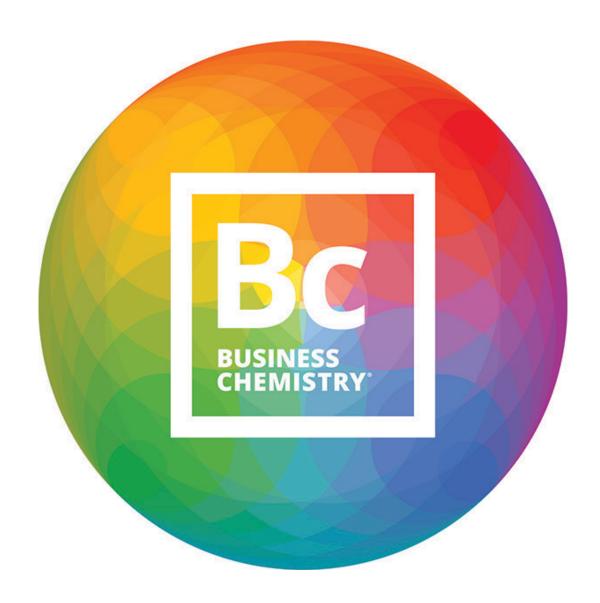
## **Deloitte.**



## Business Chemistry® in the C-suite



# **Business Chemistry** in the C-suite

Are you a big picture thinker? Or do you believe the details are where it's at? Do you value diplomacy? Or think directness should reign supreme? Do you go with your gut? Or scrutinize the facts?

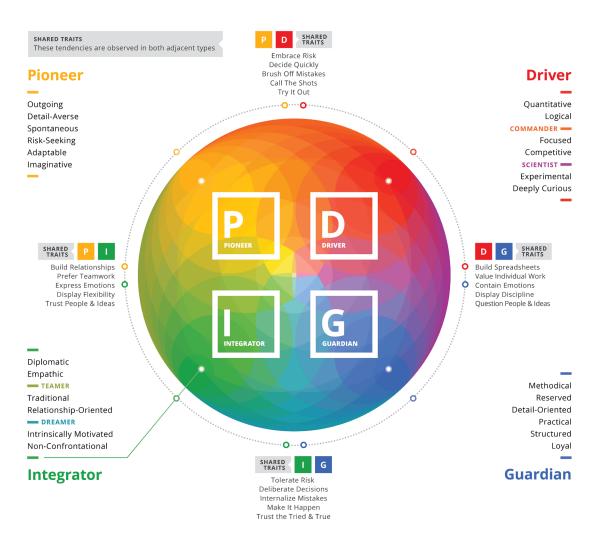
At Deloitte, our way of talking about these differences is called Business Chemistry<sup>®</sup>. By understanding how others are similar to or different from us, we can forge stronger working relationships, more effectively tap into team strengths, and ultimately, accomplish more together.

There are four primary Business Chemistry types.

**Drivers** value challenge and generate momentum

**Guardians** value stability and bring order and rigor

**Pioneers** value possibilities and spark creativity



Each of us is a mix of all of these types, but most of us lean a bit more strongly toward one or two of them.

We're often asked about the relationship between Business Chemistry and leadership. This report explores the topic through one lens, focusing in on C-suite leaders, or CxOs. We recognize that there are many definitions and levels of leadership, and that the majority of those who lead are actually *not* in CxO roles. As such, we expect this to be just one element of a rich and ongoing investigation and discussion of these issues.

In short, our research suggests that Drivers, Guardians, Integrators, and Pioneers are all present in the C-suite, that overall Pioneers are most common (but are not the majority), and that the prevalence of the various Business Chemistry types in CxO roles is influenced by factors such as industry, organization size, function, and gender. Our findings further suggest that while CxOs are, in many ways, similar to others, they appear to differ from the typical professional in particular ways having to do with their perspectives on approaching problems and interacting with others. We propose and discuss in this report a number of possible reasons—both external and internal—that Drivers, and even more so Guardians and Integrators, are less common than Pioneers in the C-suite. And we conclude by identifying some potential implications of a C-suite dominated by a particular type, and offering recommendations for leaders and those who work with them.

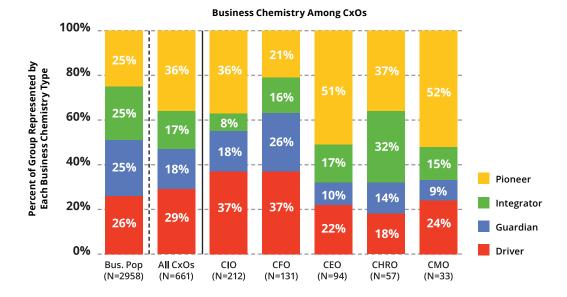
Every Business Chemistry type is represented in the C-suite. Overall, a greater proportion of CxOs are Pioneers than Drivers, Guardians, or Integrators. And yet, the majority of CxOs are not Pioneers.

36% of the 661 U.S.-based CxOs in our sample <sup>12</sup> are Pioneers, whereas the general U.S. business population has more equal proportions of types, with approximately 25% of each.<sup>3</sup>

While Pioneers are more common in the C-suite, it's important to note that 64% of the CxOs we sampled are not Pioneers; 29% are Drivers, 18% are Guardians, and 17% are Integrators.

The prevalence of the various types in C-suite roles is influenced by factors such as function, organization size, industry, and gender.

While the C-suite as a whole appears to have a greater proportion of Pioneers, in certain functions we see higher concentrations of Drivers, Guardians, and Integrators in CxO roles, suggesting that the focus and mandate of the role may impact which types are the most natural fit. In our sample, the CFO role has more Drivers (37%) and more Guardians (26%) than it does Pioneers (21%). The CIO role has roughly equal proportions of Drivers (37%) and Pioneers (36%). And of the CxO roles for which we had a sample of at least 30 individuals, the CHRO role has the most Integrators (32%), although Pioneers still represent a higher proportion in this role, at 37%.



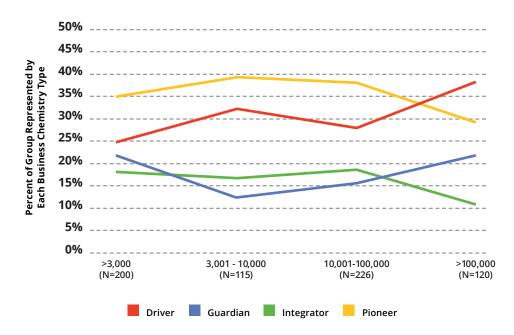
<sup>&</sup>lt;sup>1</sup> Executives self-identified as holding a C-suite role. Participants and their roles were validated using external information sources such as LinkedIn and organization websites.

<sup>&</sup>lt;sup>2</sup> Details about margin of error and statistical significance for this sample and others in the report are available in the Methodology and Study Samples section.

<sup>&</sup>lt;sup>3</sup> Based on our business baseline sample described in the Overview of Business Chemistry section of this report.

In the largest organizations we sampled there is a concentration of Driver CxOs, perhaps indicating that the requirements of C-suite roles are different in these organizations than in those of a more modest size. In organizations with more than 100,000 employees the proportion of Driver CxOs (38%) is greater than that of Pioneers (29%). In organizations with revenues of greater than \$10 Billion the proportion of Driver CxOs is equal to that of Pioneers, with both at 34%.<sup>4</sup>

#### **Business Chemistry Among CxOs By Number Employees**



Our study suggests that in several industries Pioneers are the most common Business Chemistry type in the C-suite, representing more than 40% of CxOs sampled in the consumer & industrial products industry, the life sciences & healthcare industry, and the public sector, inclusive of not-for-profit organizations, educational institutions, and state and local governments. But in certain other industries we see concentrations of Drivers, Guardians, and Integrators in CxO roles. The technology, media and telecommunications industry has more Driver CxOs (38%) than Pioneer (32%), as does the energy & resources industry (Drivers: 35%; Pioneers: 28%). The financial services industry has an even split between Driver and Pioneer CxOs, both at 32%. And the federal government has the most balanced top leadership ranks with 28% Drivers, 26% Guardians, 26% Pioneers, and 20% Integrators in CxO roles.

As in the general business population, gender appears to impact Business Chemistry type among CxOs. Both female and male CxOs in our sample are most likely to be Pioneers, but a higher proportion of female CxOs are Integrators (27%) than Drivers (22%), while in contrast, a higher proportion of male CxOs are Drivers (33%) than Integrators (12%).

<sup>4</sup> Revenue categories exclude approximately 100 CxOs in government roles who are included in the number of employee categories.

In many ways CxOs are not so different from others, but as a group they do appear to differ from the general business population in particular areas, from how they approach problems to how they interact with others.

There are many ways in which CxOs are similar to others. Our research suggests that compared to the typical professional, those in C-suite roles are not more (or less) disciplined, punctual, or practical<sup>5</sup>. They don't place a different level of priority on relationships or building a network, or feel a different level of duty to society. They're neither more nor less imaginative, interested in exploring new things, or fond of experimenting with novel ideas. And they don't have differing comfort levels with expressiveness, nor do they place different levels of value on composure.

And yet, our research suggests there are ways in which C-suite leaders as a group, irrespective of type, are significantly<sup>6</sup> different from the typical professional. The CxOs in our sample are significantly more likely to be energetic, big picture thinkers who are comfortable with ambiguity, and the same time, they tend to take a more quantitative approach to things. They're more competitive and willing to tolerate conflict. And they're inclined to make decisions more quickly, without worrying about whether those decisions are unpopular. There seems to be a sort of toughness about these CxOs and a tendency to not sweat the small stuff.

# 0.2 0.1 Big-picture thinker conflict decisions Makes quick Competitive Willing to Quantitative Ambiguity Practical Dutiful Disciplined Relationship Experimental Expressive --oriented

decisions

#### How CxOs differ from the typical professional (and how they don't)

Around this point you may be wondering... are those who ultimately reach the Csuite born with these traits or do they cultivate them early on in their careers? Or, alternatively, do the responsibilities of a Csuite role lead CxOs to develop these traits? Which comes first? Without longitudinal data we can only speculate, but chances are it's a little of each—personality is a mix of nature and nurture, and it continues to evolve as we age and engage in new and different experiences. And our thoughts, feelings, and behaviors are further influenced by the situations and environments we find ourselves in day-to-day and minute-to-minute.

This also seems like a good point to emphasize that we're not making any claims here about whether these traits make for great, or even competent leaders. We didn't measure the

<sup>&</sup>lt;sup>5</sup> Analyses of these traits and others in this section are based on the 68 items of the Business Chemistry Assessment. Respondents use sliders to indicate their level of agreement with statements such as "Other people would say that I am a very disciplined person."

 $<sup>^{\</sup>rm 6}$  Differences are statistically significant at the p<.05 level.

success of these CxOs or assess the experiences or perceptions of the people they lead. We're merely suggesting that these traits seem to be associated with *being* in a C-suite role.

There are a number of possible reasons—both external and internal—that Drivers, and even more so Guardians and Integrators, are less common in the C-suite.

#### **External Selection Factors**

**Today's business environment.** Leading in today's fast-paced business environment often means moving at a brisk pace, being willing to embrace a significant level of risk, and making decisions quickly. Both Pioneers and Drivers are particularly well-suited to working in this way, and it's likely that this is part of the reason we see both of these types strongly represented in the C-suite. Guardians and Integrators on the other hand, are typically less comfortable with a faster pace or higher levels of risk.

In addition to things moving fast, and in part *because* of the pace, today's environment is also quite uncertain—predicting what will happen even in the short-term future can be challenging. This requires from leaders a certain level of adaptability, agility, and a facility for moving forward despite incomplete information. Again, the Pioneer's style is a good fit for these conditions, but the Driver's, a little less so this time. Compared to Pioneers, Drivers tend to be less comfortable using intuition and have a stronger need to verify information and to *know* the right answer. They also see things in more black and white terms than Pioneers do. Guardians are similar to Drivers in these ways, and while Integrators look a little more like Pioneers in regard to these traits, they're not quite as strong as Pioneers on any of them.

Team-based work seems to be the way of the world these days, which means leaders must be strong in leading both individuals and teams. Pioneers are the most likely type to say they prefer to work in a team rather than alone, that they value working with others who have diverse strengths, and that they take charge when in a group. And they're the least likely type to say they're quiet around people they don't know. The other types of course work with teams too, but Guardians tend to be more reserved, less out front. Integrators prioritize connections, but like Guardians, are less likely to take charge of the group. Drivers tend toward taking charge, but often in a less collaborative way than Pioneers, sometimes seriously ruffling feathers with a directive style that can be seen as *results at all costs*.

**The extrovert ideal.** Susan Cain's work on introverts identifies a shift over time from an American culture of character to a culture of personality—from valuing discipline, honor, and seriousness to valuing those who are "bold and entertaining." Of the Business Chemistry types, Pioneers are perhaps the one best described as bold and entertaining. They are also the only type that overwhelmingly tends toward extroversion. Guardians are usually more introverted, and Drivers and Integrators split the difference, having both more introverted and more extroverted sub-types. As a result of this "extrovert ideal," the Pioneer's style is likely to be valued and rewarded.

One Guardian in our research said: "Pioneers are most valued because the big, shiny ideas and the outgoing personalities tend to get the most attention and are seen as desirable in today's 'innovator-driven' society."  $^{7}$ 

<sup>&</sup>lt;sup>7</sup> This quote, as well as the others in this report, comes from our research with 142 Deloitte professionals about perceptions of the Business Chemistry types.

**Like promotes like.** Classical psychology research by Donn Byrne<sup>ii</sup>, Theodore Newcombe<sup>iii</sup>, and others suggests we're attracted to people who are similar to us. And this tendency isn't limited to interpersonal relationships; there's evidence that managers are most likely to hire and promote those who are similar to them<sup>iv</sup>. More Pioneer leaders likely means more Pioneer promotions into leadership.

Quotes from our own research illustrate Pioneers' love of working with other Pioneers:

"They're able to follow my thought process—we have energizing conversations about the art of the possible without worrying about reality."

"It's easy to work with similar types – there's energy and building on ideas."

"We just explore and say yes to each other."

"Creativity has no limitations. Every idea is explored and discussed. We try new things and don't worry as much about 'what will they think?"

**Unrecognized value of Guardians and Integrators.** Some of the most unique strengths of Guardians and Integrators often play out behind the scenes or are difficult to quantify, which may make the value they bring less obvious. And if their value isn't immediately apparent, they may be less likely to be promoted.

Quotes from our research describe various ways in which Guardians and Integrators are sometimes underappreciated for their unique contributions:

#### About Guardians

From a Driver: "Work done by Guardians is often background - stuff that supports a decision, strategy, etc. They're integral in making sure decisions are well thought out, but rarely does that research and information get distributed."

From an Integrator: "Guardians are often seen as too focused on the details and not able to see the big picture. While those details can kill an implementation strategy if not addressed, they're not exciting and usually not remembered in a big win."

From a Pioneer: "Guardians bring a lot of great ideas to the table, but because they're reserved and less likely to call attention to their contributions, someone else with a more outgoing personality often gets the credit for their success."

#### About Integrators

From a Driver: "Group cohesion and collaboration don't necessarily line up with performance metrics, even though they're critical to team success.

From a Guardian: "Integrators' strengths are written-off as 'soft skills' and taken for granted."

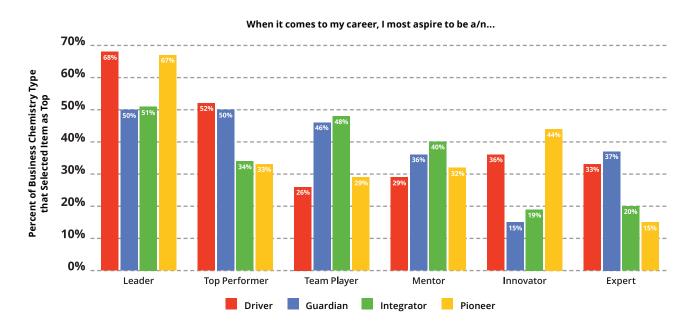
From a Pioneer: "I feel that Integrators and their ability to create lasting relationships can become lost in the results-driven nature of business."

#### **Internal (Self) Selection Factors**

**Varied career aspirations.** Our research suggests that individuals of all types aspire to lead, but Pioneers and Drivers are more likely than Guardians and Integrators to have such aspirations. When we asked more than 13,885 professionals across various organizational levels to select their top career aspirations, 68% of Drivers and 67% of Pioneers included leader, compared to 50% of Guardians and 51% of Integrators<sup>8</sup>. Beyond leadership, Guardians and Integrators have some other strong aspirations, which may contribute to their being less likely to choose a leadership path, and their lower representation in the C-suite.

50% of Guardians aspire to be top performers, 46% to be team players, 37% to be experts, and 36% to be mentors.

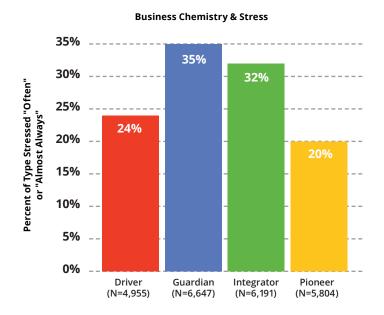
48% of Integrators aspire to be team players and 40% to be mentors.



**Traits of Guardians and Integrators.** Both Guardians and Integrators have particular characteristics and preferences that may make C-suite roles less desirable or especially challenging for them. Guardians' natural reserve, discomfort with ambiguity, and less adaptable natures can make certain leadership roles feel an uncomfortable stretch. Integrators' emphasis on consensus and diplomacy, as well as their distaste for confrontation and making unpopular decisions, may make the C-suite an unappealing place to be.

**Stress Response.** <u>Our research</u> with more than 20,000 professionals across organizational levels suggests that Guardians and Integrators experience more stress than Pioneers and Drivers in response to a wide range of work-related situations. Further, we've found that Guardians and Integrators are less likely to report they're effective under stress (as indicated by a study with 17,000 professionals). Because the C-suite can be particularly stressful, a CxO role may be less appealing to a Guardian or Integrator, which may cause them to self-select out of this career path.

Respondents were asked to choose their top 3 aspirations from a list of 10. The chart below displays the top aspirations across all Business Chemistry types.



The potential implications of a C-suite dominated by a particular type are both positive and negative. Actively cultivating diverse perspectives is perhaps the best antidote for the negative.

**Positive implications.** As leaders, Pioneers can bring their many unique strengths to bear to positively impact the individuals, teams, and organizations they lead. When innovation is the goal, their imagination and focus on possibilities inspires creativity in others. Their nimbleness and adaptability mean things can move fast—there's no time to get bored with a Pioneer in the lead. Their "why not?" attitude may feel liberating and reduce fear of failure in those who tend to overthink things. And to top it off, Pioneers' spontaneity, high energy, and outgoing natures makes them just plain fun to work with.

Ouotes about Pioneers from our research:

From a Guardian: "Pioneers are trend setters, daring to explore new ideas outside the norm."

From a Driver: "Pioneers are highly valued because they're strategic thinkers who explore new directions, envision the future, and inspire others through ideas."

From an Integrator: "I enjoy working with Pioneers because they bring energy to the room and they're unbounded in their thinking, which pushes me to be more innovative."

As we've seen, many CxOs are not Pioneers, and the other types can also have a positive impact in C-suite roles. For example, as leaders, Guardians can provide a stable foundation that mitigates risk and makes people feel secure, while their own reserved natures allow others to shine. As one Driver in our research said about Guardians: "They keep the team grounded and make sure ideas are feasible." Drivers in leadership roles often push their teams to excel and rise to a challenge. A Pioneer commented, simply: "Drivers can take

ideas from concept to action and keep the team on track." And Integrators frequently build trust by prioritizing people and collaborative cultures. As stated by a Driver: "They listen generously and bring people together."

**Negative Implications.** Despite many strengths, the Pioneer's style, like all styles, has limitations that may impact the individuals, teams and organizations they lead. The Pioneer's creative ideas can be impractical and their bold vision sometimes lacks an execution plan. At times they move so quickly that important details and processes are overlooked. Their high energy and imaginative natures can mean they lack focus, and their fondness for risk sometimes backfires. Together, these characteristics can pose challenges for those who work with Pioneer leaders. They could also mean a Pioneer's great ideas aren't executed, unless their style is balanced by those of other types.

Ouotes about Pioneers from our research:

From a Driver: "Pioneers are so up in the clouds that they can be difficult to focus on tangible and actionable tasks required to gain results."

From a Guardian: "The Pioneers I've worked with are often very manic, jumping from idea to idea without pause, and also quite unrealistic—I often feel like a 'negative nellie' shooting holes in their dreams while trying to realistically figure out how to execute on the vision."

From an Integrator: "They don't always read everything you send them, or answer all the questions you ask. Sometimes they are too big picture and moving too fast to accept or realize that their demands may be unrealistic."

As with the positive, there are also potential negative implications when other types are in the lead. Guardian leaders can be more cautious and inflexible than their teams would like. One Pioneer in our research said about Guardians: "I love big ideas and creativity which can be stunted by the practical thinker in the room." Drivers may prioritize results over people with detrimental effects. One Guardian said: "I feel bull-dozed by Drivers." And Integrators sometimes overemphasize getting everyone to agree and being liked. As one Driver said about Integrators: "They're too concerned about what other people think and can't make a move without consensus."

**Leading other types.** A leader of any Business Chemistry type may face challenges when leading those of other types. For example, a Pioneer leading Guardians, Integrators, or Drivers may sometimes find it difficult to relate to their people. Compared to Pioneers, all of the other types are less spontaneous, adaptable, and intuitive, and less tolerant of ambiguity. More than Pioneers, the other types work methodically, prefer structure, and worry about details. An "anything-goes" Pioneer may be challenged to provide an environment where more practical types thrive.

Likewise, a Guardian leader may not realize that specifying too many details about a project leaves their team without the space they want to get creative. A Driver leader may mistakenly try to persuade or inspire their team with a purely logical argument, since that tends to work best for them. And an Integrator leader may be so diplomatic that their team is left not understanding what their stance on an issue actually is. Leaders of all types may sometimes struggle with team members who are different from them, but with understanding and a concerted effort on the part of a leader to flex their style, these kinds of challenges can be overcome.

**Leading same types.** Just like other people, leaders often find it easiest to work with those who share their type. However, this too, can lead to some particular challenges. A Pioneer-heavy team led by a Pioneer may suffer from a lack of diverse perspectives, even when other types are present. Any type dominating a team can set off a Groupthink-style cascade, but a group of Pioneers may be particularly likely to drown out other types because of their energetic, fast-talking, take charge style. And if other types don't express their perspectives, the team can't reap the benefits of cognitive diversity.

Likewise, a group of detail-focused Guardians can get into trouble by falling into a state of analysis paralysis. An Integrator leader with a conflict-avoidant, same-type team may have difficulty acknowledging an elephant in the room. And together, a bunch of competitive Drivers may get into a power-struggle. So, while leaders may find it feels easiest to work with those who share their type, it's far from a fool-proof recipe for success.

These findings have different implications for various groups; we offer recommendations for leaders and those who work with them.

#### **Recommendations for leaders**

Regardless of your own type, if you're a leader in the C-suite or at any level you're likely to be leading others both of the same type and different types. A first important step to being an inclusive leader is to identify the work styles of your team members and begin to consider how the differences are beneficial or problematic. Then, you can do several things to actively manage those differences so you can benefit from them. Because, as it turns out, the real benefit from diversity comes when it's actively managed.

**Pull your opposites closer.** Often, the most challenging differences are between opposite types—Pioneers with Guardians and Drivers with Integrators. But by pulling the opposite types on your team closer together you can begin to reap the benefits of complementary strengths. And as leader, this includes your own opposites.

**Elevate the "tokens" on your team.** When a team is dominated by one or two types, Group-think style cascades are likely. To combat them, elevate minority perspectives on the team so you can benefit from all the types, not just those in the majority.

**Pay close attention to your sensitive introverts.** While a team may miss out on the contributions of any type that's in the minority, the perspectives of those who are most introverted or sensitive are most likely to be drowned out. And yet these types have unique strengths that can benefit your team and organization.

You can begin to execute on each of these strategies with some relatively basic and straightforward steps. See our recent article in <u>Harvard Business Review</u> for a more in-depth discussion of how to go about it.

#### Recommendations for those who work with leaders

Business Chemistry was originally developed with an eye toward helping Deloitte's own practitioners strengthen their relationships with clients, who incidentally, are often CxOs. But its usefulness extends far beyond its initial purpose, offering relevant insights for understanding and improving working relationships among people in many different types of organizations and across levels. The findings in this report suggest some particular guidance for those who work directly with CxOs or other leaders.

While our research suggests that CxOs are most likely to be Pioneers, followed by Drivers, it's important to spend a little time trying to get a sense of your client's or leader's actual type—because as we've seen, all types are represented in the C-suite. (You can use our online 20 Qs tool to create a hunch about someone's type at <u>businesschemistry.deloitte.com</u>).

If you suspect your client's or leader's Business Chemistry type is different from yours, it's time to flex! For most people it's easiest to flex to your adjacent types--those with whom you share some traits and preferences (e.g., a Pioneer to either an Integrator or Driver, or a Driver to either a Guardian or Pioneer), but flexing to your opposite type is perhaps even more important. For example, if you're a Pioneer and the other person is a Guardian, it will be important to recognize whether she's feeling more stressed about an upcoming event than you are. Or, if you're a Driver and the other person is an Integrator, it may help you to understand whether he wants to be positioned more as a collaborative team player than as the lead.

Here are some tips for each type on flexing to your opposite.

If you're a Driver working with your opposite, an Integrator, you may need to stop revving your engine for a minute. Your tendency to be highly goal-focused and your accompanying blunt approach might offend an Integrator. It's not that Integrators don't care about achievement, but they usually also care deeply about how the pursuit of goals affects people. Do your best to consider the people-implications and to connect personally with an Integrator before jumping into business. And know that the Integrator has a higher need for meaning in their work than you do, 51% say it's one of the key things they need to thrive, compared to 38% of Drivers.

If you're an Integrator working with your opposite, a Driver, it will be important to understand they're likely to be engaged by highly challenging tasks, which are identified by 54% of them as key to their thriving (compared to 38% of Integrators). You may need to speed up your normally prolonged decision-making process, as Drivers may get impatient—they prefer quicker decisions and a quicker pace in general. You can offer Drivers support in areas that are less natural for them, like navigating politics, or that they see as less essential, like working toward consensus. And you may possibly need to grow a thicker skin, as a Driver is unlikely to be overly concerned about, or even aware of, whether you're taking their directness personally.

If you're a Guardian working with your opposite, a Pioneer, you'll likely have to stretch more than a little to capture their interest. Try to focus more on ideas than facts. Take a deep breath and let go a little bit of your need for structure, process, and rules. Don't be too quick to dismiss the Pioneer's big ideas, even if they seem impractical. Since there are likely to be many ideas bouncing around, explore them, consider them, and help the Pioneer home in on those that are most realistic. And try to pick up the pace if possible, since Pioneers thrive in a faster-paced environment—31% say it's important for them, versus 13% of Guardians.

If you're a Pioneer working with your opposite, a Guardian, maybe bring it down a notch. Not only are Guardians composed themselves, but they value composure in others and your high energy approach may be off-putting. Guardians also tend to have respect for rules and hierarchy, so now is not the time to flaunt your propensity toward rule-breaking. Further, Guardians are more likely to need clear expectations, which are identified as central for 41% of them, compared to 16% of Pioneers. Try to be on time, follow through with your commitments, stick to the process, and ground your big ideas in facts. And please, don't neglect the details.

If you and your client or leader share a Business Chemistry type, you're still not off the hook. We discussed above how same type teams can run into challenges, and that's also true for same type pairs. Just picture how two imaginative Pioneers might spin right off into the clouds together.

Often the best way to serve a client or leader is to offer them a perspective that's different from theirs. So take advantage of the ease afforded by sharing a type, but see what you can do to bring something unique, maybe flexing to your secondary type to diversify perspectives, or even bringing in more team members of different types to help.

#### Not everyone aspires to lead

If you're a Pioneer with leadership aspirations, you may be in luck. While reaching the C-suite is far from guaranteed, even with hard work and concerted effort, your style may naturally be a good fit for the climb. As you rise through the ranks of your organization you may benefit from surrounding your-self with people of different types and unique perspectives, and focusing on how to get the most out of diverse teams. These approaches will serve you well as you train for your ultimate leadership challenge.

If you're not a Pioneer, you're certainly not out of the game. Remember, while Pioneers seem to have an outsized representation in the C-suite, the majority of CxOs are actually not Pioneers. If a future in the C-suite appeals to you, think about your work style and what aspects of it are a good fit for the top leadership roles and what aspects of it are not so much. What might you do to lean into your strengths and bolster the areas where you're not as strong? Which C-suite roles might be the best fit for your specific strengths and aspirations? It's possible that you may have to flex a bit more than a Pioneer might to make the climb, and it may take a greater toll on you, but as a leader you'll also bring some unique strengths to the individuals, teams, and organizations you lead.

And of course, not everyone aspires to the C-suite, nor even to lead in the traditional sense at all. While some people may view reaching a top leadership role as the very definition of success, many others define success quite differently. Upon considering your values, strengths, and aspirations, you may determine that a top leadership role is not the best and highest use of your talents. For example, leadership sometimes requires a breadth of focus that precludes attaining a great depth of knowledge in any particular area, and you might rather focus your energy on becoming a renowned expert in your field or mastering a skill few others can. Likewise, pursuing a leadership role can sometimes require positioning yourself front and center, or emphasizing your individual accomplishments, and you may prefer to work more collaboratively, supporting or mentoring others in a way that prioritizes benefits to the broader team. Or, you may feel the commitment required by many leadership roles would prevent you from living a full and balanced life that includes meaningful work but also allows time for a rich personal life.

We're not all the same. Of course that's part of the point of Business Chemistry and the beauty of working with others. It sometimes takes a little extra effort, but by bringing together people with diverse perspectives we can do more together than we might by sticking with those of our own type. As Einstein once said: ""When we all think alike, no one thinks very much."

<sup>&</sup>lt;sup>i</sup> Cain, S. (2012). Quiet: The Power of Introverts in a World that Can't Stop Talking. New York: Crown Publishing.

<sup>&</sup>quot; Byrne, D. (1971). The Attraction Paradigm. New York: Academic Press. Print

<sup>&</sup>quot;Newcombe, T. (1961). The Acquaintance Process. New York: Holt, Rinehart and Winston. Print.

iv Rivera, L. (2012). Hiring as Cultural Matching: The Case of Elite Professional Service Firms. American Sociological Review. 77: 999-1022.

#### **Overview of Business Chemistry**

Business Chemistry defines four primary working styles or types—Drivers, Guardians, Integrators, and Pioneers--which can be identified by a set of observable traits and behaviors. Each type offers a valuable perspective and unique approach to tackling ideageneration, decision-making, problem-solving, and the other important work of leaders and teams. Beyond developing a greater understanding of ourselves, the true intent of Business Chemistry is to help us identify, adapt to, and leverage the working styles of others.

An individual's responses on the Business Chemistry assessment are scored in relation to a business baseline sample, comprised of responses from 2,958 professionals, 50% male and 50% female, spanning organizational levels of junior associate to C-suite roles, from a representative mix of 714 companies across industries. The individual's percentile rank against this baseline determines their primary Business Chemistry type.

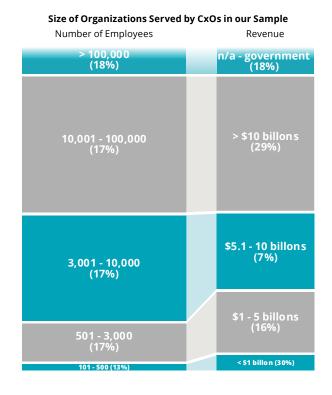
Since the initial launch of the Business Chemistry system, more than 200,000 professionals have completed the assessment. We've conducted numerous research studies to explore differences between the Business Chemistry types in a variety of areas such as responses to stress, career priorities and aspirations, and conditions under which each type thrives.

#### **Methodology & Study Samples**

This report includes findings from a number of different samples and studies as follows:

#### **CxOs**

Our sample of CxOs is made up of 661 U.S.-based executives who have self-identified as holding a C-suite role in an organization of more than 100 employees. Most of them serve moderate to large organizations. More than 500 organizations are represented overall, with a relatively even distribution across industries.

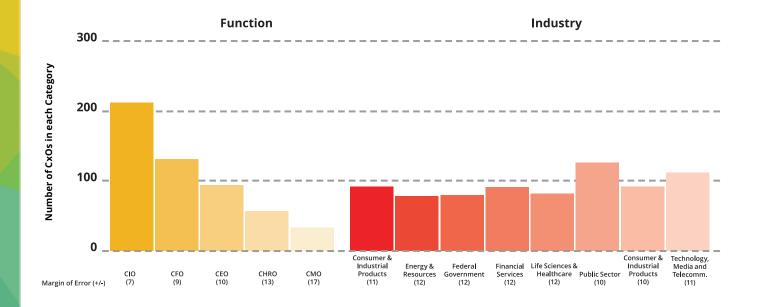


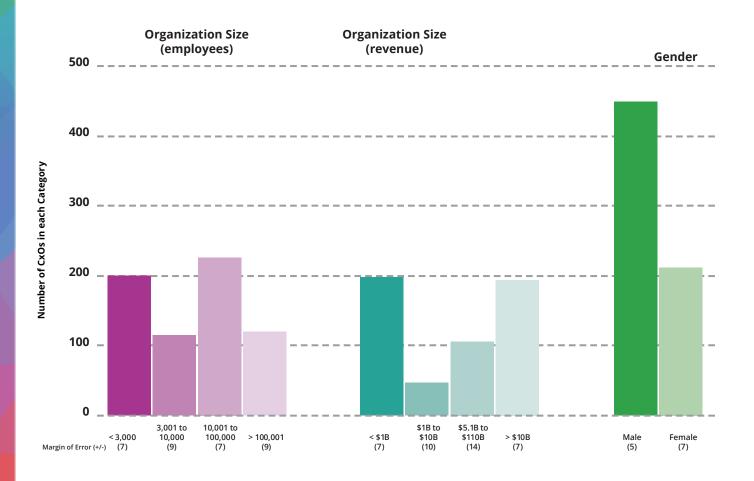
32% of the CxOs in the sample are women. 32% are CIOs, 20% CFOs, 14% CEOs, 9% CHROs, 5% CMOs, and 20% hold other C-suite roles.

Each participant took the Business Chemistry assessment online between the periods of October, 2012 and November, 2016. Participants and their roles were validated using external information sources such as LinkedIn and organization websites.

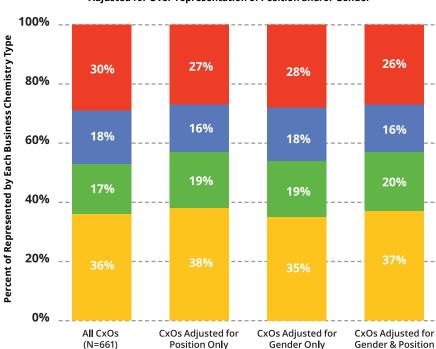
The margin of error for the full sample of 661 CxOs is +/-4 percentage points at a 95% confidence level. In other words, while 36% of the CxOs in our sample were identified as Pioneers, a 4 point margin of error means we can be reasonably confident that were we able to assess all c-suite leaders in the U.S. the percentage of Pioneers would be somewhere between 32% and 40%. Likewise, the range for the percentage of Drivers would be 25% to 33%, for Guardians would be 14% to 22%, and for Integrators would be 13% to 21%. A statistically significant difference exists between values when their confidence intervals do not overlap.

Margins of error are higher for the various sub-samples of CxOs categorized by function, organization size, industry, and gender.





Because the sample included a disproportionate number of men and of CIOs compared to other C-suite roles, we explored how representation of the Business Chemistry types in the C-suite could be impacted by a more equal distribution between women and men and across CxO roles. Weighting scores to reflect such distributions resulted in slight changes in the proportions of Business Chemistry types, but the overall representation was similar, with Pioneers being most common, followed by Drivers.



#### Adjusted for Over-representation of Position and/or Gender

#### Stress

Our stress study includes two samples of professionals of varying levels working inside and outside Deloitte, in the U.S. and elsewhere. Participants represent more than 1,300 organizations across various industries, and 120 countries overall.

Stress sample 1 is comprised of 23,597 professionals who, during the period of November, 2014 to June, 2015, completed the Business Chemistry assessment online and also answered questions about their current and general stress levels, and about how stressful they find 15 workplace events and situations to be.

Stress sample 2 is comprised of 17,008 professionals who, during the period of June, 2015 to October, 2015, completed the Business Chemistry assessment online and also answered questions about how effective they are under stress and how often they use 12 different coping strategies.

The margin error for both samples is less than 2 percentage points at a 95% confidence level, for all Business Chemistry types. Read more about the study results <u>here</u> and the methodology and samples <u>here</u>.

#### **Aspirations**

Our aspirations study includes 13,885 professionals of varying levels working outside Deloitte, in the U.S. and elsewhere. Participants represent more than 1,200 organizations across various industries, and 115 countries overall. During the period of February, 2016 to November, 2016 participants completed the Business Chemistry assessment online and also answered questions about their career aspirations, career priorities, and the working conditions under which they thrive. The aspirations question asked respondents to select their top 3 aspirations out of a list of 10. The margin error for this sample is less than 2 percentage points at a 95% confidence level, for all Business Chemistry types.

#### Quotes

The quotes in this report are drawn from a sample of 142 Deloitte professionals who completed the Business Chemistry assessment online, and in September of 2015 answered a series of open-ended questions about perceptions of the Business Chemistry types.

#### **Contacts:**

#### **Kim Christfort**

National Managing Director, the Deloitte Greenhouse™ Experience Deloitte Consulting LLP kchristfort@deloitte.com

#### **Suzanne Vickberg**

PhD, Senior Manager, Applied Insights Lead, the Deloitte Greenhouse™ Experience Deloitte Consulting LLP svickberg@deloitte.com

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