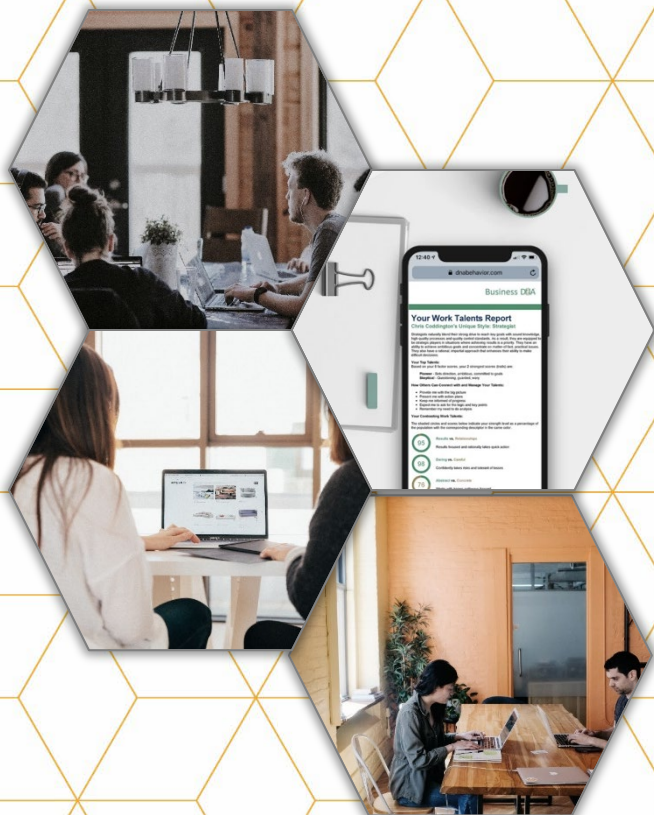


Designing Your Decision-Making Process



DNA Behavior®

Designing Your Decision-Making Process

To become successful as a leader, entrepreneur, advisor, or consultant, you must confidently and wisely make strategic, financial, and people decisions. The consequences of making a poor decision can be significant when you consider the “decision cascade spiral” that potentially takes place to correct the original choice.

As the Behavior and Money Insights Company, DNA Behavior views decision-making through a behavioral lens. For every strand of behavior, there is a corresponding energy strand.

Understanding your financial behavioral style (your Financial DNA®) shaped early in life is critical for decision-making. Your financial behavioral style drives your money energy. Money Energy (ME) is the power and capacity to generate wealth that becomes a stored force releasable to your life at any time. It is influenced by, and impacts, all other areas of human existence where energy is a source, physical, emotional, mental, and spiritual. Therefore, you must pay attention to what you feed into these energy sources and what voices and sensory triggers you respond to.

Money is an inherent part of our lives; its energy needs nutrition and a positive mindset to keep it healthy. Remember that the energy sources are aligned, and each feeds into the other. For example, keeping mentally strong helps us resist derailment from negative thoughts.

Money is a huge source of stress; it finds its place in every part of our lives and is embedded in every decision we make. If we are not feeding our ME with health and life-giving data, the force of ME could take over negatively.

Our premise is that it is essential to remember that money is a universal energy that strongly impacts every decision-making area and life in general. Therefore, in designing a decision-making process that works for all aspects of your life, you must first understand yourself, particularly your money energy and how your financial behavioral style drives it.

Sound judgment and decision-making can be defined as one's ability to objectively assess situations or circumstances using all the relevant information and apply experience to conclude or make a decision.

“There is an assumption that the best decisions are rationally based on logic and factual information. As a result, researchers have tended to look at reason and emotion separately. A value has been placed on decisions made with reason: “it is careless but common to suggest that when we make bad decisions, they are based on emotion, but when we arrive at good decisions, they are based solely on reason” (Lazarus and Lazarus, 1994). Hammond posited that different situations demand different forms of cognitive activity, some calling for increased analytical cognition, and others calling for increased reliance on intuition.” Source: Centers for Disease Control and Prevention (CDC) on [judgment and decision-making under stress](#).

Always question your motives before making life-changing decisions.

Recognizing the Power of Behavior and Money Energy on Decision-Making:

Since 2001, we have observed that when people are under stress or pressure, often caused by money and relationship issues, they can do a behavioral flip. The calm person you have seen has changed with an emotional swing.

If not known and understood, the energy surrounding money and relationships can distort behavior and decision-making and play a part in this emotional swing. Individuals need to be aware of behavior change under pressure. There will be patterns that can be revealed and used to pinpoint good and bad decisions.

Money is not the problem; the human mind is. That is what needs to be understood.

This is why it is essential to recognize that the power of money energy needs to be understood and managed if quality decisions are to be made.

“Navigating your financial future is navigating your life”...Kim Fournais, Saxo Global.

There has been a lot said about intuition and data in decision-making. There are advocates for both sides. Much research has been done on the errors caused by different people making decisions on the same facts. These errors can be attributed to “behavioral variability” of systemic biases and random noise, including money behaviors. The early use of intuition can be problematic for these reasons. At the same time, there can be many errors from a data-only approach.

Research provided by Daniel Kahneman et al. in the book *Noise* shows that intuition is only 28% accurate. However, when you think about the energy money creates and the emotions it triggers, which will cloud intuition, that statistic makes sense even though it would be a surprise and even threatening to their ego for many.

As the research in the book *Noise* says, intuition is only 28% accurate. For many, their intuition is clouded by the energy of money.

Nevertheless, experience and insight count a lot when making high-stakes decisions, particularly in complex situations. Much misfortune can be avoided if your personal or organizational decision-making process delays the early use of your intuition (not eliminates) until it has been enhanced with the cognitive reflection of the behavioral and financial data.

As humans, we all have intuition – gut feelings – that unexpected prompt that informs the decisions we make. Intuition is the ability to understand something without the need for conscious reasoning.

Let’s consider this further. Instinct and intuition are two different ways that people use to make decisions. Instinct is a feeling or reaction based on a person's past experiences. Intuition, on the other hand, is a feeling or reaction based on a person's gut feeling. Knowledge of intuition has been around for a long time and is well-accepted as potentially powerful.

Aristotle held that intuition is the human capacity to apprehend primary premises and is “the originative source of scientific knowledge” (*Posterior Analytics*, 136-137).

Einstein is widely quoted as saying, “The intuitive mind is a sacred gift, and the rational mind is a faithful servant.”

Intuition, therefore, in the ideal world, must be allowed to work freely. Any blockages to it could be likened to bad food-blocking arteries.

To ensure your intuition is laser sharp and operating at an elevated level when making decisions, like all active energy sources, it must be fed the proper sustenance through independent data to keep functioning well. Of course, analytics and other forms of data have a place, but the intuitive mind, well protected, can see contradictions that work against your intuition.

Intuition can be your friend when your money energy flows exponentially because you have clarified your identity and relationship to money. We all know the phrase “... If a deal looks too good to be true, it probably is”decision making, mainly where money is concerned, should always recognize your first thought, i.e., your intuition. However, before a decision is finally made, your initial thoughts need to be considered in the context of independent data. The data will serve to power your intuition with more robust information.

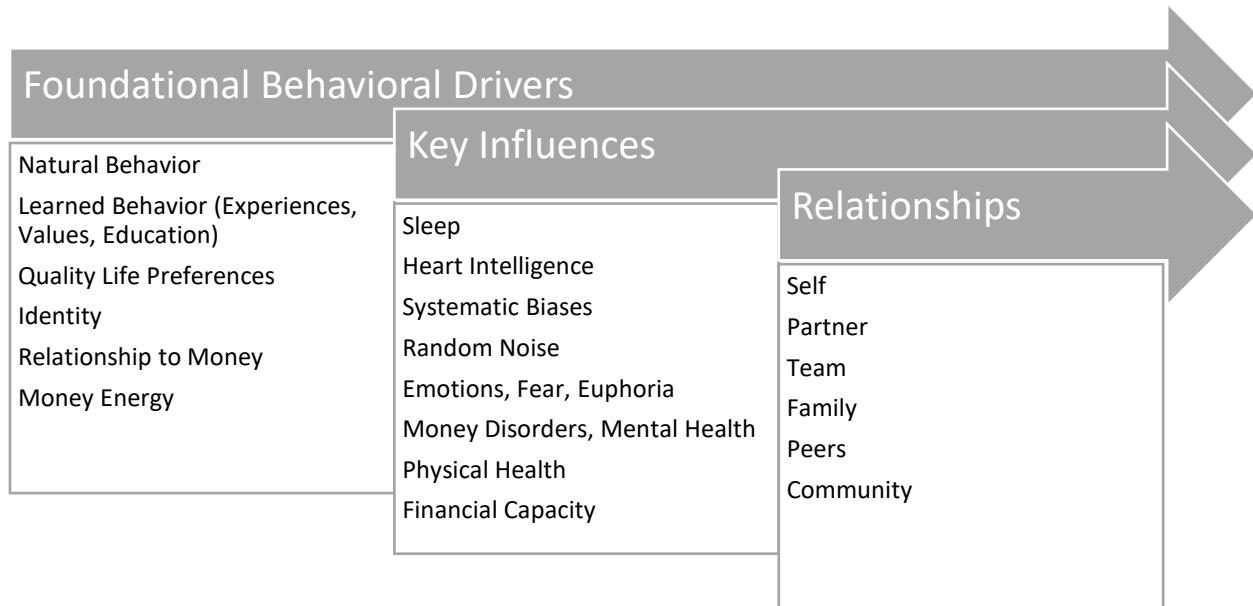
Checking your intuition is why we at DNA Behavior, many years ago, coined the phrase – “check yourself before you wreck yourself.” This still holds today.

We advocate having a deep understanding of your money behavior. It’s measurable, accurate, and one of the most effective ways to remove any decision-making blockages that could result in failures.

Leaders who make critical decisions based on intuition supported by research and other data often find that when money enters the debate, those around intuitive leaders get nervous with the emotional clouds creating some blindness. Be prepared, therefore, to answer the doubter's questions.

As a rule of thumb, when making good decisions that lead to a good life, business, and financial strategies, clarity in a few key areas is needed:

1. Your identity, including understanding your purpose, values, and personal priorities.
2. The motivations and events which influence your money energy in the decision context, including whether you are coming to the table with a good heart.
3. What issues trigger your emotions and whether any emotions or issues are impairing your judgment
4. The inherent behavioral biases and experiences that have come through your life and how they will show up in the decision-making process.
5. Your financial reality and capacity and whether they are causing any biases or conflicts.
6. An objective understanding of the critical facts supported by independent evidence.



According to their study on brain activity related to financial decision-making, Camelia M. Kuhnen (who has degrees in both neuroscience and finance) and Brian Knutson (whose main field of research is the neural basis for emotions) show that emotional states influence decision-making significantly through a similar channel. Exogenous positive or negative arousals are followed by increased neural activity in the NAcc and AI regions of the brain (see image below), leading to overly risk-seeking or risk-averse behavior, respectively.

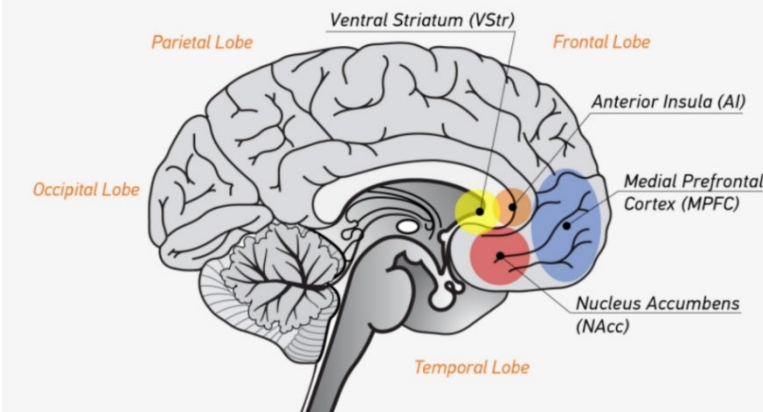
Neuroeconomics research shows that brain areas that generate emotional states also process information about risk, rewards, and punishments, suggesting that emotions influence financial decisions in a predictable and parsimonious way. We find that positive emotional states such as excitement induce people to take risks and be confident in their ability to evaluate investment options. In contrast, negative emotions such as anxiety have the opposite effects. Beliefs are updated to maintain a positive emotional state by ignoring information that contradicts individuals' prior choices. Marketplace features or outcomes of past choices may change emotions and thus influence future financial decisions.¹

Making decisions just to make money isn't a quality life goal. Knowing how the use of money aligned with who you are will empower you to deliver a quality life is what matters. A similar principle applies in organizations when the interests of all stakeholders need to be considered, including the shareholders, employees, suppliers, and community.

¹ [study](#) The Influence of Effect on Beliefs, Preferences, and Financial Decisions Camelia M. Kuhnen and Brian Knutson

LOBAL DOMINATION

Most brain activity related to financial decision making takes place in the frontal lobe.



In psychology, the main influencing decision-making factors are experience (Juliussen, Karlsson, & Gärling, 2005), cognitive biases (Stanovich & West, 2008), age and individual differences (Bruin, Parker, & Fischhoff, 2007), belief in personal relevance (Acevedo, & Krueger, 2004), and an escalation of commitment, influence what choices people make.²

Image Source³

Additionally, as stated by Daniel Kahneman in his book *Thinking, Fast and Slow*, behavioral biases, otherwise known as heuristics (mental shortcuts that facilitate problem-solving and probability judgments), also play a role in good and bad decision-making quality. While heuristics can be effective for making immediate judgments, they tend to result in irrational or inaccurate conclusions that require revisiting later.

We have identified sixteen behavioral biases measured by the DNA Behavior system, which influence financial decision-making and can drain money energy. These are provided in our Financial DNA reports. Although, there are many more biases that influence decision-making.

Many things can derail sound decisions, but here are just a few:

- Lack of self-awareness
- Money behavior struggles and money disorders
- Low money relationship integration
- Poor heart intelligence
- Systematic behavioral biases
- Random noise
- Money experiences
- Life and financial pressure, emotions, fear, euphoria
- Poor sleep
- Ongoing mental health conditions
- Personal, family, and business relationship issues
- Underlying hidden agendas
- Lack of confidence
- Poor wisdom, including poor character choices

² <http://www.inquiriesjournal.com/articles/180/decision-making-factors-that-influence-decision-making-heuristics-used-and-decision-outcomes>

³ Neuroeconomics Brain Illustration https://www.seekpng.com/ipng/u2e611e6y3q8y3o0_neuroeconomics-brain-illustration-v1-brain/

That said, the opposite of this list can lead to good decisions.

Designing Your Decision-Making Framework:

We recommend that you build a decision-making tree that follows the following six steps:

Step 1: Philosophy

The first step is to have a philosophy that forms the foundation of your decisions. Your philosophy serves as the governing principle and becomes the initial question.

For instance, decisions could be made based on Essentialism. Therefore, is it essential that you do X or choose Y?

Based on knowing your identity, do you know what is necessary for your life and business, and what are distractions and energy depleting?

Step 2: Objective

The second step is to ensure that the outcome of the decision will benefit all aspects of your life.

The decision must evoke an unequivocal “yes” to the following: Will the decision make you happy, successful, and happy?

Step 3: Journey

When the decision is made, your life must have a positive flow.

Can you foresee your choice being meaningful (aligned to purpose and values), leveraging your abilities, providing personal growth, heart-connected, easy, financially rewarding, and enjoyable? These elements enable happiness, success, and stress reduction so that health is not negatively impacted.

Step 4: Alignment

A key to making decisions sustainable is alignment between the parties on a rational and emotional basis. While there may be a justifiable course of action in rational or analytical terms, the impact on relationships must be considered. Without the support of employees, clients, families, and other stakeholder interests, there are no sustainable results.

So, will the decision align results and relationships for a sustainable outcome? How does the decision sit with your heart?

What time will the commitment be required?

Step 5: Reward

Having adequate high-quality information to make a realistic risk/reward assessment of the decision outcome is important. In addition, addressing how you feel about having the certainty of income or protecting what you have now versus your propensity for tolerating losses is essential.

Will the decision result in sufficient gains for you to take the chance involved with the decision?

Will you get a sufficient reward for the use of your time? Remember, time is not something you get back.

Step 6: Wisdom

Making good decisions requires wisdom from knowing your identity, guarding your character (integrity), courage to do the right thing, and self-confidence.

We always recommend you “check yourself before you wreck yourself” and sleep well before deciding.

The ultimate wrap-up question: Is this the wise thing to do?

Decision-Making Matrix:

For each significant opportunity, we suggest you rate the following fifteen items on a 1 to 5 basis as part of your assessment. Of course, there is no right total answer, but ideally, each response should score at least 4 out of 5.

1. Essential
2. Happiness
3. Success
4. Health
5. Provides Meaning (aligned to Purpose and Values)
6. Leverages Abilities
7. Personal Growth
8. Heart Connected
9. Easy
10. Financially Rewarding
11. Enjoyable
12. Impact on Relationships
13. Time Commitment
14. Serve With Integrity
15. Wisdom

Decision-Making Elements for Consideration:

In making a decision, the following elements should be considered:

1. Your identity – is the decision consistent with your identity regarding how you wish to show up in the world?

2. Your intuition – what does your gut feeling say?
3. Independent data and information – have you obtained sufficient independent evidence to support your decision? For more information, **please review our Behavioral Variability Guide.**
4. Your decision-making biases – have you considered how your behavioral lens may be impacting your perspectives? For more information, **please review our Identifying Behavioral Biases Guide.**
5. Your loss aversion – how loss averse are you, or to what degree must the opportunity be expected to produce a gain that will offset the pain of a loss? As a starting point, the expected gain from the decision should outweigh the projected risk-weighted loss by 2:1, or more.
6. Your Quality Life – will the decision improve your happiness, success, and health? Will your stress be reduced?
7. Your money energy – will the decision boost your money energy? This requires considering the financial implications along with your happiness and health (physical and mental).
8. The potential consequences – how will the decision impact your life, business, and relationships? What will the use of time be? What are the implications of the decision going wrong?
9. The people involved – how well do you know the stakeholders involved in your decision, whether it be your partners, board, team, family, or clients?
 - Have the stakeholders completed their DNA Natural Behavior Discovery, Money Energy Discovery Processes, and other behavioral discovery requests?
 - Are you capable of identifying people who are aligned with themselves and your purpose, values, mission, and priorities, a talent fit for the role, have appropriate experience, skills, and capabilities, are emotionally and financially stable, and are of sound character?
 - Have you known the people for sufficient time and seen them in different situations to learn how they operate?
 - Are they open, transparent, and consistent in their responses to your questions?
 - Do you trust them?
 - What will be the impact of the decision on your relationship with them?
10. Win-Win – will the decision be positive and fair for all? There needs to be sufficient “results and relationships” alignment between all the parties to a transaction to ensure sustainability for all involved.

In Conclusion:

There are consequences to needing to understand how we as humans make decisions.

Monetary consequences – are defined above in this document. But consideration must also be given to the human cost of poor decision-making:

- We compromise ourselves – our self-worth, values, and needs.
- We get what we want at the expense of others, thereby damaging relationships.
- We make poor decisions that generate anxiety, distress, shame, and guilt and damage our health.
- We create chaos that others have to deal with.
- We miss opportunities.
- We make an unlawful or otherwise non-compliant decision.

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- We flip our behavior and become an outlier.

Life is made up of the minute-by-minute decisions we make, and we, as humans reflect those decisions. We are a product of our decisions. The process we use to make the decisions will ensure that our decision-making is more effectively aligned with our inherent behavior. We will be better able to tune our decision-making into the 'conversation' happening between our brain, mind, and heart, all of which play vital roles as we make decisions.

The starting point for this 'conversation' can be revealed, measured, and deliver sound scientifically based insight to assist decision-making through the **completion of the DNA Behavior Discovery Process.**

Then to delve deeper into where your life and money energy are now in terms of what areas are strengths and what areas are a struggle that may be causing stress, are blockages, or simply not essential, **you can complete the Quality Life Performance Discovery and the Money Energy Opportunities Discovery.**

In addition, if you wish to explore your life purpose, values, passion, x-factor, vision, and mission further so that you can gain greater clarity of your identity, what provides meaning, and have a filter for determining what is important, **then complete the Quality Life Planning Discovery and the Quality Life Goals (Needs and Wants) Discovery.**

To learn more about DNA Behavior International and the solutions we offer, please visit: www.dnabehavior.com

If you have any questions or would like to discuss DNA Behavior with an executive on our team, please email us at: inquiries@dnabehavior.com

