

# Personality and Business Part 3: Increase Sales by Matching the Task Goal to Personality



In Parts 1 and 2 of this series we argued that personality pervades every business interaction between individuals. Yet 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 overall productivity. We briefly reviewed the popular Myers-Briggs Type Indicator (MBTI), the Big 5 and recent natural language processing approaches. The take-home message was that personality is important in business and provides information that can be exploited to increase ROI.

In Part 3 we ask the following question: “Can we personalize task goals so as to maximize productivity for individual personality types?” To anticipate the answer: “yes”.

### **Promotion vs. Prevention Focused Individuals**

One personality construct that has been studied extensively in the laboratory and in business settings is the distinction between individuals with a promotion vs. prevention focus [1]. Promotion focused individuals seek gains or advancement and accentuate the positive. They are more likely to take chances and seize opportunities. They have many successes but are willing to accept some failures. Prevention focused individuals work to meet their responsibilities and focus on avoiding negatives. They don't take chances and play not to lose. They would much prefer to pass on an opportunity that they deem risky. They rarely fail and their work is thorough, accurate, and carefully-planned. It is important to be clear that neither personality type is superior to the other; both have strengths and weaknesses. What is critical is to identify whether an individual is promotion or prevention focused and to construct a work environment that optimizes their strengths and minimizes their weaknesses. How can this goal be achieved?

### **Individualizing Task Goals**

When you want to influence a person, whether they are a sales associate, student, marketer or child, you start by identifying their wants and you work to aligns the task goals to their wants. Promotion focused individuals want to maximize gains, whereas prevention focused individuals want to minimize losses. Thus, to optimize productivity in any job you want to frame the task

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goals so that promotion focused individuals are tasked with maximizing gains and prevention focused individuals are tasked with minimizing losses. For example, in a call center promotion focused customer service representatives could be incentivized to maximize the number of minutes “in the chair”, whereas prevention focused customer service representatives could be incentivized to minimize the number of minutes “out of the chair”. Similarly, the promotion focused factory floor manager could be incentivized to maximize the number of widgets produced that fall within the acceptable tolerance, whereas the prevention focused factory floor manager could be incentivized to minimize the number of widgets produced that do not meet acceptable tolerance. Note that in both cases, the economics are the same: maximizing time “in the chair” is equivalent to minimizing time “out of the chair” and maximizing products that meet tolerance is the same as minimizing those that do not meet tolerance. What differs is the “framing” of the task goal. It is this framing that can be matched to the employee’s personality type to increase productivity. A layman’s description of this overall framework is provided in [2].

## Research Example

Research conducted with two former Ph.D. students asked whether gain maximization vs. loss minimization goals affected decision-making in promotion and prevention focused individuals [3]. The decision-making problem was one that taps an individual’s ability to take the long versus short view. Specifically, individuals were asked to make a series of sequential decisions. In the *gains maximization* situation, each decision involved choosing from one of two options and receiving a monetary reward with the aim of maximizing long-run payout. Participants were given no information regarding the underlying reward structure associated with the two options. Rather participants made sequential choices (200 total) and had to learn the reward structures through trial and error. Option 1 always yielded a larger reward than Option 2, but the more that Option 1 was chosen the smaller the reward associated with both options. Option 2 always yielded a smaller reward than Option 1, but the more that Option 2 was chosen the larger the reward associated with both options. Thus, the strategy that maximized long-run reward was to choose Option 2. In the *loss minimization* situation, each decision involved choosing from one of two options and receiving a monetary loss with the aim of minimizing long-run losses. Option 1 always yielded a smaller loss than Option 2, but the more

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that Option 1 was chosen the larger the loss associated with both options. Option 2 always yielded a larger loss than Option 1, but the more that Option 2 was chosen the smaller the losses associated with both options. Thus, the strategy that minimized long-run loss was to choose Option 2.

Promotion focused and prevention focused individuals completed the task under a gain maximization or loss minimization framing. All individuals were given an overall performance goal that was equivalent to choosing the optimal option 80% of the time. When the task goal was in conflict with the personality type (i.e., gain maximization for prevention focused individuals or loss minimization for promotion focused individuals) only 18% of individuals met the goal. However, when the task goal was congruent with the personality type (i.e., gain maximization for promotion focused individuals or loss minimization for prevention focused individuals) 43% of individuals met the goal. That is over a 200% increase in success! This is a laboratory task so outside influences controlled. Thus, one should not necessarily expect a 200% increase in the business world. That said, what if you could achieve a 5-10% increase or even a 50% increase? Wouldn't that be a goal worth attaining?

#### References:

- [1] Higgins, E.T. (1998). Promotion and prevention: Regulatory focus as a motivational principle. *Advances in Experimental Social Psychology*, *30*, 1-46.
- [2] Maddox, W.T. & Markman, A.B. (2010). The motivation-cognition interface in learning and decision-making. *Current Directions in Psychological Science*. *19*, 106-110.
- [3] Cooper, J.A., Worthy, D.A., & Maddox, W.T. (2015). Chronic motivational state interacts with task reward structure in dynamic decision-making. *Cognitive Psychology*, *83*, 40-53.

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#### Summary

In this post, we continue our discussion of personality and its importance in all walks of life, including business. We describe how task goals can be framed to match the personality characteristics of an individual in the interest of increased productivity. Although not discussed above, it is worth mentioning that this also leads to greater satisfaction for the individual thus having a secondary positive effect on workplace harmony and engagement.