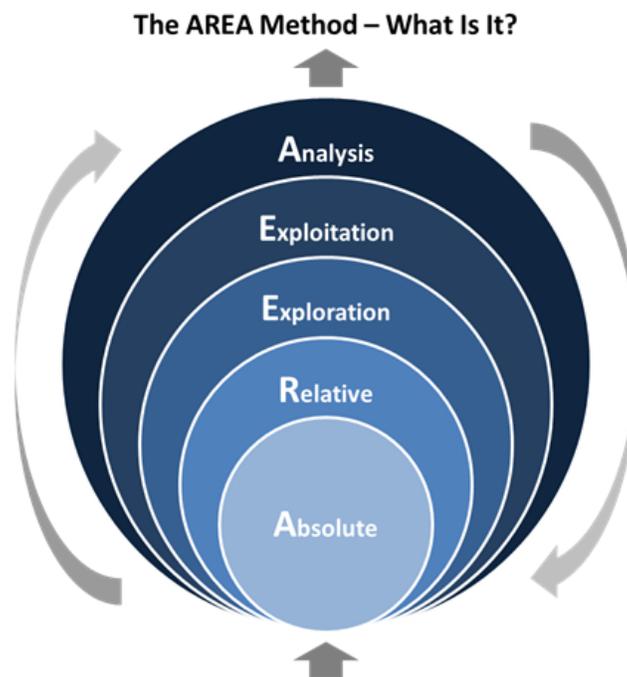


## Tackling Behavioral Influences in Financial Decision-Making

Families looking to steward generational wealth together have to decide about personal as well as joint investments. At times different generations have different investment outlooks and goals. How do you align your individual and family values with your investment plan? What are some proven methods to include diverse stakeholders and competing priorities? What practices can support you in navigating different risk tolerance and analyses? What will be the key metrics of success and impact?

Decisive AREA Method offers workshops that focus on developing problem solving skills related to answering those and other important questions. Content stems from the acclaimed financial decision-making book *Investing In Financial Research, A Decision-Making System for Better Results* written by Decisive's CEO Cheryl Einhorn, a longtime Columbia Business School adjunct professor. Clients gain real-world tools to help them learn about themselves as decision-makers, confront bias and assumption and judgment and learn to strengthen key relationships while framing decisions for holistic problem solving. **For while problem solving is about ideas, ideas aren't enough; there is an important gap between having ideas and making good decisions about what to do with them.**



AREA is a step by step decision making process focused on mining the insights and incentives of others to help you manage for mental shortcuts. The steps build upon one another, radiating out from the center, but also serving as a feedback loop. The views and insights of other stakeholders are integrated until you, the decision maker, fit them all together.

For a more complete series of visual maps about the AREA Method and an example of AREA at work please turn to the appendix.

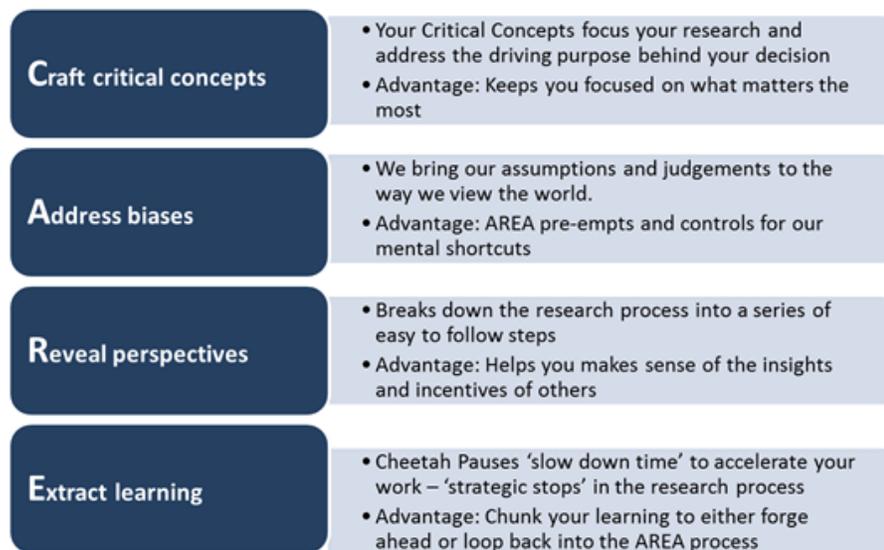
# DECISIVE

POWERED BY THE AREA METHOD®

The Decisive program is based upon the AREA Method, a research and decision-making system that uniquely controls for bias, focuses on the incentives of others and expands knowledge while improving judgement, and applies it to investigating financial and investment situations. AREA is applicable to all sorts of problem solving and financial sleuthing, whether for investment identification, analysis or planning. It allows you to be the expert in your own life. The AREA Method provides you with:

- Defined tasks that guide and focus your research on your vision of success;
- A structure that isolates your sources, giving you insight into their perspectives, biases and incentives;
- Investigative resources, tips and techniques to upgrade your research and analysis beyond document-based sources;
- Exercises to foster creativity and originality in your thinking;
- A sequence and framework that brings your disparate pieces of research together to build your confidence and conviction about your financial decision.

## Advantages of the AREA Method



The AREA Method helps you bring greater CARE to making smarter, better decisions

Our sessions are a hybrid of high leverage AREA content sessions, and topics that are selected by clients, usually through a survey that we conduct with the client's participation and input. This allows our programming to be the most responsive to the needs of our clients. Every session is interactive, has time for group questions, discussion as well as time for participants to personally apply specific AREA strategies to the content addressed.

Below are three case studies of the kinds of family investment planning decision-making that benefit

from Decisive and the AREA Method to help families align their values and goals with their investment plans.

**1: Family Business Management:** A successful family manufacturing business (\$500M+ in revenues) is in transition from the 3rd to the 4th generation. The current CEO, David, is a member of the 3rd generation and has two sons working in the business and a daughter who is working for a competitor. One son has high potential to lead the business, but is not ready to run the business today. The other son is underperforming and probably not best suited long term for the business. The daughter has proven herself running large teams and is ready to assume additional responsibility. How do you help this family make the right decision?

**2. Family Investment Portfolio:** A very successful family business in Texas (\$1B in revenues) decided to form a family office after the sale of one of the company's main businesses producing \$250M in net proceeds from the sale. The other part of the business still owned by the family is the market leader in the industry. The Family Council consists of representatives of the second, third and fourth generations of the family. The younger generations want to invest the majority of the new portfolio into direct impact investments and other mission related organizations. The older generations believe the money should stay invested in high quality, highly liquid securities. How do you help this family make a decision?

**3: Family Governance:** A rapidly growing real estate business (\$2B in net property value) experienced the sudden, unexpected death of the founder and CEO of the business. His wife and four sons are trying to make decisions about the strategy for the properties and strategic direction of the real estate business. The family has a non-fiduciary Advisory Board in place today consisting of half family members and half non-family members, many of whom are highly experienced, successful friends of the founder who passed away. How do you help this family make a decision?

Below is a sample selection of offerings focused on business, financial and investment decision-making:

- **Values Identification and Alignment**

- Outcomes:

- Identify basic and fundamental beliefs that guide or motivate attitudes
- Investigate how beliefs translate into actions
- Identify what gets in the way of practicing values in financial planning
- Explore ways to construct a values-based decision plan

- **Different approaches to financial decision-making:** An understanding of decision-making archetypes (approaches, strengths and cognitive biases)

- Outcomes:

- Identify your Problem Solver Profile
- Internalize the strengths of different decision approaches
- Explore the potential pitfalls and biases associated with different decision approaches

# DECISIVE

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- Apply AREA strategies for improving decision efficacy and agency

## ● **Breaking Down and Framing Complex Problems**

- Outcomes:
  - Learn when, why and how to break down problems
  - Practice using inversion to reframe decisions
  - Apply Vision of Success to identify an optimal outcome
  - Derive Critical Concepts research pathways to VOS

## ● **Increasing Business, Financial and Investment Problem Solving Skills**

- Outcomes:
  - Combat decision-making myths
  - Identify practical tools for problem solving
  - Learn to unearth data with limited bias
  - Use creative exercises to challenge assumptions

## ● **Combating Cognitive Bias, Assumption & Judgement**

- Outcomes:
  - Internalize how and when cognitive biases work on our thinking: for better or for worse
  - Identify common biases
  - Identify practical strategies to thwart bias
  - Practice and apply common biases remedies

## ● **Perspective-taking for Inclusion**

- Outcomes:
  - Explore cross-generational similarities and differences in our identities, experiences and goals
  - Identify competing priorities
  - Learn strategies for navigating high stakes decisions with diverse stakeholders
  - Strategize AREA solutions for belonging and equity

## ● **Strengthening Key Relationships**

- Outcomes:
  - Identify criteria of strong relationships
  - Learn the “great questions roadmap”
  - Apply a 4 dimension framework to self reflection
  - Use the 4 dimension framework to understand the incentives and motives of others

## ● **Team Building and Creating Buy-In**

- Outcomes:
  - Identify components of a strong community
  - Explore the relationship between positive feelings and productivity

# DECISIVE

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- Identify what gets in the way of creating positive culture?
- Learn AREA strategies for listening, tackling disagreements and coming to consensus
- Apply AREA solutions to strengthen teamwork

About Decisive: Decisive: AREA Method offers products, services and technology that equip individuals, companies, schools, nonprofits and government agencies to make complex decisions. Offering webinars, classes, presentations, training sessions, workshops, books, articles and software, clients gain real-world tools to help them learn about themselves as decision-makers, confront bias and assumption and judgment and learn to frame complex problems. For more information please visit [areamethod.com](http://areamethod.com).

*About Cheryl: Cheryl is the creator of the AREA Method, a decision making system to solve complex problems. She is the author of the award-winning book ProblemSolved, a Powerful System for Making Complex Decisions with Confidence & Conviction on personal and professional decision-making and the newly released Investing In Financial Research, A Decision-Making System for Better Result, about financial and investment decisions, which has been a number one new release on Amazon. She is a long time educator teaching for over a decade at Columbia Business School and currently at Cornell University. For more about Cheryl please watch her [TED talk](#).*

Customization and Pricing upon request: [decisive@areamethod.com](mailto:decisive@areamethod.com)