# risktype compass™

**Risk Type Report** 

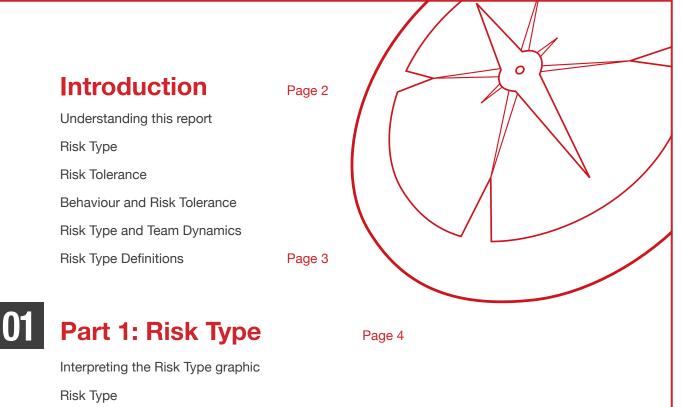


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Sam Sample



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Overall rating for Risk Tolerance

Risk Tolerance index (RTi)



Risk is an inherent aspect of the human condition and all occupational roles involve risk in one way or another. The ways in which individuals respond to risk varies considerably. This report explores your predisposition towards risk and your capacity to then manage the risks encountered in every day working life.

#### **Risk Type**

This Risk Type Compass<sup>®</sup> assessment places you into one of eight Risk Types. Your Risk Type reflects your temperament and natural disposition with regard to risk – to what extent you are, for example, naturally adventurous and optimistic as opposed to being cautious and anxious about uncertainty, or to what extent you plan things carefully or act on impulse. Temperament is deeply rooted and will influence how much risk you are willing to take, how much uncertainty you can cope with and how you react when things go wrong.

#### **Risk Tolerance**

In addition to the focus on Risk Type, this assessment provides an overall estimate of your risk tolerance, the Risk Tolerance Index (RTi). Within the compass model, Risk Types that are at the top of the compass are generally associated with lower levels of risk tolerance and those at the bottom are associated with higher levels of risk tolerance. Those falling within the Axis group and the two Risk Types on either side (Deliberate and Spontaneous Types) are closer to the average. The RTi is computed on the basis of your scores on the underlying scales of the Risk Type Compass<sup>®</sup>.

## **Behaviour and Risk Tolerance**

There are many factors that influence behaviour apart from Risk Type, including personal circumstances, previous experience and the behaviour of others. Over time and across situations that present a wide variety of potential risks, the characteristics of Risk Type will become increasingly apparent. The variations observed in risk behaviour are likened to the movement of an anchored boat that are influenced by wind and tide. In this analogy, the influence of Risk Type is represented by the anchor. Similarly, observations over time would be required to separate out the more transient influences and to ascertain an individual's natural propensity for risk taking.

## **Risk Type and Team Dynamics**

Risk Type influences the perception of risk and the perception of the behaviour, attitudes and viewpoints of others. In general, those in close proximity on the Risk Type Compass<sup>®</sup> will share more understanding than those placed more remotely. Extreme examples of any Risk Type will have difficulty in fully appreciating the dispositions of those at the opposite Risk Type extreme. These factors will have an inevitable impact on team dynamics, affiliations and communications. Appreciation of the Risk Type constituency of the team will make an important contribution towards minimising misunderstandings and harnessing the benefits of such diversity.



**Risk Type Definitions** 

#### The Spectrum of Risk Types

#### Ranked according to risk comfort zone

WARY: Shrewd, vigilant, controlling

Ultra sensitive about vulnerability and exposure to risk in any situation, they are zealous about eliminating uncertainty and fervently seek to establish order and control events.

**INTENSE:** Apprehensive, risk aware, ardent

They invest enthusiastically in people and projects but are alert to the prospect of things going wrong. Feeling strongly about disappointment, they don't make the same mistake twice.

PRUDENT: Systematic, orthodox, detailed

Their primary concern is to establish clarity and order in objectives and processes. They adopt a systematic and methodical approach and seek to eliminate all ambiguity.

EXCITABLE: Enthusiastic, anxious, committed

Decisions are fueled by enthusiasm for exciting ideas and opportunities but tempered by sensitive risk antennae. They may wrestle over decisions but will go in deep once committed.

THE AXIAL GROUP: Balanced, proportionate, conventional

Conservative and equitable, their central position allows a uniquely balanced view and appreciation of the other Risk Type extremes; potentially a mediating influence in any group.

DELIBERATE: Analytical, investigative, calm, business-like

Calm, calculated and sure-footed, they are not easily unnerved, but they test the ground thoroughly and like to do things 'by the book'. They like to plan ahead and be well prepared.

CAREFREE: Audacious, curious, unconventional

They see opportunity before risk and relish the adrenaline of the on-the-fly decision making required in fast moving situations and at times of urgency or change.

COMPOSED: Calm, resilient, optimistic

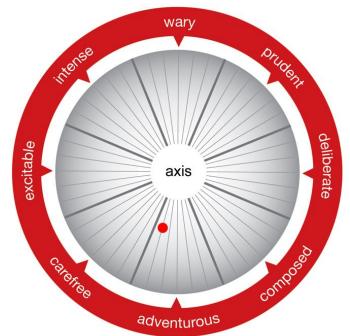
Strangers to anxiety and dispassionate in their decision making, they deal well with stress and will be a steadying and reassuring influence through challenging times.

ADVENTUROUS: Intrepid, enterprising, undaunted

Fearless and confident, they enjoy the excitement of breaking new ground and reaching for ambitious objectives. They will be frustrated by resistance and keen to take things forward.

# How strongly do you reflect your Risk Type?

The marker (•) denotes which of the 8 Risk Types best fits your disposition towards risk. The nearer it is to the outside edge, the more accurate that type description will be for you. For those nearer the centre, their Risk Type will colour their disposition towards risk, but not so intensely. The Risk Type Compass® is a continuous spectrum, with each type sharing some characteristics with its neighbours and with facing types being opposites. This assessment identifies you as a mild example of the Adventurous Risk Type. Your marker falls close to a type boundary, so it will also be worth reading the neighbouring type description.



# **Risk Type: Adventurous**

At the root of this Risk Type is a combination of a gung-ho impulsivity and fearlessness. The most extreme examples are people who are neither anxious about risk nor much restrained by caution. They combine impulsivity with a deeply constitutional calmness and are not in awe of custom, tradition or convention. These are imperturbable, intrepid excitement seekers who keep their nerve.

At a more general level, this type are resilient and attracted by excitement. They will be open to new experiences and will deal unemotionally with disappointments and unexpected turns of event. Their positive, upbeat outlook, and desire for stimulating challenges allows them to pursue their adventures with equanimity. Not particularly well organised or prudent, their decision-making is likely to be influenced by both their lack of anxiety and their impulsiveness.

Risk Type descriptions are informed generalisations based on decades of personality research and experienced profile interpretation. While the essence of a type description will be accurate for the majority of those falling into that group, individuals will vary in particular details and in the degree to which type characteristics dominate their overall persona.

The following pages will help you to consider your fit with this Risk Type.

Any personality characteristic will have its advantages and its disadvantages, depending on the situation. What works for someone in one context may work against them in another. This page highlights some of the most common benefits and limitations associated with your position on the Risk Type Compass®. The bullet points below will be most characteristic of the more extreme Risk Types - those positioned nearest to the outer edge. Those closer to the Axis will be less influenced by these points. Those falling within the Axis centre circle will be neutral in respect of Risk Type characteristics but there will be particular benefits as well as disadvantages associated with this central position.

# Upside tendencies of this Risk Type:

The following points highlight the potential benefits for people of this Risk Type:

- Excited by novelty, this type may welcome radical ideas and new experiences
- Calm and level-headed, they remain composed, even in extreme situations
- Taking everything in their stride, they are not bothered by the unexpected
- Straight forward to deal with, they don't hold grudges or dwell on past events
- · Being optimistic, it seems nothing is impossible, there is always a way
- These people are flexible and able to change course easily
- Their impulsive, freewheeling nature allows them to make quick decisions
- It may sometimes appear that they feel indestructible

## Downside tendencies of this Risk Type:

The following points highlight the potential disadvantages for people of this Risk Type:

- This type can be impulsive and capable of hasty decisions
- Their confidence sometimes makes them unrealistically optimistic
- At times they may seem unaware of the level of risk they are taking
- Being self-assured but impulsive, they may miss vital detail or new information
- Impetuous and unpredictable, they may not evaluate the possible consequences
- These people are not always attentive or receptive to advice from others
- They may have a casual approach to rules and procedures
- Probably somewhat disorganised in their affairs, they may struggle with the detail
- They can be impatient with bureaucracy and repetitive or routine tasks

# Your most prominent characteristics:

This assessment identifies you as a mild example of the Adventurous Risk Type.

The following points identify the most distinct characteristics for you, as defined by your questionnaire responses. They may help you to moderate or elaborate your Risk Type description:

- You may react emotionally to events and be inclined toward fluctuating moods.
- You are unlikely to worry unnecessarily or to become unduly apprehensive.
- It seems that you will generally trust others and have faith in their good intentions.
- You may appear less emotionally expressive and sentimental than others.
- You appear to be excited by variety, novelty and change.
- You seem to be open to quite extreme activities and risky ventures.
- You may sometimes find it irksome to follow rules or procedures.

The following may also help you to understand your position on the Risk Type Compass® :

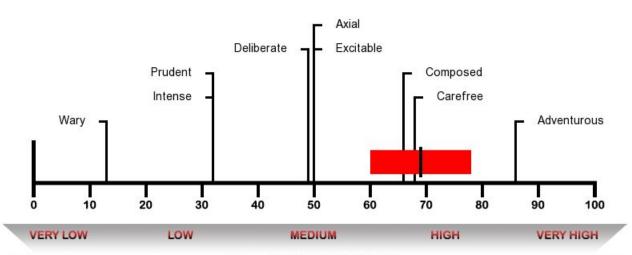
#### **Opposite Type: Wary**

Characterised by a combination of self-discipline and concern about risk, these are cautious, organised people who put security at the top of their agenda. They are likely to be alert to the risk aspect of any opportunity before evaluating any potential benefits. Ideally, such people like to know precisely what they can expect. This quest for certainty may make it difficult to make decisions. At the extreme they will be strongly attracted to the idea of securing their future but anxious that, however well it has worked for others, something may go wrong in their case.

#### **Neighbouring Type: Carefree**

At the root of this Risk Type are high levels of impulsiveness and unconventionality. They dislike repetitive routine and don't really like being told what to do. Such people may seem excitement seeking and, in extreme cases, reckless. Not being good at detail or careful preparation, they may seem rather vague about their intentions and objectives. Their impatience, impulsivity and distractibility might leave them exposed to imprudent and hasty decisions

The graphic below shows how you compare with others in terms of Risk Tolerance. The width of the bar reflects the likely margin of error for this estimate and the range within which you 'true score' would be expected to fall. Very low Risk Tolerance scores are associated with a strong resistance to risk taking and are likely to be accompanied by careful preparation of procedures when significant levels of risk taking have to be accommodated. Very high scorers on the Risk Tolerance scale tend to focus more on the opportunities in any situation rather than the potential risks. High scorers are also associated with higher levels of resilience when faced with risk and uncertainty.



**RISK COMFORT ZONE** 

| Summary for: Sam Sample |                    |
|-------------------------|--------------------|
| Risk Type:              | Adventurous (mild) |
| RTi:                    | 69                 |
| Comfort Zone:           | Medium Risk        |

The responses to the items on the Risk Type Compass® Consistency scale indicate that the profile is valid and interpretable.

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