You make thousands of decisions every day, from the mundane to the momentous. How many will you get right?
• The big problems in life concern getting along and getting ahead—making friends and having a career.

• Personality assessment captures individual differences in the ability to get along and get ahead.

• The view that people are rational and logical decision makers is a myth.

• Real decision-making is rapid, biased, and subconscious.

• We rationalize our decisions after the fact.

• All of this is related to personality.
THE FOUR PRINCIPLES OF LEADERSHIP

1. Act with integrity
2. Know what you’re talking about
3. Have a vision for the future
4. Make good decisions
• The history of any career or business reflects the decisions that have been made.

• At least half of the decisions in business are wrong.

• Good judgment mostly concerns fixing or not repeating bad decisions.
Who you are determines how you think and the decisions you make, which affects your career success and leadership potential.
We analyze decision-making in terms of three components:

1. Information-processing style
2. Decision-making approach
3. Reactions to feedback (coachability)
# HOGAN JUDGMENT MODEL

## INFORMATION PROCESSING
How people process information

| Verbal Information vs. Numerical Information |

## DECISION-MAKING APPROACHES
How people approach decisions

<table>
<thead>
<tr>
<th>Threat Avoidance vs. Reward Seeking</th>
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</thead>
<tbody>
<tr>
<td>Tactical Thinking vs. Strategic Thinking</td>
</tr>
<tr>
<td>Data-Driven Decisions vs. Intuitive Decisions</td>
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</table>

## REACTIONS TO FEEDBACK
How people react to feedback about their decisions

<table>
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<th>Defensive vs. Cool-headed</th>
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<td>Denial vs. Acceptance</td>
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<td>Superficial Engagement vs. Genuine Engagement</td>
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</table>
INFORMATION-PROCESSING STYLE

Verbal vs. Numerical Information Processing

• Some people prefer to think in terms of words and images.
• Some people prefer to think in terms of numbers and symbols.
These individuals take their time processing both numerical and verbal information.

They are interested in making accurate decisions based on an understanding of all available information.

They tend to do well in occupations requiring meticulously researched and unhurried decisions.
QUALITATIVE

- These individuals process verbal information more efficiently than numerical information.
- They prefer to use words rather than data to interpret events.
- They tend to do well in story-telling occupations such as communications, literature, philosophy, journalism, and advertising.
These individuals process numerical information more efficiently than verbal information.

Because they enjoy identifying patterns and predicting outcomes based on data, they tend to excel in fields such as finance, accounting, engineering, and IT.
VERSATILE

• These individuals efficiently process both numerical and verbal information.

• They can quickly and efficiently solve problems regardless of required information and tend to do well in occupations requiring quick decisions with limited information across diverse topics.
There are three important pre-decision biases:

- Threat avoidance vs. reward-seeking
- Tactical thinking vs. strategic thinking
- Data-driven decisions vs. intuitive decisions
Some individuals focus primarily on the negative side of the risk-reward equation, preferring to remain cautious to avoid threats.

Others focus on the positive side of the risk-reward equation, preferring to seek rewards despite potential consequences.

Threat avoiders may be more appropriate for decisions that involve potentially disastrous consequences.

Reward seekers are often necessary for building and growing organizations.
TACTICAL THINKING VS. STRATEGIC THINKING

- Some people focus on tactical issues such as immediate needs and relevant details, whereas others prefer to focus on strategic long-term challenges and opportunities.

- Tactical thinkers tend to focus on details like cost, implementation, and staffing issues, but may neglect larger issues.

- Strategic thinkers tend to use a future-oriented, big picture perspective, but may neglect important practical details.
People approach decisions from either an intuitive perspective, which allows for fast, automatic, and effortless decision-making, or a data-driven perspective, which is slow, deliberate, controlled, and effortful.

Data-driven decisions are often more effective when there is both information available and time to review it.

Intuitive decisions are not only more effective, but also sometimes necessary, when situations dictate that individuals make quick decisions and move on.
Combinations of these three dimensions of decision-making bias lead to eight different types of decision makers.
THE AUDITOR

- **Risk Orientation:** Threat-focused
  - **Vision:** Tactical
  - **Thinking Style:** Data-driven

  *Makes deliberate data-driven decisions that solve immediate tactical problems and avoid unnecessary risk.*

  **Good at** dealing with situations where hard-headed, pragmatic decisions need to be made in order to minimize threats and score small wins.

  **Not so good at** longer-term, creative, and innovative thinking in situations that are relatively safe and where risks could be rewarded.
THE SURGEON

- **Risk Orientation:** Threat-focused
  - **Vision:** Tactical
  - **Thinking Style:** Intuitive

*Makes relatively quick decisions that minimize threat and risk, that are easy to implement, and are based on practical experience.*

**Good at** quick, prompt decision-making to fix pressing problems or time sensitive issues.

**Not so good at** decisions designed to maximize longer term opportunities based on a review of data and research.
THE PROMOTER

- **Risk Orientation:** Reward-focused
  - **Vision:** Tactical
  - **Thinking Style:** Intuitive

Makes fast and intuitive decisions that maximize short-term payoffs.

*Good at* pragmatic decisions made in the here-and-now (where data aren’t available or useful) to maximize wins or opportunities.

*Not so good at* avoiding substantial risks or failures over the longer term; prone to “taking a punt” based on gut feelings.
Risk Orientation: Reward-focused

- Vision: Tactical
- Thinking Style: Data-driven

Makes data-driven, carefully calculated choices designed to gain short-term rewards and score tactical victories.

Good at pragmatic decisions using data in order to produce immediate, quick concrete wins.

Not so good at dealing with longer-term risks that are harder to quantify.
THE INVESTOR

- **Risk Orientation:** Reward-focused
  - **Vision:** Strategic
  - **Thinking Style:** Data-driven

Relatively slow, *data-driven decision-making designed to maximize long-term payoffs and strategic advantage.*

**Good at** decisions where careful, rational analysis and patience is required in order to win big; willing to revisit past decisions.

**Not so good at** quick decisions needed to solve immediate concerns and make remedial corrections, and where more data won’t lead to better outcomes.
The Defense Analyst

- **Risk Orientation:** Threat-focused
  - **Vision:** Strategic
  - **Thinking Style:** Data-driven

**Makes crafted, data-driven decisions intended to defend against a wide range of specific threats.**

**Good at** situations where careful analysis of long-term threats and potential consequences is required, and decisions don’t need to be made quickly.

**Not so good at** quick, holistic decisions that capitalize on immediate opportunities.
THE POLITICIAN

- **Risk Orientation:** Reward-focused
  - **Vision:** Strategic
  - **Thinking Style:** Intuitive

*Makes quick decisions based on a broad understanding of the strategic options available, decisions designed to maximize long-term competitive advantages.*

Good at holistic, out-of-the-box thinking to capitalize on long-term, broad opportunities.

Not so good at addressing immediate problems or implementation issues; may prioritize quality at the expense of more pragmatic considerations.
Risk Orientation: Threat-focused
  Vision: Strategic
  Thinking Style: Intuitive

Makes quick decisions using intuition, gut feelings, and past experience to minimize threats to the big picture and future strategic advantage.

Good at big picture, holistic decisions to set up a strong defensive position that minimize risks and threats.

Not so good at situations where quick decisions are needed for immediate wins; may overlook the value of data to identify opportunities.
There are three post-decision reactions to feedback about wrong decisions:

- Defensive vs. Cool-headed
- Denial vs. Acceptance
- Superficial Engagement vs. Genuine Engagement
Defensive response
May be seen as overly sensitive to criticism, argumentative, and defensive.

Development tips
– Try to suspend judgment and hear others out.
– Appreciate that people who give you feedback are trying to help.
Denial response
May be seen as unable to learn from experience, and having an inflated view of one’s own opinion.

Development tips
– Listen to feedback from others, starting with friends and family, who are on your side.
– Recognize that denying mistakes leads to a reputation for poor decision-making.

Denial: Ignoring feedback or dissent, spinning data, downplaying mistakes or blaming them on others.

Acceptance: Acknowledging responsibility for bad decisions, considering the facts carefully, and addressing the failure.
SUPERFICIAL VS. GENUINE ENGAGEMENT

Superficial Engagement: Agree with negative feedback to gain approval; avoid unpleasantness instead of taking responsibility.

Genuine Engagement: Committed to improving future decision-making through active participation in feedback.

Superficial Engagement response
May be seen as eager to please and unwilling to deal with issues.

Development tips
- Try to see feedback as constructive criticism.
- Though your deference may win in the short term, think about the long-term cost to your credibility.
## Openness to Feedback & Coaching

<table>
<thead>
<tr>
<th>Resistant</th>
<th>Neutral</th>
<th>Receptive</th>
</tr>
</thead>
<tbody>
<tr>
<td>In response to feedback about bad decisions, feedback-resistant individuals tend to blame others, deny their responsibility, and pretend to care about feedback without really engaging in it. However, such people are good at making hard decisions and standing by them.</td>
<td>People described as feedback neutral often seem moderately receptive to feedback, but may also struggle with tendencies to react poorly to bad news. Such individuals tend to demonstrate a balanced approach to feedback, neither resisting it entirely nor accepting responsibility for everything.</td>
<td>In response to feedback about bad decisions, feedback-receptive individuals tend to remain calm, thoughtfully analyze their missteps, and solicit advice about how to make better decisions. However, such people may also accept blame for other people’s mistakes.</td>
</tr>
</tbody>
</table>
COACHABILITY

• A function of how people respond to feedback regarding their past behavior.
• Predicts a person’s probability to change.
• Some people are more coachable than others.
• The Hogan Judgment Report evaluates how resistant or receptive people will be to coaching.
DEVELOPING BETTER JUDGMENT

- JUDGMENT FEEDBACK
- COACHABILITY
- WILLINGNESS TO CHANGE
- BETTER DECISIONS
- REPUTATIONAL CHANGE
HOGAN JUDGMENT ASSESSMENT
Sample Item

1. Balance the scales

Stop Assessment
Sample Item

2. Complete the pattern

Stop Assessment
Sample Item

2. Puppy is to dog as kitten is to cat.

This analogy is True because a puppy is the young version of a dog, just as a kitten is the young version of a cat.
|   |   | **JUDGMENT ASSESSMENT**
|---|---|---
| 1. | At meetings I always have something to say. | True False
| 2. | I think I would like to do research. | True False
| 3. | I like to try new, exotic foods. | True False
| 4. | I enjoy speaking in front of an audience. | True False
| 5. | I try to live by the motto "Look before you leap." | True False
| 6. | Little things seem to bother me a lot. | True False
| 7. | I expect great things from myself. | True False
| 8. | I wish I could be more assertive. | True False
| 9. | I don't let little things bother me. | True False
| 10. | I am easily embarrassed. | True False
HOGAN JUDGMENT REPORT
Audience and Applications

- Standalone evaluation of decision-making
- Component of an assessment center
- Informs interview questions
- Leadership development
- Team development
- High-potential programs
- Executive coaching
- Complements Hogan Leadership Forecast Series or Insight Series
EXECUTIVE SUMMARY

The report evaluates Mr. Doe's judgment and decision-making style by analyzing how he processes information, makes decisions, and reacts to feedback. The report covers:

- Information Processing Style
- Decision-Making Tendencies & Style
- Reactions to Feedback

**Information Processing Style**

- **How does Mr. Doe process information?**
- **Interpersonal Processing Style:**
  - Interpersonal: HIGH
  - Relationship Level: AVANCE

**Decision-Making Tendencies & Style**

- **How does Mr. Doe make decisions?**
- **Decision Making Style:**
  - Performance-Centered: STRATEGIC
  - Decision-Making: ANALYTIC

**Reactions to Feedback**

- **How does Mr. Doe react to feedback?**
- **Feedback Reactions:**
  - Open-mindedness: EXTENSIVE
  - Acceptance: SUPERIOR

INTRODUCTION

This report provides a comprehensive analysis of Mr. Doe's judgment and decision-making style, covering his interpersonal processing, decision-making tendencies, and reactions to feedback. The report aims to provide insights into Mr. Doe's strengths and areas for improvement, enhancing his overall performance in judgment and decision-making.
JUDGMENT REPORT

INFORMATION PROCESSING STYLE

People make decisions in many ways, and their decision-making style affects how they process information to make decisions. Each of these styles has characteristic strengths and weaknesses in terms of processing speed and decision-making abilities. Knowing your own personal decision-making style can help you to improve your decision-making processes and outcomes.

QUALITATIVE

- Focus on subjective factors
- More likely to rely on gut feelings
- May take longer to make decisions

QUANTITATIVE

- Focus on objective factors
- More likely to use statistical methods
- May take shorter time to make decisions

DECISION-MAKING APPROACHES

Most people's decision-making approaches fall into one of two categories: analytical or intuitive. Analytical decision-making involves a systematic approach to making decisions, while intuitive decision-making relies on personal experience and judgment.

THREAT AVOIDANCE VS. REWARD SEEKING

Some people make decisions based on a desire to avoid threats or seek rewards. Threat avoidance involves trying to prevent negative outcomes, while reward seeking involves seeking positive outcomes.

TACTICAL VS. STRATEGIC THINKING

Different people have different levels of tactical and strategic thinking. Tactical thinkers are more focused on short-term goals, while strategic thinkers are more focused on long-term goals.

DATA-DRIVEN VS. INTUITIVE DECISION-MAKING

Some people make decisions by analyzing data and gathering information, while others prefer to rely on their gut feelings and personal experience. Data-driven decision-making is more objective, while intuitive decision-making is more subjective.

DECISION-MAKING STYLES

By understanding your own decision-making style, you can improve your decision-making processes and outcomes. Each style has its own strengths and weaknesses, and being aware of your decision-making style can help you to make better decisions in the future.

AUDITORS
- Risk-takers
- Focus on details
- Logical thinkers

SURGEONS
- Risk-takers
- Focus on details
- Logical thinkers

STOCK TRADERS
- Risk-takers
- Focus on details
- Logical thinkers

INVESTORS
- Risk-takers
- Focus on details
- Logical thinkers

CHESS PLAYERS
- Risk-takers
- Focus on details
- Logical thinkers

POLITICIANS
- Risk-takers
- Focus on details
- Logical thinkers

PUBLIC SPEAKERS
- Risk-takers
- Focus on details
- Logical thinkers

CEOs
- Risk-takers
- Focus on details
- Logical thinkers
SUMMARY

• Leadership involves decision-making.
• People’s decisions create their reputation for judgment.
• All decision-making is biased in systematic ways.
• There are pre-decision and post-decision biases, and they can be assessed.
• Good judgment involves being willing to acknowledge and fix bad decisions, and learn from experience.
• Knowledge of one’s biases can, in principle, improve one’s decision-making and judgment.