

# **risk**type **compass**™



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The Risk Type Compass® assigns people to one of eight distinctive Risk Types (see p05). It facilitates planning, research and discussion about risk awareness, risk tolerance, and decision-making. This assessment identifies the potential benefits and challenges faced by different Risk Types in different roles. To quote a frequently repeated truism attributed to the influential thinker, Peter Drucker:

**“If you can’t measure it, you can’t manage it”**

The Risk Type Compass® can be used across industries and from C-Suite to shop floor. It has a particular relevance to teams where group dynamics and the ‘Risky Shift’ Phenomenon can be a threat to controlled decision-making. In survey mode, it captures the wider risk landscape and the contribution made by Risk Types to organisational culture.

The Risk Type Compass® is the result of a three-year research programme building on the robust foundations of cutting edge personality research and assessment practices. Factor analysis of risk-related FFM themes generates the eight Risk Types that are very evenly distributed throughout the population.

In the past, management of risk has focused heavily on procedures, regulation and legislation rather than on the risk-taking nature of the individuals involved. The Risk Type Compass® identifies critical individual differences that allow managers to maximise potential and to balance the contributions of both risk-takers and more risk averse individuals; minimising risk whilst maximising opportunity.

The Risk Type Compass® graphic places people within a continuous 360° spectrum in which adjacent Risk Types are similar and merge into each other, while facing Risk Types (e.g. Excitable & Deliberate) have opposite characteristics. The strongest Risk Types are positioned towards the outer edge of the compass.

## Personal Report

This 8 page report is designed to support human resources planning and decision-making in any risk associated area – from roles involving high personal risk, to roles where risk aversion is essential, and roles where the task itself is risk sensitive. Risk Type is non-judgemental; every Risk Type has its advantages and disadvantages in relation to any particular role.

### CONTENTS:

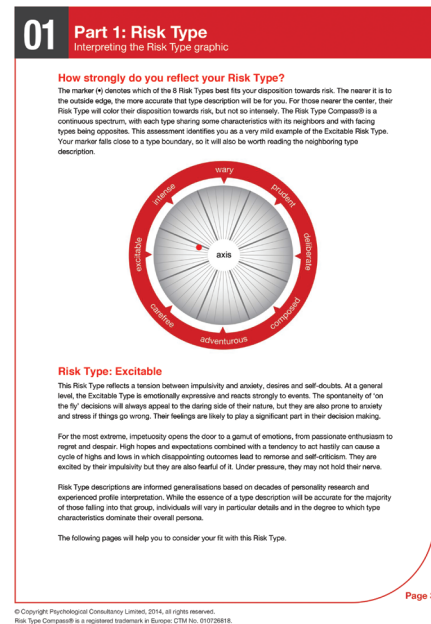
Introduction

Part 1: Risk Type

Part 2: Risk Attitude

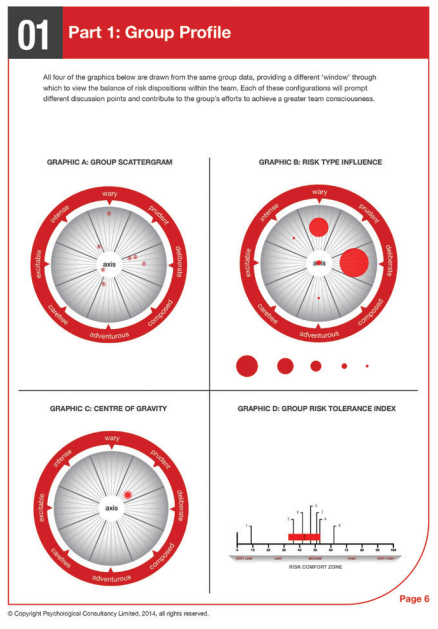
Part 3: Overall Rating for Risk Tolerance

(See full report and other report options on the PCL website)



## Team Report

Designed to raise risk awareness at both the individual and group levels, this report clearly illustrates the position of group members within the compass and the balance of the group as a whole. Four different group perspective graphics are provided to facilitate discussion about the group dynamics and team development. The Resources part of the report provides additional material that will facilitate further elucidation of communications, allegiances and decision-making processes within the group.



### CONTENTS:

**Part 1: Group Perspectives**

**Part 2: Resource Materials**

**Part 3: Individual Profiles**

(See full report and other report options on the PCL website)

The following offers a brief cameo of each of the Risk Types. These merge into each other to form a continuous 360° spectrum. The 'pure' Risk Types are presented in **RED** and the 'complex' Risk Types in **GREY**.

## **Excitable**

This Risk Type is anxious, yet excitement seeking. Their passion and readiness to challenge the status quo can make them exciting but unpredictable. Attracted to spontaneity and novelty like moths to a flame, they may override their reservations yet become distraught when things go wrong.

## **Intense**

The Intense Type tends to be highly strung and self-critical. In extreme cases, personal relationships and decision-making can become infused with passion. Pessimistic by nature, their anxieties about the vulnerability of projects and relationships run the risk of becoming self-fulfilling prophecies.

## **Wary**

Controlling and very cautious, the Wary Type is passionate about being well prepared; shrewd but unadventurous. With security at the top of their agenda, they will be self-disciplined and vigilant about risk. But however well something worked out for others, they fear that things may still go wrong for them.

## **Prudent**

Very self-controlled and detailed in their planning, the Prudent Type is organised, systematic, conservative and compliant. Conventional in their approach, they prefer continuity to variety and are most comfortable sticking to what they know.

### **Deliberate**

Self-confident, systematic and compliant, an extreme Deliberate Type will be unusually calm and optimistic. They experience little anxiety but will address all the issues and tackle risk and uncertainty in a business-like and unemotional way. They never walk into anything unprepared.

### **Composed**

The Composed Type is cool headed, calm and optimistic, but at the extreme may seem unaware of risk and oblivious to its effect on others. They take everything in their stride, seem quite imperturbable and manage stress well. If they do come unstuck, they pick themselves up and get on with life.

### **Adventurous**

The Adventurous Type is both impulsive and fearless. At the extreme, they combine a deeply constitutional calmness with high impulsivity and a willingness to challenge tradition and convention. Intrepid and never discouraged, they quickly rebound from any setback.

### **Carefree**

Spontaneous and unconventional, the Carefree Type is daring, excitement seeking and sometimes reckless. Their impatience and imprudence can lead to hasty or unwise decisions if unchecked. They are not great at detail or careful preparation, but their contributions may be radical and mould breaking.

### **The Axial Group**

Individuals who show none of the extremes that characterise other Risk Types are classified as 'Axial'. Scoring close to the centre of the compass, they will not naturally be exceptional in any direction. Any pronounced risk-taking is likely to be due to attitudes developed from specific training or other experiences.

**The Risk Type Compass® has applications at the level of the individual, the team or group and the organisation as a whole.**

## **Individual level**

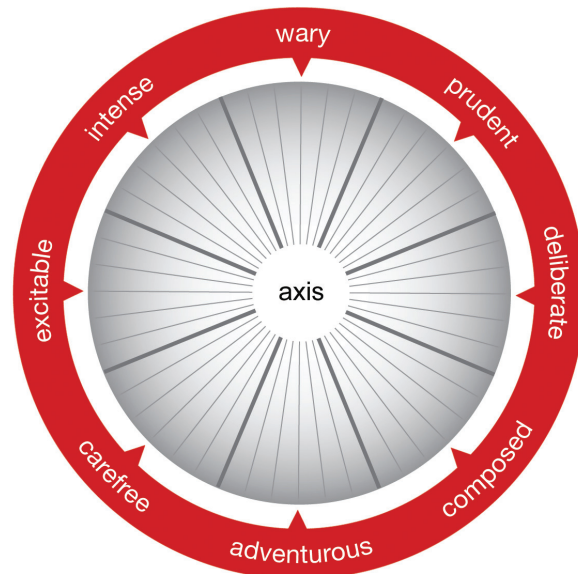
Selection, redeployment, personal development and coaching.

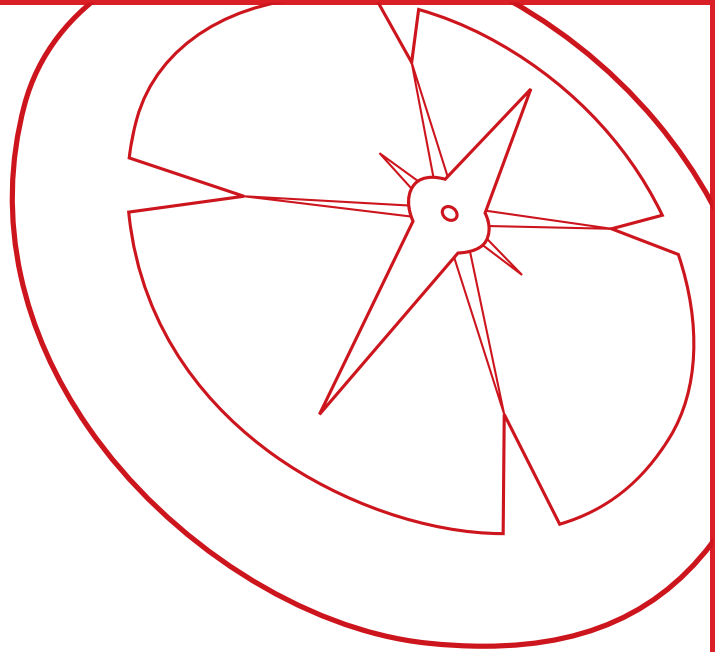
## **Team or group level**

Self-awareness within a team context, awareness of team risk orientation, exploration of group dynamics, communications and decision-making.

## **Organisational level**

Charting the wider risk landscape, reviewing the Risk Type contribution to organisational culture.





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