

# Personality and Business Part 1: Increasing ROI Through Personality Assessment



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*“I am not going to hire that applicant. They talked too much without listening” – HR manager*

*“I may need to fire that employee. He is self-centered and has offended several co-workers” – Floor manager*

*“I love my boss. She always listens to my concerns and makes me feel like my opinion matters” – Employee*

*“I’m not going to buy that car from him. He is too ‘pushy’. I don’t trust him” – Potential customer*

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In each of these examples it is *personality* that is at issue. Personality is defined as the combination of behavioral and emotional characteristics that distinguishes an individual (or a company for that matter) from others. Personality pervades every business interaction between individuals. Despite its prevalence, many businesses under-utilize information about personality. Successful businesses embrace differences in personality, measure them and use that information to increase employee satisfaction, workplace harmony and productivity.

Although personality has been discussed since the times of Hippocrates, the first formal test of personality was developed in 1919 by Robert S. Woodworth. The Woodworth Psychoneurotic Inventory was developed for use in World War I to screen recruits for a risk of shell shock (referred to as post-traumatic stress disorder), although it quickly became widely used in psychological research and led to the development of many other personality tests [1].

## **Myers-Briggs Type Indicator**

One personality test that has gained traction in business is the Myers-Briggs test. It is taken by more than 2.5 million people a year, and is used by 89 of the Fortune 100 companies [2]. The Myers-Briggs test was originally developed by Katharine Cook Briggs and her daughter, Isabel Briggs Myers as a personality indicator during World War II. Interestingly, Myers and Briggs

original thought was that the test would help women entering the workforce for the first time with information regarding the type of war-time job that would suit them best [3]. The Myers-Briggs Type Indicator (MBTI) has been revised several times over the years but remains true to its original form [4].

The current version of the MBTI includes 93 questions where the test taker selects one of two choices. The choices are a mixture of word pairs and short statements. The choices reflect opposite preferences on a single dichotomous dimension. Questions like the following are indicative of the test

Does it bother you more having things: (a) incomplete or (b) complete?

Are you more comfortable in making: (a) logical judgments, or (b) value judgments?

Are you more often: (a) a cool-headed person, or (b) a warm-hearted person?

The MBTI taps differences along four dichotomies personality factors resulting in 16 possible psychological types. Critically, no type is better or worse than another. The four dichotomous factors are: extraversion (E) vs. introversion (I)

sensing (S) vs. intuition (N)

thinking (T) vs. feeling (F)

judgement (J) vs. perception (P)

The 16 types are typically referred to by an abbreviation of four letters. For instance:

**ESTJ:** extraversion (E), sensing (S), thinking (T), judgment (J)

**INFP:** introversion (I), intuition (N), feeling (F), perception (P)

The MBTI has been marketed as a tool for determining which type of employment is best suited for each personality type. For example, ISTJs are best suited as accountants or CFOs whereas INFPs should be writers or editors.

## Caveats and Criticisms [5]

Despite its popularity, the MBTI is not without distractors. Some question the MBTI's validity (i.e., the ability of the measure to tap what it is argued to measure). In addition, there is little evidence to support the notion that the four factors represent true dichotomies. Rather the majority of evidence suggests that scores on individual scales are normally distributed (i.e., are centrally peaked) and are not bi-modally distributed as one would expect

### THE BEST JOBS FOR EVERY PERSONALITY TYPE

We consulted the book "Do What You Are" and one of its authors, Paul Tieger, to determine five of the best jobs for each type of personality.

INTERACTION WITH WORLD	Absorption of INFORMATION	DECISION-MAKING	ORGANIZATION
<b>I</b> <b>INTROVERTS</b> are the working class of the mind, quiet, reserved, and like to be alone more than not at all. <b>E</b> <b>EXTROVERTS</b> are energetic, gregarious, and like to be around people, and are good at networking.	<b>S</b> <b>SENSORS</b> are reality people who like to know the facts and details, and they usually want to get things done in a practical, step-by-step way. <b>N</b> <b>INTUITIVES</b> prefer to have a picture of the big picture, and they are usually more interested in the possibilities and the future than in the details.	<b>T</b> <b>THINKERS</b> tend to make decisions using logic and reason, and they are usually more objective and less emotional. <b>F</b> <b>FEELERS</b> tend to make decisions using emotions and feelings, and they are usually more subjective and more emotional.	<b>J</b> <b>JUDGERS</b> tend to be organized and planned, and they like to have things done on time and in a structured way. <b>P</b> <b>PERCEIVERS</b> prefer to be flexible and spontaneous, and they like to have things done on their own terms.
<b>E S T J</b> Realists who are quick to make practical decisions. 1. Insurance sales agent 2. Pharmacist 3. Lawyer 4. Project manager 5. Judge	<b>I S T J</b> Hard workers who value their responsibilities and commitments. 1. Auditor 2. Accountant 3. Chief financial officer 4. Web development engineer 5. Government employee	<b>E S F J</b> Gregarious traditionalists motivated to help others. 1. Sales representative 2. Nurse/Healthcare worker 3. Social worker 4. PR account executive 5. Loan officer	<b>I S F J</b> Modest and determined workers who enjoy helping others. 1. Teacher 2. Elementary school teacher 3. Librarian 4. Franchise owner 5. Customer service representative
<b>E S T P</b> Pragmatists who love excitement and results-oriented. 1. Detective 2. Trader 3. Investor 4. Entertainment agent 5. Sports coach	<b>I S T P</b> Strong forward and honest people who prefer to do things their own way. 1. Chief engineer 2. Economist 3. Pilot 4. Data communications analyst 5. Emergency room physician	<b>E S F P</b> Lively and playful people who value common sense. 1. Child welfare counselor 2. Primary care physician 3. Actor 4. Interior designer 5. Environmental scientist	<b>I S F P</b> Warm and sensitive types who like to help people in tangible ways. 1. Fashion designer 2. Physical therapist 3. Massage therapist 4. Landscape architect 5. Shopkeeper
<b>E N T J</b> Natural leaders who are logical, analytical, and good strategic planners. 1. Executive 2. Lawyer 3. Market research analyst 4. Management/Business consultant 5. Venture capitalist	<b>I N T J</b> Creative perfectionists who prefer to do things their own way. 1. Investment banker 2. Personal financial adviser 3. Software developer 4. Consultant 5. Executive	<b>E N F J</b> People-people who are energetic, articulate, and diplomatic. 1. Advertising executive 2. Public relations specialist 3. Corporate coach/trainer 4. Sales manager 5. Employment specialist/HR professional	<b>I N F J</b> Thoughtful, creative people drawn by love, principles and personal integrity. 1. Therapist/Mental health counselor 2. Social worker 3. HR diversity manager 4. Organizational development consultant 5. Customer relations manager
<b>E N T P</b> Energizing creative people who enjoy new challenges. 1. Entrepreneur 2. Start-up developer 3. Advertising creative director 4. Marketing director 5. Politician/Public consultant	<b>I N T P</b> Independent and creative problem solvers. 1. Computer programmer/software developer 2. Financial analyst 3. Architect 4. College professor 5. Economist	<b>E N F P</b> Curious and confident creative types who see possibilities everywhere. 1. Journalist 2. Advertising creative director 3. Coach/Trainer 4. Restaurateur 5. Event planner	<b>I N F P</b> Sensitive idealists motivated by their deeper personal values. 1. Graphic designer 2. Psychologist/Therapist 3. Writer/Editor 4. Physical therapist 5. HR development trainer

Source: "Do What You Are: Discover the Perfect Career for You Through the Secrets of Personality Type" by Paul D. Tieger, Dr. Sara Barnet, and Paul Tieger

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from a truly dichotomous variable. Finally, because the MBTI depends upon honest self-reporting, there is always the possibility that respondents will answer the way that they think that they *should*. Other self-report surveys that purport to provide better insights into personality in the workplace also exist. These include the Birkman Test (<https://birkman.com>), among others.

## Summary

Despite some of the specific challenges associated with the MBTI and Birkman Method, the notion that an understanding of personality would be advantageous in all walks of life, especially business, is without question. Personality is central to all business interactions. A deeper understanding of personality can increase profits and return on investment all the while increasing employee satisfaction and workplace harmony.

## Looking Ahead

In part 2 of this series on personality assessment and business, we explore another survey based measure of personality, the Big 5, that has been studied extensively in academic settings. We also introduce exciting new personality assessment methods that do not rely on surveys, but instead

extract information about personality from text. A major strength of this approach is that you can use nearly any text generated by an individual, thus side-stepping the tricky issue of whether individuals are responding to the survey truthfully. Finally, we argue for a data-driven approach to personality and business that uses predictive analytics to explore how personality can be used in a specific business setting. The idea here is to rely less on prior research, and more on the personality and business data from your company. In the end, that is what matters to you.

### References:

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