us to achieve our goals? What ideas do you have to contribute to the direction we are setting?*

### Behavioral Insight 3

Naturally big-picture thinkers and decisive people will be “Take-Charge Visionaries” who know where they are going and will have a consolidated view of their overall business plans. Communication key: Keep the discussion high level and provide options on recommendations.

## Behavioral Insight 4: Outgoing People Connector



*Rita Zito is a 38-year-old mother of 3 children who has a very bubbly, outgoing personality and an active social and community life. Rita regularly networks so she can hear the latest “hot trends” in marketing. At times in the excitement of the moment Rita has jumped at the latest trend without having thought through all the ramifications to the broader business. She justifies to herself that it will transform the company and be a big hit for her career. However, after a few less than successful campaigns and the future of her career on the line, Rita realizes something is wrong. Outside help is needed.*

Rita is clearly an “Outgoing People Connector” who is constantly networking with others and always exposed to the latest idea or solution. The Outgoing People Connector will usually be the expressive and talkative type who enjoys mixing with people.

When these networking talents are used well the Outgoing People Connector will learn of some great ideas. The key will be using the ideas wisely. However, often those with this type of behavioral style are quite impressionable regarding what others have to say and may “follow the herd”. “We will be left behind if we don’t run with this!”

Further, a struggle for these Outgoing People Connectors is that they are often quite emotionally vulnerable, and they have a desire for instant gratification and results. So this leads to impulsive decision-making and later regret. While they create the perception of being risk takers, very often they are not. Usually, the quick leap into one campaign may be matched by a quick leap out which may have in this case potential brand and business consequences.

A leader or manager who is an Outgoing People Connector will be naturally strong at finding out from others what the new opportunities are. However, they need to restrain themselves and only present these opportunities to the business when they have thoroughly researched them. Otherwise, their business colleagues will have a mix of poor options or campaigns to promote their products or services.

### *Learning Point:*

*The leader or manager needs to be aware that the Outgoing People Connector will be responding to a lot of up and down emotions with every business opportunity, and therefore each one needs to be discussed so that wise decisions are made. Ask the question: Tell me who you consulted with to develop these ideas? What research have you provided to support this proposal?*

### Behavioral Insight 4

Naturally expressive and talkative people will be “Outgoing People Connectors” who are able to network with people well but may make decisions without proper review of the details.

Communication key: Share with them the key people who can support their ideas and encourage them to provide supportive research.

### Behavioral Insight 5: Fast-Paced Realist

*Dave is a 52-year-old senior corporate executive who is used to making difficult decisions. Dave is the guy you call when you need things 'Fixed'. He is ruthless about performance and meeting his numbers. His view is that budgets have to be met or exceeded every quarter. Predictably, Dave believes that the same approach should be adopted with his people. He looks at their individual quarterly performances and makes the tough decisions that are needed to keep the business on track quarter by quarter. At times, however, this totally rational focus means he completely disengages his team and as a consequence he leads the company in high employee turnover rates. He has been frustrated as to why he has been overlooked for his next promotion when he is delivering the numbers!*



Dave is your classic “Fast-Paced Realist” who generally has strong business acumen. Fast Paced Realists are pragmatic when it comes to business gains and losses. They will act decisively and move on without getting too emotional when making hard decisions. Further, unless they have been misled by someone, Fast-Paced Realists will generally take responsibility for their decisions and not act like they have been misled because it has all gone wrong.

The struggle for the Fast Paced Realist is that their more aggressive results focused nature can lead them to take business decisions without taking the organization or their teams with them. Their natural lack of patience may also cause them to make a call without all the facts to hand. The risk is they may sacrifice what is a good long-term strategy for short-term results.

A leader who is a Fast-Paced Realist has the logical strength of being able to help their teams and customers make rational decisions. Although, the struggle will be that whilst providing the rationality they may not provide the emotional engagement to ensure a sustainable outcome. Further, leaders who are Fast-Paced Realists would also be more likely by nature to have a high turnover of their customers.

#### *Learning Point:*

*Fast-Paced Realists need people around them to help them with re-balancing their business decisions, and in doing so ensure that the short term decisions are in alignment with the long term strategy. Ask them the questions: How are you involving the people around you in the decisions you are taking? What has engagement of stakeholders meant to the overall sustainability of what you are doing?*

#### Behavioral Insight 5

A naturally logical and challenging person will be a “Fast Paced Realist” who is able to make very rational decisions without getting stuck but may be too impatient for sustainable results.

Communication key: Provide the bottom line results and keep the discussion quick.



## Behavioral Insight 6: Spontaneous Intuitive

*Julie 48 has been a Business Manager for many years and makes her decisions on 'gut feel'. She knows where she wants to take the business and her team in delivering value for her customer. Julie is confident in her abilities and is happy to make daily operational decisions on what 'feels right' to her. Julie is not into a lot of research and when you communicate with her make sure it is bullet point and graphical if possible. She feels too much structure and planning does not allow her the freedom she needs to do her job.*

Julie is the “Spontaneous Intuitive” who will generally be flexible enough to take opportunities when they are there and not get stuck in over-analysis. This type of person will usually make confident business decisions unless he or she has experienced a very negative event. The key is that they need to have enough prior business experience to intuitively know that their gut feeling is right. Once a decision is made, a Spontaneous Intuitive will run with it and not look back. They will have a strong sense that things will work out.

The struggle for them is not to be too overconfident in their abilities and make rash decisions that they find out later were poor. The poor decisions can come from insufficient research and also not taking time out for listening to others.

The other dimension a Spontaneous Intuitive must address is that because of their flexible nature they may end up with unstructured business projects. This is not to say they will be failing, however this approach often causes significant tension for other stakeholders. They can occasionally suffer from overconfidence and take some big chances that are not well thought out.



A leader who is a Spontaneous Intuitive will be strong at adapting to changing circumstances and making instinctive decisions. However, these types of leaders need to ensure they have access to solid research to support their recommendations. Also, they need to provide enough structure for their teams and set appropriate boundaries.

### *Learning Point:*

*The Spontaneous Intuitive person needs people around them to provide objective analysis to validate their intuitive feel. The*

*team leader should not allow the Spontaneous Intuitive team member to become too over confident in their abilities and make impulsive decisions. Ask the questions: Tell me about the best business decision you made? How do you set boundaries for yourself and your team?*

### Behavioral Insight 6

A naturally instinctive and flexible person with a clear vision will be a “Spontaneous Intuitive” who is confident with the business decisions they make but can be impulsive. Communication key: Provide the broad facts and encourage them to discuss their thinking out loud.

## Behavioral Insight 7: Skeptical Questioner

*Paul is 37 years old and has recently been appointed as chief executive for a large company. He has been a CFO for the last 5 years and sees those around as ok but not great performers. As a result Paul has recently installed in his office the latest equipment to enable him to stay on top of all the market information. Paul thinks he can manage the company more effectively by being across every bit of market related information himself and micro-manage control it from the top. In Paul's mind he knows best.*

Paul is a Skeptical Questioner and better known as a “do it yourself leader.” Typically, these leaders by nature will be very investigative and are independent decision-makers. You will often recognize these leaders by the fact that they are very guarded in what they say and yet ask a lot of questions and expect plenty of information. Also, very often the Skeptical Questioners' mindset will be that they have the capability to make the business decisions better than anyone else. However, the good news is that these leaders will take responsibility for the choices that they do make.



The struggle for Skeptical Questioners is learning that they will be the ones who are in the way of their own success. They will be prone to trying to time the market and always believe they can control the outcome. The Skeptical Questioner will not find it easy to delegate to their team. This often comes after making a lot of mistakes and realizing that they do need help. If they do delegate to one of their team, it is highly likely that they will take back control when the expected results have not been achieved. Therefore, by trusting no one, they cannot be really helped, regardless of their knowledge

level. Being open to the broader team will be important in supporting them to achieve better business performance through engaging the broader corporate talent base.

Leaders who are Skeptical Questioners have the natural strength that they will be highly questioning and check thoroughly all information and representations provided to them. However, because they are by nature quite controlling and closed they will find it difficult to build trust with their team or the broader customer base. They will only ever be comfortable when others completely delegate to them.

### *Learning Point:*

*The Skeptical Questioner needs an experienced sounding board that is capable of asking insightful and wise questions to challenge their decisions. The sounding board however needs to learn they have to wait before being allowed into their inner world. Ask the questions: How could you empower your team to more effectively help you? In what ways has your style got in the way of the businesses success?*

### Behavioral Insight 7

Naturally guarded and wary people will be “Skeptical Questioners” who seek to remain in control but do not easily delegate to others. Communication key: Provide logical explanations and the key points in a straightforward manner.



## Behavioral DNA Insight 8: Pioneering Goal Driver

*Anna Summer is a 45-year-old executive who leads the sales team for a large international foods company. To Anna, being wealthy and seen as professionally and financially successful is important. Anna loves to set goals and records them accordingly. She regularly reviews all goals and has them replicated for all her team. Her driving approach produces results which in turn encourages her to drive the team harder. Unfortunately her 'driving' nature has become relentless and her sales team is demotivated and performance has been slowly deteriorating. Her team loves the company but has lost the passion working under Anna.*

Anna is a typical Pioneering Goal Driver who has big goals that need to be achieved in a hurry. She is naturally ambitious and determined to reach higher levels of success. So long as a Pioneering Goal Driver can see the goal is viable and there are signs of success, they will keep on going and may even increase their intensity toward the goal. From a sales perspective they can set long-term goals, and they will keep with the strategy so long as progress is being made. They usually will not make emotional decisions that ruin any progress that has been made.

The struggle for a Pioneering Goal Driver is that they are not likely to be satisfied with their own or their teams performance. They will always be striving to make their results better. Therefore, they could sacrifice too much for success and burn out those around them.

### Behavioral Insight 8

Naturally ambitious and driven people will be "Pioneering Goal Drivers" who are focused on growing their reputation and achieving goals but may be overly focused on success.

Communication key: Address their goals and remember their need for quick action.



The reality is that most people have goals of some sort that they want to pursue. The question becomes, can a person who expresses a desire to achieve big goals do what is needed over the long term to achieve those goals when the going gets tough? Not all people can, although they may think they can. Will they be persistent enough to follow through and make the necessary life change and accept the bumps on the road? Again, this can be difficult as there will always be many factors competing for attention and self-doubt that can creep in.

Leaders who are Pioneering Goal Drivers will naturally be focused on helping their team set and achieve goals.

However, they will need to realize that not all their team

members will be goal focused in the same way. Some of their team will be very driven and results focused and others will respond to different stimuli in terms of work motivation.

### Learning Point:

*The Pioneering Goal Driver needs to be questioned on the realism of their goals and deep-down desire to diligently achieve them and will need to be guided to set a concrete plan of action. Ask the questions: Tell me about how you are progressing towards achieving your goals in an engaging manner? How important for you is it to be seen as successful?*

## Behavioral Insight 9: Risk-Taking Optimist

*Joe Taylor is a 30-year-old entrepreneur who has been taking business risks since he was 16 years old. His first venture was importing and wholesaling products and memorabilia for the music industry. His initial success spurred him on to expand his business and it crashed. Undeterred Joe has started and sold or shut down 5 more businesses in the last 10 years. Joe is very calculated in his approach, always ensuring that the perceived upside was significantly more than the downside in all his ventures. He knows that at times he has taken what many would say are very bold risks, but he can live with the consequences when a business loss is made. Joe admits he rationalizes losses as part of the game and gets on to the next business opportunity.*



Joe is a “Risk-Taking Optimist” who sees taking risks as an inherent part of life. These people are naturally opportunistic and will be comfortable taking risks. They will also be comfortable living with the dangers of taking those risks. Their mind-set will be that the next opportunity is around the corner and not to worry about the past too much.

However, the struggle for Risk-Taking Optimists is that they can take too many speculative business risks that leave them with more losses than wins. Their blind-spot is that they may not see the dangers and gamble too much against the odds.

Without a high level of self-awareness many people think they are far more risk tolerant than they really are. Often they are being driven by outside pressures and desires to be successful and may not be across the true nature of the opportunity they are developing. As soon as the market goes down severely, like in 2008, you soon see who has high risk tolerance. The problem becomes greater if the individual naturally has a significantly greater behavioral propensity to take risks beyond their risk tolerance capacity. Our behavioral research shows this is true in 20% of cases in terms of natural behavior. The danger of this behavior is that the person could leap at a profit-making opportunity when it comes up, yet when the business starts losing money they become highly emotional because they do not have the tolerance.

### Behavioral Insight 9

Naturally daring and courageous people will be “Risk Taking Optimists” who are prepared to take opportunities but may take unnecessary risks at times. Communication key: Present the risk and return of each business deal.

A leader who is naturally a Risk-Taking Optimist will generally be comfortable in guiding their teams and customers through the uncertain gyrations of markets, particularly if they know their staff and customers have a higher risk tolerance. The risk is that they do not see the dangers and take the wrong chance without fully informing those around them.

### *Learning Point:*

*Risk-Taking Optimists need people to provide them with boundaries to manage their propensity to take risks and provide a reality check on their tolerance for living with those risks. Ask the questions: What courageous goal have you set in the business? What safety net have you put in place for this project?*

## Behavioral Insight 10: Anchored Implementer

*Megan Teehs is 35 years old and works in the Retail industry. For some years now, Megan has been heading up the Administrative Services branch of her company. When Megan moved into this role, it had well defined systems and processes established that she quickly learnt. She does an excellent job in carrying out her duties and her team knows exactly what to expect in working with Megan. Megan is confident because the systems and processes are concrete and her team is trained to follow a simple and disciplined process. Megan recently learnt that her company is merging with another company and she has been selected to head the combined Administrative Services function. She has been given a defined timeline to achieve the integration of the two areas. Megan has become highly stressed and quite resistant to the pace and expectations management has of her. Senior management is concerned with her out of character behavior.*

Megan is a traditional “Anchored Implementer” for whom operating in a familiar environment is very important to her emotional comfort. Anchored Implementers will adopt a logical and sequential “left brained” approach in choosing tried and tested processes, products and solutions. They are interested in being provided with straightforward strategies and a concrete business plan with clear implementation steps. Further, they need clear benchmarks to measure performance. Generally, they do not want to be exposed to new ideas or challenges that they cannot get their head around. For Anchored Implementers, taking on new challenges or ideas is quite risky. They do not need to be on the cutting edge of everything and are overwhelmed by leaders who give them non-standard projects to implement.



A struggle will be that Anchored Implementers become too focused on a strategy and fixed on specific business benchmarks to monitor overall performance. The consequence being they do not look out to re-adjust when they do not foresee the need to re-adjust. They can lock themselves into a plan without the drive or creativity to get out of the box.

For leaders who are Anchored Implementers their strength will be following a consistent process in how they advise their teams and execute the plan. The teams will know where they stand and have clarity. However, the Anchored Implementer as a leader may struggle to be flexible when a different path needs to be followed.

### Behavioral Insight 10

Naturally consistent and experience-driven people will be “Anchored Implementers” who are able to focus on a plan but may overvalue proven strategies.  
Communication key: keep it tangible and provide the logical steps.

### Learning Point:

*The key for leaders in working with Anchored Implementers is to keep them focused on the overall long-term goals and maintain a consistent process. Introduce change slowly and mitigate the risks. Ask the questions: Tell me what works for you in co-developing the business plan? Tell me how you would like us to collaborate in working through the changes we need to make?*

### 5. Building the Business Performance of your Employees and Customers



As you can see, having greater self-awareness of your behavioral propensities and those of your team and customers will help to enhance business for everyone. Remember that it is the behavior of yourself and your team that will drive much of the performance of the business, not the behavior of the markets. Further, having greater behavioral knowledge will help you in communication and add more value to the relationships you create.

#### Step 1: Starting Point

Complete the “Business Behavior Blind Spots” exercise in Appendix A to gain some initial insights about your natural workplace propensities. Also, have your team complete the exercise. Focus on your top 2 propensities to start with. How do they relate to the insights in this guide? How will you modify your behavior going forward? How will you modify your recommendations to customers?

#### Step 2: Behavioral Discovery

You should then consider completing a behavioral discovery process that provides objectively measured insights into your natural hard-wired behaviors using a validated model. Your team should also complete the behavioral discovery. This process will provide predictive insights into how you make business decisions and your reaction to events. The report will help you play the role of behavioral guide.

#### Step 3: Leadership Performance 360 Discovery

The Leadership Performance 360 Discovery is for leaders to obtain an accurate insight into their leadership style, behaviors and performance. The profile measures a leader’s performance against their *Performance Pathway (talent alignment & results focus)*, *Emotional Engagement*, *Confidence and Wise Decision Making*. The leader receives feedback in a scaled rating across 75 data points, specific examples and an overall measurement called the Sustainable Performance Index (SPI). From this process, the leader can accurately develop a Leadership Performance Plan for the next 12 months.

#### Step 4: Performance Reviews

You should have regular performance reviews to monitor your team’s overall performance and emotional engagement. The idea is to keep their focus on achieving the broader business goals and maintaining high levels of engagement.



## Appendix A: Business Behavior “Blind Spots” Exercise

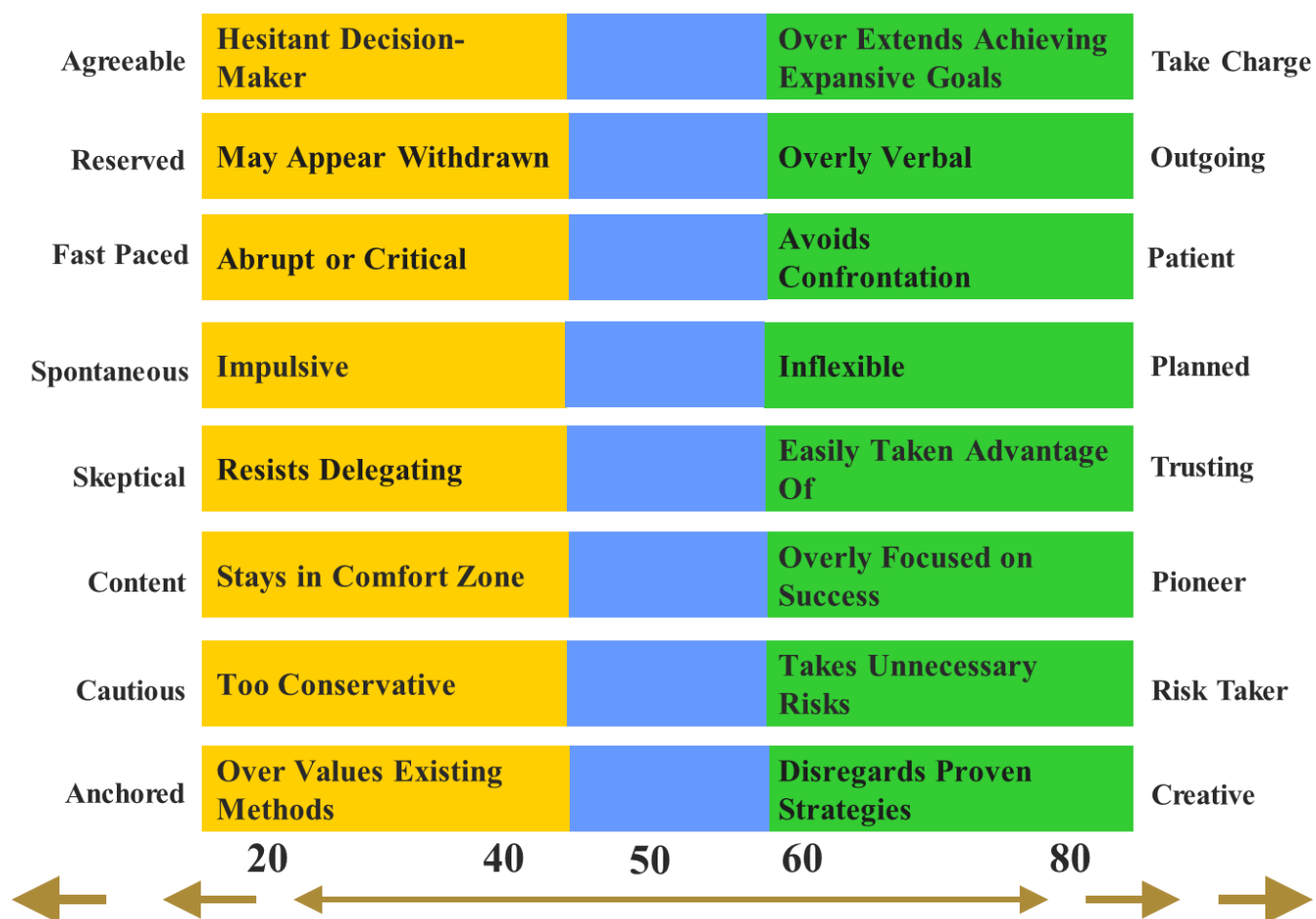
**Instruction 1:** For each of the 8 factors below, identify on the left or right side the degree to which each factor is most like you, based on the word choices. Place an “X” on the spot that you believe best represents your behavioral traits. The traits will be stronger the farther to the left or right the X is placed.

<p><b>COOPERATIVE</b> Hesitant Diplomatic</p>	<p><b>1. Commanding</b></p>	<p><b>TAKE-CHARGE</b> Big Picture Direct</p>
<p><b>RESERVED</b> Reflective Focused</p>	<p><b>2. People</b></p>	<p><b>OUTGOING</b> Expressive Talkative</p>
<p><b>FAST-PACED</b> Logical Challenging</p>	<p><b>3. Patience</b></p>	<p><b>PATIENT</b> Understanding Tolerant</p>
<p><b>SPONTANEOUS</b> Instinctive Unfocused</p>	<p><b>4. Structured</b></p>	<p><b>PLANNED</b> Systematic Particular</p>
<p><b>SKEPTICAL</b> Questioning Guarded</p>	<p><b>5. Natural Trust</b></p>	<p><b>TRUSTING</b> Believing Forgiving</p>
<p><b>CONTENT</b> Balanced Easy-going</p>	<p><b>6. Pioneering</b></p>	<p><b>PIONEER</b> Ambitious Driven</p>
<p><b>CAUTIOUS</b> Conservative Certainty</p>	<p><b>7. Risk</b></p>	<p><b>RISK TAKER</b> Daring Courageous</p>
<p><b>ANCHORED</b> Consistent Experience Driven</p>	<p><b>8. Creativity</b></p>	<p><b>CREATIVE</b> Original Imaginative</p>



## Business Performance in the New Behavioral Economy™

**Instruction 2:** Then for your 2 strongest factors that are most like you, review your business blind spots from the table below. Consider with greater awareness how you can reduce the negative impact of these blind spots on your business performance.





## Appendix B: Background Information

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### Research References

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Lee has twenty years of experience in psychometric research. He led the team from Crown Financial Ministries that researched and developed the Career Direct Personality Inventory (Career Direct® assessment system) and the RightPATH® Profile assessments that have been used internationally by more than 200,000 individuals in the business and financial services sectors. Lee authored “Leading Talents, Leading Teams”.

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Hugh has more than ten years of technical and practical international experience in using and developing personality systems for predicting financial and investment decisions. Hugh is a world authority on the connection of natural DNA behaviors to life, financial, and business decisions, and has authored “Financial DNA – Discovering Your Financial Personality for a Quality Life”. He has been responsible for the commercialization of the DNA Behavior Profiling instruments in over 47 countries.

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