

Risk-Taking Study

Running a quick search on risk-taking quotations will reveal that the wise, the artistic, the leaders, and the innovators consider risk-taking a necessary part of life. Of course, none of these people would have been considered wise, artistic, leader, and innovator if they hadn't been willing to take chances in the first place. But every creature, to some degree, takes chances in life. "Behold the turtle," counsels James Bryant Conant. "He makes progress only when he sticks his neck out."

Being risk-avoidant has its benefits, of course. People with this profile are less likely to bring harm to themselves or to others, are less likely to make rash decisions and consequent mistakes, and less likely to fail. On the flipside, they're also not liable to attain great achievements, have memorable experiences, and achieve those dreams that are locked up tight on a shelf at the back of their mind. Extreme risk-takers can be reckless, dangerous, and put their body and finances in peril. But to risk nothing is to achieve nothing. Thankfully, there is a happy medium. According to army general George Patton, the key is to "Take calculated-risks. This is quite different from being rash." So what are the traits that make risk-taking more or less likely, and who possesses them?

According to PsychTests, calculated risk-taking involves a careful balance of Sensation Seeking, Harm Avoidance, Conscientiousness, Locus of Control, Comfort with Ambiguity, and Reward Orientation. PsychTests' data, collected from over 7,000 test-takers, reveals that most people are moderate risk-takers. Moreover, judging by the high mean score on Reward Orientation (72), we are probably more likely to chase rainbows if there's a nice pot of gold at the end.

Gender differences reveal interesting although perhaps not surprising results. Men were shown to be more likely to take risks (overall score of 57 vs. 52 for women, on a scale from 0 to 100), to be sensation seekers (59 vs. 53 for women), to be more comfortable dealing with the ambiguity of risk-taking (59 vs. 55 for women), and had a stronger reward orientation (76 vs. 69 for women). Women, on the other hand, were more likely to want to avoid harm (50 vs. 47 for men) and more conscientious (61 vs. 58 for men).

"The results of our study are in line with much of what past research shows - that men tend to have a higher propensity for risk," indicates Dr. Jerabek, president of the company. "Some theorists believe that women's risk-taking behavior (or lack thereof)

has an evolutionary link. Women are more likely to be the one's taking care of others - putting themselves in danger places those they care for in danger as well. This is reflected in our data, with women's tendency to be more likely to want to avoid harm, and to be as cautious as possible. In fact, the majority of test-takers who indicated that they have been in 'more than 7 car accidents' and have had 'more than 7 bones broken' were men."

In terms of age, PsychTests' data shows that younger age groups have a slightly higher tendency to take risks. Sensation seeking decreases with age, while conscientiousness, harm avoidance, and internal locus of control increase with age. Those who are 40 and older are more comfortable with ambiguity, while the 18-29 year olds are more oriented towards reward.

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When it came to risks that involve bodily harm, nearly half of the test-takers said they would be willing to bungee jump, while only 22% would run with the bulls. In terms of risks that involve breaking the law, interestingly, 29% would be willing to participate in illegal drag racing, and 26% would skip out on a restaurant check. Here are some other interesting tidbits PsychTests uncovered in their data:

- 18% of test-takers admitted that they don't check projects carefully for mistakes before handing them in.
- 25% would quit their job without finding a new one first.
- 25% would be willing to start a high-risk venture.
- 40% believe that rules are made to be broken.
- 43% admit that they jump into new situations without much thought.
- 44% make sure to have a Plan B before making a complex decision.
- 57% would change careers late in life.
- 61% prefer working in a job environment where their work is constantly changing.
- 63% indicated that they would take a big risk if there's a good reward (e.g. money, recognition).

"Risk shouldn't be all or nothing," explains Dr. Jerabek. "Calculated risk-takers, like entrepreneurs for example, are very comfortable taking chances and dealing with the ambiguity of it, but they also have a healthy dose of conscientiousness. If employers need to fill a position that involves taking risks, they should look for the right combination of risk-taking traits in the candidates. People who are very harm avoidant



may be too inhibited to take risks, while sensation seekers who lack forethought will be too much of a liability. It really is a delicate balance."

Those who wish to learn more about their risk-taking personality can go to:
<http://testyourself.psychtests.com/testid/2122>

Employers interested in using this or other pre-employment tests can visit:
http://psychtests.com/solutions/hr_testing.

A white paper with insights about risk-taking is available at
http://psychtests.com/pdf/risk_article.pdf.