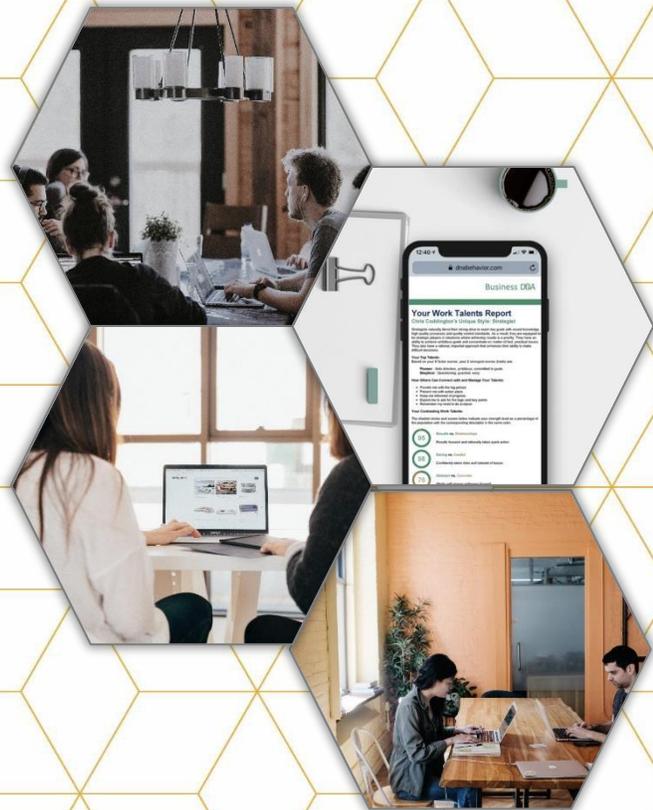


# What is Behavioral Decision-Making?



DNA Behavior®

## Behavioral Decision-Making – What is it?

This guide aims to understand the importance of behavioral decision-making for leadership.

*Behavioral decision-making is about how people make choices under uncertainty and pressure.*

An important role of leadership is decision-making, they make decisions minute by minute, decisions that impact both individuals, organizations and themselves. Therefore, such decisions need to be accurate. Regardless of the situation, whether pressurized or just a normal day, leaders need to respond in ways that can be trusted and followed by those they lead.

Central to this topic is the personality, bias and behavior of the person making those decisions. Consequently, understanding individual decision-making processes both from the perspective of the decision-maker, and the influence decisions they make have on others, is critical to organizational strategy.

Richard Thaler and Cass Sunstein first created the phrase *choice architecture*. It was originally designed to influence consumer behavior and birthed the nudge concept that is – *altering/influencing people's decision-making behavior in a predictable way*.

However, its application became more widely used by organizational leaders required to make and influence important decisions.

It's now clear that an individual's approach to decision-making can be predicted, therefore, when revealed, it can be managed.

## Better Decision-Making to Improve Your Bottom Line.

Unknown behaviors which intensify through unmanaged differences, money attitudes, pressure and emotions derail performance.

When people are under pressure, they revert to their hardwired natural instincts. Without a high level of self-awareness, these behaviors are unmanaged and potentially unintended. A problematic disconnect spontaneously emerges in decision-making between what seems intuitively correct and what can be rationally justified. This leaves leaders responsible for behaviors they did not anticipate and employees and clients vulnerable to adverse consequences they did not expect.

A proven behaviorally smart discovery methodology such as the DNA Behavior process identifies unique behavior and personality. In just 10-minutes leaders and their people will have significant insight into, not only their decision-making approach, but also their ability to withstand pressure. This self-awareness lessens the likelihood of making emotional decisions when under stress.

Further, the DNA Behavior Natural Discovery identifies hard-wired behavioral attitudes, habits, motivations and biases likely to impact leadership and employee decisions making.

When behaviors that influence decisions are revealed and understood, more effective decisions will be made. This behavioral insight matters. Why? Because decisions made under pressure and in times of stress need to be relied upon. When there is little or no time for critical thinking, knowing that as a leader you are aware of your decision-making strengths and limitations and can make healthy decisions, will build your credibility. People will feel able to act rather than question your decision-making.

So, much of how we perform daily is learned situational behavior. Important to the behavioral decision-making approach is that DNA Behaviors Natural Discovery process reveals what's below the surface, the natural behavior that doesn't change over time.

**Universally Applicable Behavioral Insights**

A VISION

LEARNED SITUATIONAL BEHAVIOR

NATURAL BEHAVIOR

- Automatic Behavior Biases
- Learning Style
- Risk Taking & Loss Aversion
- Leadership
- Communication Style
- Talents, Strengths & Struggles
- Decision-Making

91%

Predictive Results Usable for the Long Term

dnabehavior.com FOR MORE DNA Behavior®

## I Know My Decision-Making Style – Do You?

Everyone regrets a decision they have made, but rarely go back over the circumstances to understand what was happening around them as they made that decision. More often than not the signals were there to alert to the potential bad decision about to be made.

For example: you are given significant amounts of information and pressured to make a decision, which you do. It's not the right one and things go badly. Had you known that when presented with lots of information and a range of possible choices you inherently need time out to think through the possibilities before deciding, your final decision would have been different.

Time out doesn't mean you are procrastinating; all it means is that you need a few minutes *alone time* to think through the decision to be made.

It's that simple. Having insight into your decision-making style means, using this example, you could have bought a few minutes *time out* to evaluate your options.

I know this to be true as I'm talking about myself. Now that I know my natural decision-making style, as do my teams, I'm presented with the issues, the facts, and given a couple of minutes quiet time to respond resulting in much more accurate outcomes. How you approach decision-making will be different, and that's something you need to know.

# DNA Behavior<sup>®</sup>

A further benefit from my learning about my decision-making style is that each of my people have also completed the DNA Behavior Natural Discovery. So, we all know how we make decisions whether under pressure or not.

This has radically impacted the accuracy of what we do. And with the additional bonus through API integration, the behavioral insights can be used across all areas of a business e.g. big data, advice delivery, compliance, leadership, HR, teaming and marketing etc

Want to know more? Book some time with one of my team.

To learn more about DNA Behavior International and the solutions we offer, please visit: [www.dnabehavior.com](http://www.dnabehavior.com)

If you have any questions or would like to discuss with an executive on our team, please email us at: [inquiries@dnabehavior.com](mailto:inquiries@dnabehavior.com)

