

THE SCIENCE OF PERSONALITY



The Development Series

BUSINESS REASONING | REPORT

# HBRI Business Reasoning Report

## INTRODUCTION

The history of a business and the progress of individual careers reflect the kinds of decisions people make. Decision making—i.e., deciding how to prioritize issues, how to allocate resources, how to resolve conflicts, etc.—depends on problem solving. The Hogan Business Reasoning Inventory (HBRI) evaluates peoples' ability to solve different business related problems, and these solutions then drive decision making.

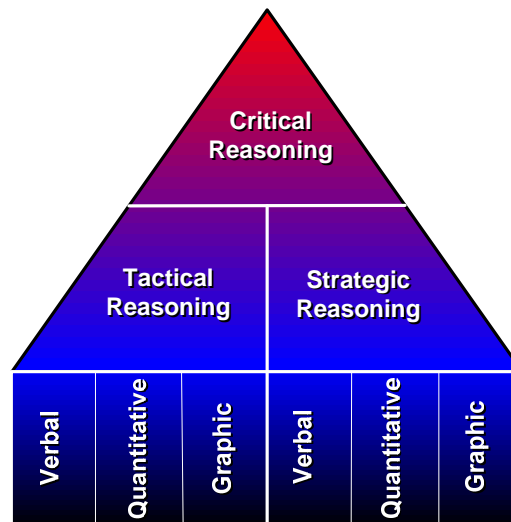
It is important to note that factors other than problem solving ability influence decision making. For example, experienced people typically make better decisions than newcomers. Moreover, technology aids decision making in many jobs (e.g., airline pilots). Finally, peoples' ability to learn from experience will determine the long term quality of their decision making.

Scores on the HBRI do not reflect a person's interest in problem solving, they reflect a person's potential problem solving ability and decision making style.

## STRUCTURE

The HBRI evaluates two kinds of problem solving, called Strategic Reasoning and Tactical Reasoning. Strategic Reasoning concerns identifying problems that need to be solved. Tactical Reasoning concerns solving problems once they have been identified. Combining Strategic and Tactical Reasoning yields an index of Critical Thinking—the ability to contextualize problems and identify bogus assumptions and partisan agendas. The HBRI evaluates Strategic and Tactical Reasoning using three categories of business data: (1) verbal information based on conversations, e-mails, and written reports; (2) quantitative information that comes from tables, data in financial reports and statistical analyses; and (3) graphic information that comes from charts, graphs, and figures. The overall structure of the HBRI is illustrated below.

**Structure of the HBRI**



## REPORT




This report is organized in three sections:

**Section I** presents a graph of your HBRI scores and defines them.

**Section II** interprets the business relevance of your HBRI scores as presented in the graph.

**Section III** describes the way your scores for Tactical and Strategic Reasoning interact.

### SECTION I – Graphic Report

Scales	Percentile Score	10	20	30	40	50	60	70	80	90	
Strategic Reasoning	92%										
Tactical Reasoning	100%										
Critical Reasoning	94%										
Score Range		Low			Low Average			High		Very High	

Norms based on a combined sample of 2500 MBA students, managerial job applicants, managerial and executive incumbents.

#### Strategic Reasoning

Concerns being able to evaluate current business practices from a strategic perspective, and understand how recent trends and technological innovations may impact future business development. High scorers focus on long term issues, and find solutions that integrate the needs of different business units. They quickly recognize novel problems and seem innovative, curious, tolerant of ambiguity, and interested in feedback.

#### Tactical Reasoning

Concerns being able to reach sound, defensible conclusions using the data and information that are available. High scorers focus on short term issues, solving them one at a time. They excel at anticipating the consequences of decisions and the obstacles to their implementation. They bring discipline to the decision making process and seem steady, precise, detail-oriented, and professional.

#### Critical Thinking

Concerns being able to define and solve complex problems. High scorers can balance short and long term goals, can link innovation with implementation, are able to recognize assumptions, understand agendas, and evaluate arguments. The Critical Thinking score is composed of the Tactical and Strategic Reasoning scales. Critical Thinking predicts overall performance across many jobs.

## **SECTION II – Interpreting Your Results**

### **Strategic Reasoning**

Your scores suggest that you can quickly put problems in perspective and then determine what additional information is needed to solve them. You are able to restate issues in ways that facilitate their resolution, and you are perceptive about strategic issues and alert for strategic errors and missteps. Moreover, you have considerable talent for detecting trends in data and/or events, and then planning in ways that take advantage of potential changes in business conditions. In addition, you can anticipate how decisions will impact operations in other parts of the organization. Finally, when listening to presentations, you are skilled at identifying underlying assumptions and agendas. However, people with your ability can become overly confident in their conclusions; in addition, because they catch on so quickly, they sometimes act before others are comfortable with their conclusions.

### **Tactical Reasoning**

Your score suggests that you are skilled at following arguments to their logical conclusions and using this information to predict business outcomes. You are also able effectively to analyze the consequences of various decisions; you can peer a long way around the corner to anticipate outcomes and ramifications of various choices and their alternatives. You also seem to be talented at interpreting the meaning of graphic, quantitative, and verbal presentations of data, and determining whether they lead to valid conclusions. Once you are satisfied that the data are correct, you are also able to use them to derive sound conclusions for operational and planning purposes. Others probably appreciate and respect your problem solving skills; nonetheless, because you are so good at anticipating obstacles, you may sometimes bring progress to a halt because people feel overwhelmed by all the obstacles you have anticipated.

## SECTION III - Cognitive Style: The Interaction of Strategic and Tactical Reasoning

Cognitive Style concerns a person's characteristic ways of thinking about and solving problems in the workplace. Cognitive Style is the interaction of Strategic and Tactical Reasoning. The table below illustrates the four Cognitive Styles that result from this interaction.

<b>TACTICAL</b>	<b>HI</b>	(III) Laser Thinker	(IV) Critical Thinker
	<b>LO</b>	(I) Expedient Thinker	(II) Free Thinker
		<b>LO</b>	<b>HI</b>

**STRATEGIC**

- I. Expedient Thinker** – Tendency to analyze problems in an opportunistic way, to choose answers that are quick and easy, to make intuitive rather than reflective choices, leading to poor-quality solutions.
- II. Free Thinker** – Tendency to identify important problems but ignore the obstacles to their solution and minimize the importance of the detailed steps needed to solve them.
- III. Laser Thinker** – Tendency to focus on a problem and the obstacles to its solution, without putting the problem in a larger context and evaluate the need for its immediate solution.
- IV. Critical Thinker** – Ability to contextualize problems correctly in terms of the short and long term benefits of their solution, then solve them effectively.

Your scores indicate that you are a Critical Thinker. The following statements describe this cognitive style:

- Skilled at identifying the agendas at play during presentations.
- Able to consider contradictory business strategies simultaneously.
- Able to evaluate different desired ends and then link them with the appropriate means.
- Able to identify opportunities and forecast problems equally well.
- Able to analyze processes in detail but also relate them to the larger strategic picture.
- Effectively learns from experience—alert for evidence that analyses were based on faulty assumptions and/or were conducted incorrectly.

### Finally, what should you do with the information in this report?

The information in this report is intended as a guide to self-awareness. It is designed to help you understand how you approach problem solving, information that you can then use in the strategic evolution of your career.

End of Report