

Early-stage research on decision-making styles

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To develop a language for improved business decision making, we created a survey with questions that cover five classes of decision-making biases, which we summarized in earlier work: action-oriented, interest, pattern-recognition, social, and stability biases.¹ The questions drew out preferences by asking people to choose between two neutral, equally defensible statements. Responses fell along a range from a strong preference for intuitive decision making to a strong preference for making decisions after exhaustive deliberation.

We received nearly 5,000 responses to the survey from *McKinsey Quarterly* and *Harvard Business Review* readers, and we conducted detailed analysis of 1,021 respondents, whose demographics and response characteristics were statistically indistinguishable from the full sample's.² We used these responses and factor analysis to identify six objective dimensions of the respondents' preferences, which roughly correspond to common steps in the decision-making process. Cluster analysis then yielded five groups of decision-making preferences. This research is still in its early stages; presented below are the five decision-making styles, including the percentage of respondents who fell into each group. The percentages in particular are preliminary, since the self-selected nature of the respondent pool could have introduced sample bias. Also, the number of questions tested and the sample size are far below those of a standard psychometric tool such as Myers–Briggs. That said, we believe the current survey has within it the core of a tool to help individuals reflect upon the trade-offs they make as decision makers.

¹ See Dan Lovallo and Olivier Sibony, "The case for behavioral strategy," mckinseyquarterly.com, March 2010.

² We made the online survey available to readers of the following articles: Daniel Kahneman, Dan Lovallo, and Olivier Sibony, "Before you make that big decision," *Harvard Business Review*, June 2011, Volume 89, Number 6, pp. 50–60; and Andrew Campbell and Jo Whitehead, "How to test your decision-making instincts," mckinseyquarterly.com, May 2010.

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To learn more about your own decision-making preferences, take the survey, which appears in "The case for behavioral strategy," on mckinseyquarterly.com.

Five decision-making styles

Visionary 14% of sample

Pro: A champion of radical change with a natural gift for leading people through turbulent times.

Con: May be too quick to rush in the wrong direction.

Counteract: Seek out different perspectives from a broader group of counselors; encourage dissenters to voice their concerns.

Guardian 22% of sample

Pro: A model of fairness who preserves the health, balance, and values of the organization. Decision-making process is sound, carefully planned, and incorporates as many facts as possible.

Con: May be blind to a desperate need for change.

Counteract: Periodically ask outsiders to challenge deeply held beliefs about the company and its industry. Create ad hoc task forces to explore major changes in the environment.

Motivator 12% of sample

Pro: A compelling leader for change with an excellent ability to build alignment; a strong, charismatic storyteller.

Con: May believe the vision at the expense of facts.

Counteract: Examine alternate ways to interpret the facts. Create a formal process, such as a survey, to take the pulse of the organization.

Flexible 25% of sample

Pro: The most versatile of leaders, comfortable with uncertainty, open minded in adapting to circumstances, and willing to involve a variety of people in the decision making.

Con: Exploring too many potential solutions and decision outcomes can lead to “paralysis by analysis.”

Counteract: Try setting a deadline to reach a decision before the debate begins. Consider standardizing certain types of repetitive, ad hoc decisions, based on simple rules.

Catalyst 27% of sample

Pro: A true champion of group decision making and implementation. The most balanced of decision makers, relatively resilient to the biases inherent in the more extreme decision-making preferences.

Con: A middle-of-the-road decision style may yield average results.

Counteract: Be alert for the telltale signs of a high-stakes strategic decision that may require a different approach—for instance, assembling an ad hoc team to look afresh at the situation and make recommendations.

Aggregate of respondents' selected positions along a scale between 2 opposites

