



Judgement

You make thousands of decisions every day, from the mundane to the momentous. How many will you get right?

PERSONALITY AND DECISION-MAKING

- 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 rationalise 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

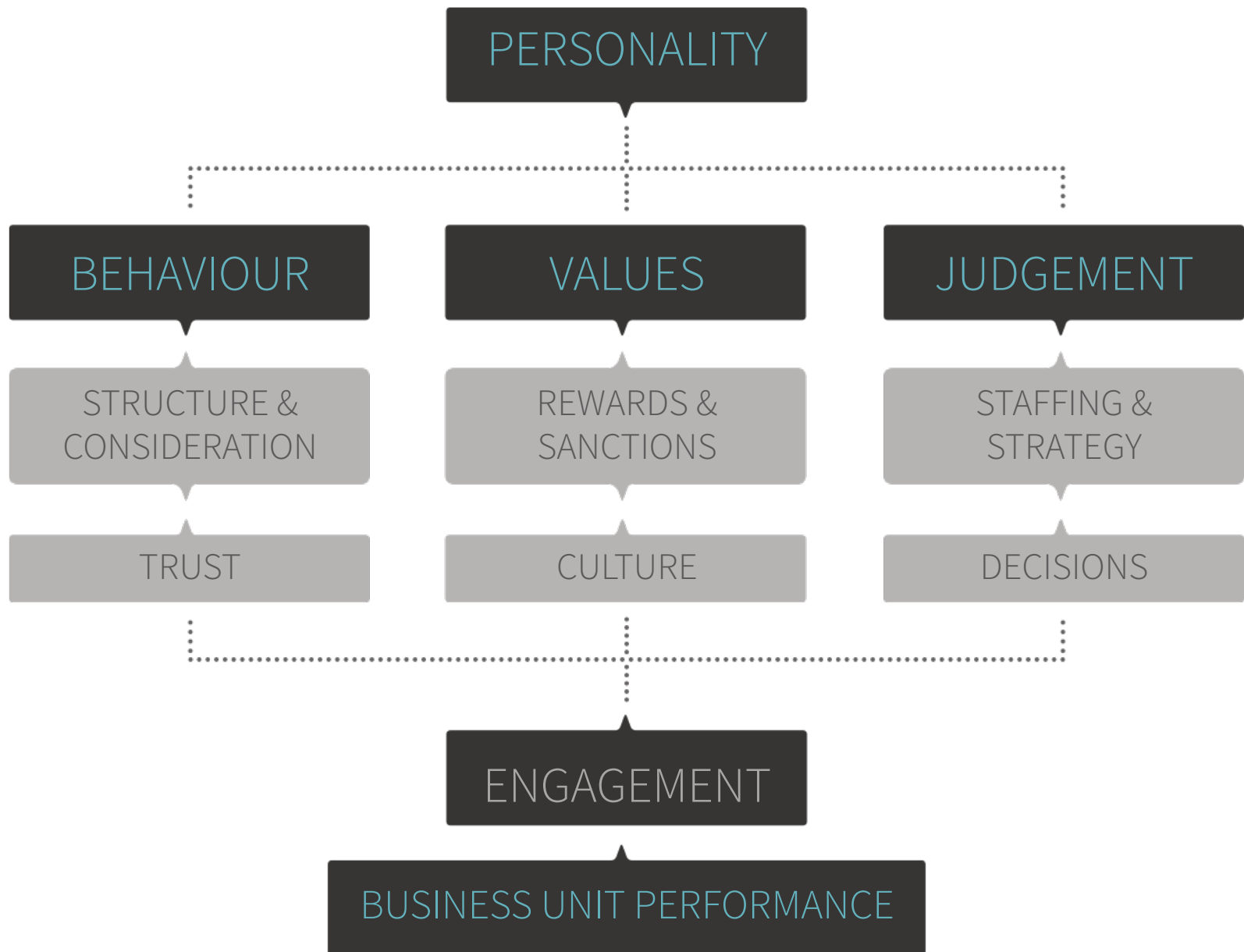
DECISIONS DRIVE EVERYTHING

- 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 judgement mostly concerns fixing or not repeating bad decisions.

WHY JUDGEMENT?

- 1 Decisions drive everything
- 2 Decisions are driven by judgement
- 3 Judgement is driven by personality

Who you are determines how you think and the decisions you make, which affects your career success and leadership potential.



HOGAN JUDGEMENT MODEL

We analyse decision-making in terms of three components:

- 1 Information-processing style
- 2 Decision-making approach
- 3 Reactions to feedback (coachability)

HOGAN JUDGEMENT MODEL

INFORMATION PROCESSING

How people process
information

Verbal Information
vs.
Numerical Information

DECISION-MAKING APPROACHES

How people approach
decisions

Threat Avoidance
vs.
Reward Seeking

Tactical Thinking
vs.
Strategic Thinking

Data-Driven Decisions
vs.
Intuitive Decisions

REACTIONS TO FEEDBACK

How people react to feedback
about their decisions

Defensive
vs.
Cool-headed

Denial
vs.
Acceptance

Superficial Engagement
vs.
Genuine Engagement

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.

DELIBERATE

- 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.

QUANTITATIVE

- 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.

DECISION- MAKING APPROACH

There are three important pre-decision biases:

- Threat avoidance vs. reward-seeking
- Tactical thinking vs. strategic thinking
- Data-driven decisions vs. intuitive decisions

THREAT AVOIDANCE

VS.

REWARD SEEKING

- 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 organisations.

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.

DATA-DRIVEN DECISIONS

VS.

INTUITIVE DECISIONS

- 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.

DECISION- MAKING STYLE

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 minimise 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 minimise 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 maximise 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 maximise short-term payoffs.

Good at pragmatic decisions made in the here-and-now (where data aren't available or useful) to maximise 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.



THE STOCK TRADER

- **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 maximise 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 capitalise 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 maximise long-term competitive advantages.

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

Not so good at addressing immediate problems or implementation issues; may prioritise quality at the expense of more pragmatic considerations.



THE CHESS PLAYER

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

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

Good at big picture, holistic decisions to set up a strong defensive position that minimise 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.



RESPONSES TO BAD DECISIONS

There are three post-decision reactions to feedback about wrong decisions:

- Defensive vs. Cool-headed
- Denial vs. Acceptance
- Superficial Engagement vs. Genuine Engagement

DEFENSIVE VS. COOL-HEADED

Defensive: Becoming upset, blaming others, and disagreeing with feedback.

Cool-headed: Calm review of negative feedback; open-minded analysis of the situation.

Defensive response

May be seen as overly sensitive to criticism, argumentative, and defensive.

Development tips

- Try to suspend judgement and hear others out.
- Appreciate that people who give you feedback are trying to help.

DENIAL VS. ACCEPTANCE

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.

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.
- Recognise that denying mistakes leads to a reputation for poor decision-making.

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

RESISTANT

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.

NEUTRAL

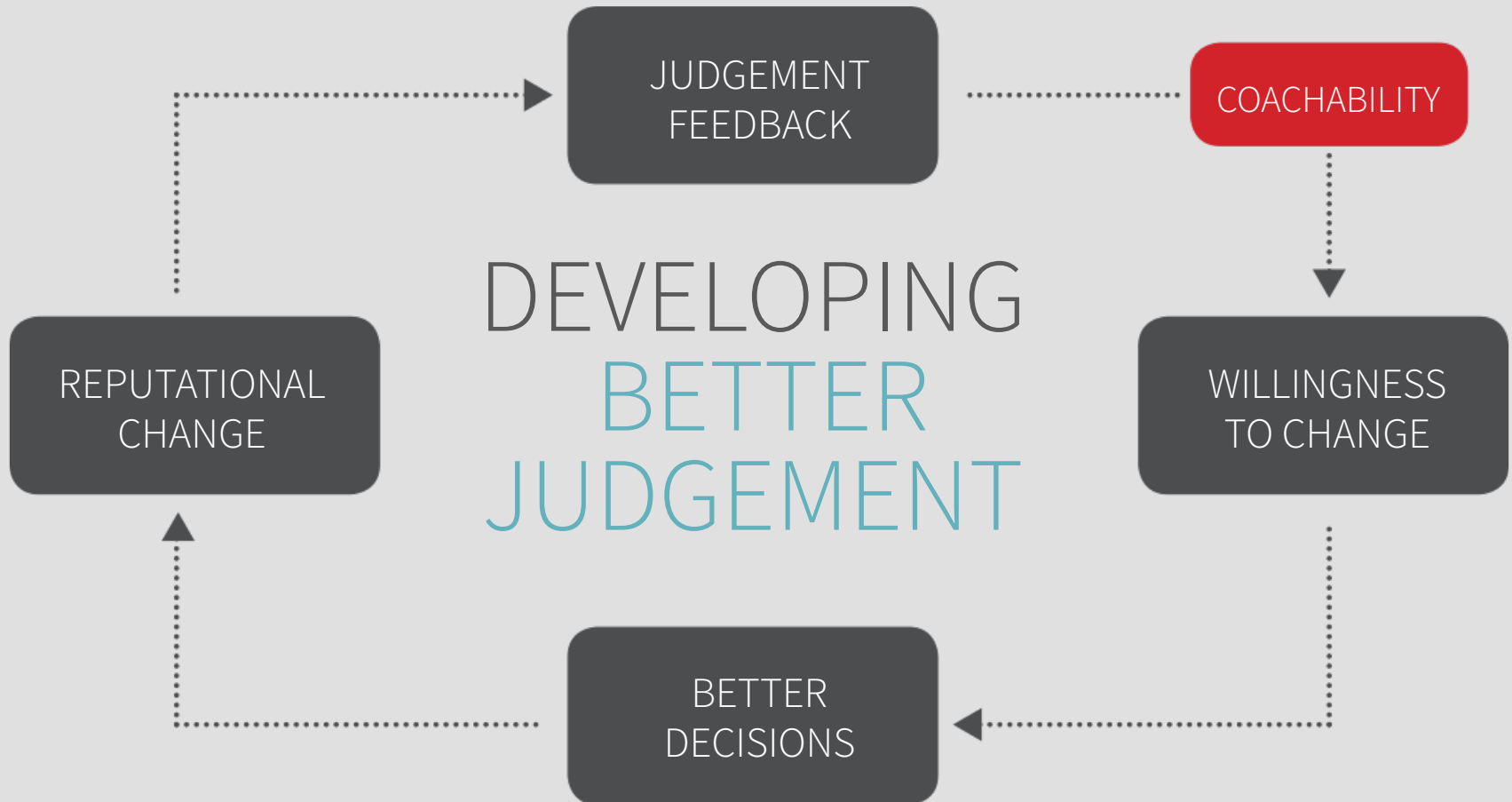
People described as feedback neutral often seem moderately receptive to feedback, but may also struggle with tendencies to react poorly to bad news. Such individuals tend to demonstrate a balanced approach to feedback, neither resisting it entirely nor accepting responsibility for everything.

RECEPTIVE

In response to feedback about bad decisions, feedback-receptive individuals tend to remain calm, thoughtfully analyse their missteps, and solicit advice about how to make better decisions. However, such people may also accept blame for other people's mistakes.

COACHABILITY

- A function of how people respond to feedback regarding their past behaviour.
- Predicts a person's probability to change.
- Some people are more coachable than others.
- The Hogan Judgement Report evaluates how resistant or receptive people will be to coaching.



HOGAN JUDGEMENT ASSESSMENT

JUDGEMENT ASSESSMENT

Sample Item

1. Balance the scales



- ☐ 1
- ☐ 2
- ☐ 3
- ☐ 4
- ☐ 5

Stop Assessment



JUDGEMENT ASSESSMENT

Sample Item

2. Complete the pattern



- ☐
- ☐
- ☐
- ☐
- ☐

Stop Assessment

Back **Next**

JUDGEMENT ASSESSMENT

Sample Item

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

.....

True False

☒ ☐

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.

JUDGEMENT ASSESSMENT

	True	False
1. At meetings I always have something to say.	☐	☐
2. I think I would like to do research.	☐	☐
3. I like to try new, exotic foods.	☐	☐
4. I enjoy speaking in front of an audience.	☐	☐
5. I try to live by the motto "Look before you leap."	☐	☐
6. Little things seem to bother me a lot.	☐	☐
7. I expect great things from myself.	☐	☐
8. I wish I could be more assertive.	☐	☐
9. I don't let little things bother me.	☐	☐
10. I am easily embarrassed.	☐	☐

HOGAN JUDGEMENT REPORT

JUDGEMENT 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

JUDGEMENT REPORT



DECODING YOUR THINKING AND DECISION-MAKING STYLES

November 05, 2014

JUDGEMENT REPORT

John Doe

ID HC72985

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John Doe

ID HC72985

JUDGEMENT REPORT

EXECUTIVE SUMMARY

This report examines Mr. Doe's judgment and decision-making style by evaluating how he processes information, makes decisions, and typically reacts to feedback about his decisions. This page summarizes his results across all sections of the report. The following pages provide more detailed results for each section.

INFORMATION PROCESSING STYLE | QUALITATIVE

How effectively does Mr. Doe process the information needed to make decisions?

In terms of information processing style, Mr. Doe seems to be skilled in interpreting words and their meaning; he may be more interested in understanding people issues than solving abstract, analytical problems.

Verbal Level: **HIGH**
Numerical Level: **AVERAGE**

DECISION-MAKING TENDENCIES & STYLE | CHESS PLAYER

How does Mr. Doe naturally approach making decisions?

Mr. Doe's decision-making style resembles a Chess Player; he may try to minimize threats to future positions by making strategic, experience-based decisions.

Threat vs. Reward: **THREAT-AVOIDANT**
Tactical vs. Strategic: **STRATEGIC**
Data vs. Intuitive: **INTUITIVE**

REACTIONS TO FEEDBACK | NEUTRAL

How does Mr. Doe typically react to feedback about his decisions?

Mr. Doe may react emotionally to bad news, but then focus once he calms down. People with similar tendencies tend to benefit from coaching because they are often motivated to change their behavior and improve their performance.

Defensive vs. Cool-Headed: **DEFENSIVE**
Denial vs. Acceptance: **ACCEPTANCE**
Superficial vs. Genuine: **GENUINE**

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JUDGEMENT REPORT

INTRODUCTION

The judgment of leaders is reflected in their decisions. Although leaders' decisions determine the fate of their organizations, on average, half of their decisions will be wrong. Therefore, good judgment involves not only making good decisions, but also responding appropriately to bad ones. When confronted with the news that their decisions are wrong, some leaders blame others and/or deny they have made mistakes; other leaders seek feedback, learn from their mistakes, and avoid repeating them. How leaders react to feedback about their decisions reflects their coachability, a key element of both good judgment and career success.

Because bad decisions are so common and have serious consequences, it is essential to try to improve decision-making. Becoming aware of one's decision-making style and becoming more coachable can help people make better decisions and correct bad ones more quickly. The Hogan Judgment Report provides feedback and developmental considerations to help people reach these goals.

This report describes decision-making style in terms of three components:

INFORMATION PROCESSING

How people process
information

Verbal information
vs.
Numerical information

DECISION-MAKING APPROACHES

How people approach
decisions

Threat Avoidance
vs.
Reward Seeking
Tactical Thinking
vs.
Strategic Thinking
Data Drives Decisions
vs.
Intuitive Decisions

REACTIONS TO FEEDBACK

How people react to feedback
about their decisions

Defensive
vs.
Cool-Headed
Denial
vs.
Acceptance
Superficial Engagement
vs.
Genuine Engagement

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JUDGEMENT REPORT

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JUDGMENT REPORT

INFORMATION PROCESSING STYLE

People can be placed into one of four categories based on how they process the information needed to make decisions. Each of these groups has characteristic strengths and shortcomings in terms of solving problems and making decisions, primarily because the people in each group are interested in solving different kinds of problems.

HIGH VERBAL	☒ QUALITATIVE These individuals process verbal information more efficiently than numerical information. Because they often prefer to use words to interpret events and create emotional experiences, they tend to do well in areas such as communications, literature, philosophy, journalism, and advertising.	☐ VERSATILE These individuals efficiently process both numerical and verbal information. Because they can solve problems regardless of the topic area, they tend to do well in occupations requiring quick decisions across diverse topics.
	☐ DELIBERATE These individuals take their time in processing both numerical and verbal information because they want to make good decisions based on a sound understanding of the facts. They tend to do well in occupations requiring carefully studied decisions based on a wide range of information.	☐ QUANTITATIVE These individuals process numerical information more efficiently than verbal information. Because they often like to identify patterns and rules in sets of numbers and predict outcomes, they tend to do well in areas such as finance, accounting, engineering, and IT.
AVERAGE NUMERICAL		HIGH NUMERICAL

Mr. Doe received an average score for processing numerical information and a high score for processing verbal information. People with similar scores tend to be good at understanding and using words and concepts. They often communicate their decisions effectively and enjoy the process of self-expression. This information processing style also facilitates understanding and interpretation of others' feelings and intentions. Qualitative information processors tend to prefer analyzing people issues instead of abstract, logical, or mathematical problems.

NUMERICAL VS. VERBAL

Mr. Doe's information processing style is derived by combining his results on the numerical and verbal sections of the Hogan Judgment assessment.

NUMERICAL SECTION

ITEMS ATTEMPTED 15 / 15

TIME USED 0 / 10 Minutes

OVERALL SCORE 9 / 15

VERBAL SECTION

ITEMS ATTEMPTED 48 / 48

TIME USED 0 / 12 Minutes

OVERALL SCORE 29 / 48

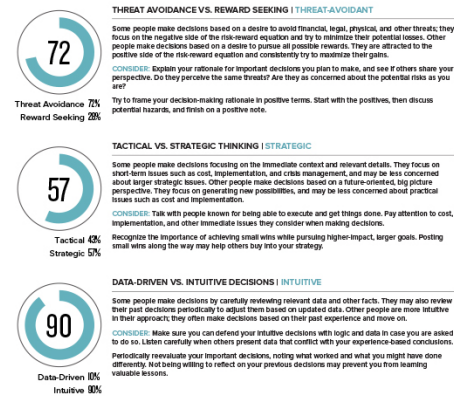
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JUDGMENT REPORT

DECISION-MAKING APPROACHES

Most people's business decisions reflect three unrelated approaches. Mr. Doe's pre-decision approaches are presented below:



DECISION-MAKING STYLES

By combining scores across the three approaches to making decisions, we can describe a person's decision-making style. Each style is represented by an occupation best representing a combination of approaches to making business decisions. However, please note that these styles are representative of typical thinking styles, not indicators of their vocational interests, preferences, or performance. Each decision-making style is characterized by its own set of strengths and challenges. In general, the eight styles and their typical decision-making approaches are defined as follows:

AUDITORS	SURGEONS	STOCK TRADERS	DEFENSE ANALYSTS
Avoid threats using tactical data-based decisions	Make tactical experience-based decisions to avoid threats	Seek rewards by making tactical, data-based decisions	Use strategic, data-based decisions to avoid long-term threats
POLITICIANS	CHESS PLAYERS	PROMOTERS	INVESTORS
Seek long-term rewards using strategic, experience-based decisions	Deflect against threats using strategic, experience-based decisions	Seek short-term rewards based on tactical, experience-based decisions	Maximize long-term rewards based on strategic, data-based decisions

CHESS PLAYER

THREAT AVOIDANT

STRATEGIC

INTUITIVE

Mr. Doe's decision-making approaches suggest he thinks like a Chess Player. Such people tend to:

- Make decisions to minimize threats to their future positions
- Base their decisions on strategic considerations
- Think several moves ahead
- Make decisions based on their past experience and intuition
- Accept short-term losses to win in the end
- Expect that winning will take time
- Try to put details into their proper context
- Value thinking outside the box
- Make decisions and move on
- Keep track of past decisions to improve future decisions

JUDGEMENT REPORT

John Doe ID HC729985 JUDGMENT REPORT

REACTIONS TO FEEDBACK

Most people respond to negative feedback about their decisions by relying on three unrelated tendencies. Mr. Doe's reactions to this feedback are presented below.



Defensive 57%
Cool-Headed 43%

DEFENSIVE VS. COOL-HEADED | DEFENSIVE

Some people respond emotionally to negative feedback by blaming external factors — other people, circumstances, timing, etc. — that are outside of their control. In short, they may project blame outward. Other people respond to negative feedback by remaining cool-headed and calmly considering how they may have contributed to the bad decision.

CONSIDER When people criticize your decisions, try to consider how the decisions might have been improved by focusing on the factors that you controlled. External factors are important, but spend time reflecting on what you could have done differently.

You may tend to respond emotionally to negative feedback. Be sure to compose yourself before responding or reacting.



Denial 47%
Acceptance 53%

DENIAL VS. ACCEPTANCE | ACCEPTANCE

Some people respond to negative feedback with denial and deflection. They may refuse to recognize the facts, ignore the feedback, reinterpreted failure as success, or just wait others to move on. In short, they may deny that there are problems. Other people respond to negative feedback by carefully considering the facts, directly addressing the future, and interpreting negative feedback as a means to improve future decisions.

CONSIDER Think about how you might use feedback to learn about what you did right, not just what you could do differently.

Consider when you might have been too accepting of feedback. Taking responsibility for factors you cannot control can be just as ineffective as not taking responsibility for factors you can control.



Superficial 35%
Genuine 65%

SUPERFICIAL VS. GENUINE ENGAGEMENT | GENUINE

Some people may appear willing to admit failure and listen to advice about how to make better decisions in the future, but may actually just be putting on an act to gain acceptance and approval. Such people may use superficial agreement as a way to avoid genuinely confronting their problems. Other people tend to more actively engage in the negative feedback about their bad decisions to find new solutions and make better decisions in the future.

CONSIDER Think about times when your desire to improve your performance may have resulted in your acting on feedback that may not have been constructive.

Consider what you can do to better evaluate the quality of the post-decision feedback you receive.

John Doe ID HC729985 JUDGMENT REPORT

REACTIONS TO FEEDBACK

DEFENSIVE
ACCEPTANCE
GENUINE

Mr. Doe's reactions to feedback about his decisions suggest that he may tend to:

- First react defensively and emotionally to negative feedback
- Initially blame other people and external factors for past mistakes
- Be willing to reflect on past mistakes once the initial storm has passed
- Be modest and straightforward in considering feedback
- Genuinely engage in feedback sessions
- Appear motivated to improve performance and change behavior
- Benefit from coaching after the initial emotional reaction

John Doe ID HC729985 JUDGMENT REPORT

OPENNESS TO FEEDBACK & COACHING

By combining scores across the three types of reactions to feedback, we can describe a person's overall openness to feedback and coaching. This is important because it concerns the challenges that Mr. Doe may face in developing and improving his business judgment through coaching. In general, people tend to fall into one of three categories of coachability, each with its own strengths and challenges.

RESISTANT

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.

NEUTRAL

People described as feedback-neutral often seem moderately receptive to feedback, but may also sometimes 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.

RECEPTIVE

In response to feedback about bad decisions, feedback-receptive individuals tend to remain calm, thoughtfully analyze their mistakes, and solicit advice about how to make better decisions. However, such people may also accept blame for other people's mistakes.



OPENNESS TO FEEDBACK & COACHING | NEUTRAL

Mr. Doe's coachability score suggests he is generally neutral to feedback and coaching.

CONSIDER When discussing others' roles in past mistakes, make sure to acknowledge your own faults. Accepting responsibility for your mistakes can set the example for others to do the same.

Consider your emotions when you react or respond to feedback. A balanced emotional response shows others that you take the feedback seriously without overreacting to it.

Think about times when you may avoid or deflect feedback before fully considering it. Take time to reflect on your role in past mistakes before you respond in new situations.

Reflect on times when you could have more actively participated in feedback sessions. Make sure you take full advantage of such opportunities to improve your decision-making.

SUMMARY

- Leadership involves decision-making.
- People's decisions create their reputation for judgement.
- All decision-making is biased in systematic ways.
- There are pre-decision and post-decision biases, and they can be assessed.
- Good judgement 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 judgement.