Type, Talent and Teams: Using the Enneagram for Investment Firm Success

By Jamie Ziegler and Jim Ware with Liz Severyns

Foreword by Daniel Davidowitz, CFA
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Additional praise for *Type, Talent and Teams*

A diverse team won’t survive without a focus on inclusion. If those diverse perspectives feel stifled or like they need to fit into an existing norm, they will leave an organization. The Enneagram helps to so clearly identify not only that people are different but that in these differences there is real strength. At many firms, there is a tendency to equate difference with weakness while in fact the strength of a diverse team comes from all types of people having insights to help them work well together. Jamie and Jim’s recognition of this and use of the Enneagram to bring teams to a place of strength is so helpful and so needed in the investment industry.

Rebekah L. Kohmescher  
CEO, Altair Advisers, LLC

The Enneagram training that we did with Jamie was a very valuable skill building exercise for our firm – and it was fun identifying with one another in a new way! Being able to better understand how people of different personality types communicate and interpret information has enhanced our internal team work and perhaps even more importantly, how we think about communications with our investors.

Deb Pollard  
President and COO, Fenimore Asset Management

We build teams with diversity of thought in mind. Team discussions are greatly enhanced when we are sensitive to and aware of others’ personal frameworks as well as our own. The Enneagram provides a rapid and easy-to-grasp primer on team members’ personal framework. That knowledge can help provide a lens to view more clearly our colleagues’ arguments, reactions and behaviors, as well as to prepare our arguments for others and manage our own behaviors. This helps establish trust more quickly and, in turn, that trust is more resilient.

Roger J. Beauchemin, CFA  
President and CEO, Addenda Capital

Everyone working in the investment industry should own *Type, Talent and Teams*. It’s a must-have guide for building effective teams and achieving outperformance in this hypercompetitive field.

Matthew S. Henry, CFA, Vice President  
CFA Society Indianapolis,  
Senior Investment Officer, VP, STAR Wealth Management.
Our work with FCG on the Enneagram has proven beneficial to the team. The knowledge of a colleague's type allows each of us to deepen our understanding of individual patterns and reactions providing for a better response. From a leader's perspective, I'm able to “scale” a team member's input based on type, which provides me with proper context and understanding of its comparative significance.

Scott Campbell, CFA
Director of Institutional Client Management, Mawer Investment Management

The Enneagram work with Jamie over the years has changed the way I think about many aspects of my life – professionally and personally. It has been instrumental in opening my eyes to all the ways people receive information and helped me adjust my communication and leadership style based on the person or circumstance. Overall, the knowledge of the Enneagram creates a more productive and positive environment. If only everyone knew about it!

Sharon Hayman, CFA
Head of Relationship Management, Jackson Square Partners, LLC

Type, Talent, and Teams” is a great resource to explore the benefits of cognitive diversity, specifically the Enneagram Personality Assessment, in your professional life. The Enneagram tool helps you better understand yourself, and your colleagues, at a deeper level, which helps create an environment where everyone can bring their full selves to work. I work in a demanding people-focused business, and simple to use tools, when consistently applied, can really help move the culture needle.

Mike Pratt
Managing Director, Head of Human Resources, Voya Investment Management

The power of the Enneagram is that it is a tool which investment teams can use to tap into the best part of each member using a common framework and language. The investment team is a sum of all parts, and Jamie and Jim have found a straightforward way to leverage the collective perspectives of all the individuals who make up the greater team. I use the Enneagram as a mirror to see myself and also to step into the shoes of my colleagues to have more effective interactions. Eye opening!

Dina Tantra, Co-founder/Co-CEO, Global Rhino, LLC.
Acknowledgments

We have long viewed ourselves as chemists who bring together different elements to create new applications. In *High Performing Investment Teams* (2006), we described the seven essential behaviors of top investment firms, drawing from the teachings of Gay and Katie Hendricks, as well as Kate Ludeman and Eddie Erlandson in *Radical Change, Radical Results* (2003). Our prior book, *Investment Leadership* (2001), merged the work of Jim Collins and Jerry Porras in *Built to Last* (1994) and *Good to Great* (2001) and Richard Barrett’s *Liberating the Corporate Soul* (1998) to explain how investment leaders can most effectively leverage their cultures for long-term success. In *Type, Talent and Teams: Using the Enneagram for Investment Firm Success*, we bring the rich insights of the Enneagram into the investment world, drawing from the work of Ginger Lapid-Bogda, Ph.D., who introduced the Enneagram to the business world nearly 20 years ago, and who has helped business leaders and team members around the world leverage their potential through her workshops, certification programs and numerous publications. Our work has also been guided by our earliest Enneagram teacher, Jerry Wagner, Ph.D., who was one of the original students of the Enneagram in the 1970s, and has been teaching workshops, certification programs and graduate courses on the Enneagram for more than 30 years. He is author of several books on the Enneagram and developer of the Wagner Enneagram Personality Style Scales.

So Ginger and Jerry: Our deepest thanks for your support and guidance over the years. Without you, this book would not have been possible.

We are also very grateful to Helen Palmer and the late David N. Daniels, MD, for their inspirational work on the Enneagram and whose seminars and publications provided important cornerstones for our work. There are many others in the Enneagram community who have also influenced our work, including Russ Hudson, Wendy Appel, Bea Chestnut, Tom Condon, Terry Saracino, Peter O’Hanrahan and Claudio Naranjo.
We deeply appreciate the many clients who have participated in our Enneagram workshops over the past decade, and who have generously shared their personal insights on what it’s like to walk in the shoes of their Enneagram type. The Enneagram comes to life through their stories.

**Jamie Ziegler:** A very special thank you to my Enneagram mentor, Anne Muree, who provided many insights throughout the writing of this book, and to my Enneagram in Business Network Circle team leader, Lisa Alessi, and team members John Chipponeri and Ray Meek, for their support. I am deeply grateful to my husband, Chuck, and my children, Nick and Christie, for their love, their curiosity and, above all, their great sense of fun on this self-discovery journey that is guided by the Enneagram.

**Jim Ware:** Jim acknowledges his parents: Patricia, a fun-loving 7, who taught him lightness. James, a thoughtful 5, who taught him discipline. And sister Wendy, a loyal 6, who taught him reliability. Also, Jim appreciates his talented and wonderful partners who model the virtues discussed in this book. Finally, he is deeply grateful for his family – wife Jane, and daughters Alex and Nikki – which brings endless delight.

**Liz Severyns:** I would like to thank my FCG teammates who inspire me with their commitment to understanding who people are and the importance of EQ in the IQ focused investment world. A special thank you to Jerry Wagner who gave me my first real in depth experience with the Enneagram. It truly changed me personally and professionally. I dedicate this book to my children, Nathan, Hannah and Rachel, with the hope that they will be committed to a life of learning about themselves and others.
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Foreword

“Hey Dan, I think you just went from a 2 to an 8” is probably a meaningless statement to almost all of you, but for our investment team at Polen Capital, it is an impactful statement based on personality-typing that has allowed us to achieve higher levels of communication and decision-making.

Personality typing?? I can hear you, the reader, asking, “Really? A key to success for my firm is personality typing?” In a word, yes. The idea of understanding yourself and your team in a more personal way is necessary for attracting and retaining top talent today and achieving higher levels of communication. This book is unique and timely as it gives a straightforward roadmap in applying the Enneagram for investment firms, which too often fall victim to poor communication, personal biases and other related issues.

The investment management industry is almost universally thought of as a competitive sport. The size of your firm based on assets under management is a commonly used, oversimplified measure of success. Fund track records can be monitored and ranked against peers daily. Investors themselves attempt to outsmart each other by trying to figure out what is and what is not “priced in” to the market. Through the more recent development of behavioral economics (or the psychology of investing), money managers also seek to take advantage of the collective biases of others in their decision making. For sure, the industry is competitive and intellectual, but what I find intriguing after nearly 20 years in asset management is the real competition is overcoming your own personal biases and typical human issues that can get in the way of functioning as a high caliber team with great consistency. Enduring firms in our industry do not succeed because of higher IQs or the model-building capabilities of research analysts. Rather, success comes more from having a strong purpose to why you manage money in the first place, having the discipline to stick with a proven strategy even when it seems out of step at times, and the ability of an investment team to be respectful, open, candid and accepting of each others’ opinions. These are characteristics of emotional intelligence or EQ, a critical tool for a high performing investment team.

At Polen Capital, the firm I have had the great pleasure to grow up and learn within, we have an insatiable appetite for continuous learning and incremental improvement. It is part of our culture. Some of this drive to learn is innate in our team members, but our firm also has a strong purpose or “why”, actually a few “whys”, that help contribute to this mindset. First, we seek to preserve and grow our clients’ assets to protect their present and enable their future. This means each investment decision we make starts with getting comfortable that our clients will not lose money and then, and only then, can we turn our attention to growing our clients’ capital in a very disciplined way.
Second, we are also here to help our team strive for mastery in their careers, which we support as a firm in a number of ways. To fulfill these “whys”, we believe it is important to keep learning as much as we can about the industries and businesses we invest in, but it is equally important to learn as much as we can about ourselves and our teammates so that we can avoid mistakes, improve our process and better understand each other’s goals and motivations.

Our firm has been working with Jim Ware, Jamie Ziegler, Liz Severyns and their colleagues at Focus Consulting Group for over a decade. Their first book, High Performing Investment Teams, is required reading for our research teams. It became clear to us from this book that being able to achieve the highest level of communication could be a huge competitive advantage for an investment team. We have seen many once great investment firms implode because of egos, hubris and closed mindedness. The process of investment research includes taking historical facts and stories and trying to make probabilistic predictions about an unknowable future for companies that operate in a highly competitive world. Even exceptional investors are wrong quite often, so holding your story lightly and being open to others is crucial to long-term success.

In the last few years, with the help of our Focus gurus, we have incorporated the Enneagram as a tool to better understand what drives each of our teammates and their potential derailers. This is foundational information that when well understood leads to far better communication and team culture. Understanding your Enneagram “type” and those of your teammates gives you a common language for understanding your “home base” and how to appreciate things through each other’s lenses. For instance, I’m a type 2, which is the helper or giver type. Through our Enneagram training with Focus Consulting, my teammates know that when we are under stress, we can take on the less resourceful qualities of one of the other types. For me, as a 2, I tend to morph into or “go to” the less productive side of the type 8, the challenger type. When this happens, I can become blunt and more closed-off, which isn’t the best mindset for achieving high-level communication. In these instances, though, it isn’t unusual for one of my peers to now politely point out, “Hey Dan, I think you just went from a 2 to an 8.” Our team is now so in tune with me and my personality along with each other’s that it comes across as a simple observation, rather than an accusation. And it works! For me, it sparks an immediate realization, and I attempt to quickly get my communication back “above the line”, so to speak. Knowing your own Enneagram type as well as the Enneagram types of those on your team also allows you to see your weaknesses more clearly, to find good qualities in other Enneagram types that you may want to incorporate, and to better understand your teammates overall. For example, I would love to more
often feel the positivity and optimism that a 7 (enthusiast) might find in their work. Separately, there are a number of type 1s (perfectionists) on our team. As a type 2, I am more comfortable with a lack of structure, but type 1s can be quite the opposite. Understanding these personality differences allows me to realize I need to be more specific than I otherwise would be when communicating with our type 1s and to be aware not to interfere too much with their personal structure. When everyone on your team is in tune with their own and each other’s Enneagram types, communication preferences and common derailers, it can lead to powerful improvements in communication and decision-making.

The Enneagram and other personality tools have been around for centuries but utilizing and understanding them especially in knowledge industries is extremely important. Few asset management firms use them, but my guess is after they read this book many more will. Understanding and respecting each other through the knowledge of our Enneagram types leads to better communication which leads to better decision making and ultimately, better client outcomes. At some point, it all comes back to your purpose or “why”. Caring deeply about your teammates and what drives them should be the foundation that everything is built on, and this is at the core of utilizing the Enneagram. This book gives you the essential tool, described in excellent industry-specific detail, to make it happen. The journey to understanding your people, what drives them and how to best communicate with them is not as daunting as it seems, but it takes a roadmap and requires effort. Jim, Jamie and Liz have now made the road easier with excellent reference guides by Enneagram type and how different Enneagram types interact with each other. I always have it on my desk, right next to *High Performing Investment Teams*.

Dan Davidowitz, CFA, Partner, Polen Capital
Introduction

Does the investment world need a book on the Enneagram? I mean, really. The industry is under siege, the barbarians are at the gate (pick your favorite: index funds, regulators, ETFs ...). The industry is going from competitive to hypercompetitive. The last thing we need is sensitivity training! We need performance.

Indeed. For firms to succeed in the New Era, they will need to up their games considerably. Which means, of course, they need to do things differently. (Please, please don’t delude yourself that working a little harder will suffice.) The tool that we describe in this book – the Enneagram – provides a powerful advantage for firms looking to gain an edge. Firms that embrace the Enneagram experience higher levels of trust, better communications (especially feedback), more informed decision-making, more effective leadership and employee development practices, and smoother conflict resolution. From our work with investment firms all over the globe, we know this to be true; consequently, the message of this book is aimed at a basic question: what is the Enneagram and how does it help me succeed?

The Enneagram is a personality system that describes the nine preferred ways human beings operate in the world. Each has its own focus of attention, its own beliefs about the world and its own way of thinking, feeling and behaving. By understanding the nine styles, leaders and team members gain deep insights into how to make better decisions (through leveraging cognitive diversity) and how to work together more effectively (by raising Emotional Intelligence (EQ).

Cognitive Diversity

Cognitive diversity is the inclusion of people who have different styles of problem-solving and can offer unique perspectives because they think differently. Unlike demographic diversity, which focuses on achieving a mixture of statistical characteristics such as gender or age, cognitive diversity focuses on achieving a mixture of how people carry out intellectual activities, such as making associations or drawing conclusions.

The definitive book on why cognitive diversity matters is by Scott Page: The Difference: How the Power of Diversity Creates Better Groups, Firms, Schools, and Societies.¹ In this exhaustive study, Page defines and proves two points:²

1. Diversity trumps homogeneity: Collections of people with diverse perspectives and heuristics outperform collections of people who rely on homogeneous perspectives and heuristics.
2. Diversity trumps ability: Random collections of intelligent problem solvers can outperform the best individual problem solvers (i.e., diverse teams win).

With a multitude of empirical data, Page shows that

• Diverse perspectives and tools enable collections of people to find more and better solutions and contribute to overall productivity.
• Diverse predictive models enable crowds of people to predict values accurately.

In our experience, the investment industry consistently uses a flawed approach, which Page addresses: “[W]hen confronted with a difficult task, be it solving a problem, predicting the future, or making a choice, we benefit by including diverse people. In such situations, we might think about gathering together the best and brightest minds, but that’s a flawed approach. We also need to pay attention to the diversity of those minds, all the more so if the old saying that ‘great minds think alike’ holds true.”

Indeed, in our experience we see repeatedly that the cognitive diversity on investment teams is limited, especially on the investment side of the house where we see teams that are overwhelmingly made up of one personality type. Yes, these individuals have a tremendous amount of talent and drive, but a team comprising mainly one type will lose to a diverse team of equally smart and well-trained professionals. Page is thorough in his research and cites many studies, noting that “[s]tudies of creativity and innovation conclude that cognitive variation is a key explanatory variable. Studies also show that management teams with greater training and experiential diversity typically introduce more innovations. Based on this evidence, organizational scholars generally agree that cognitive diversity improves rates of innovation.”

Page sums up his chapter on the benefits of cognitive diversity by saying: “The benefits of diversity do exist. They’re real, and over time, if we can leverage them, we’ll be far better off. We’ll find better solutions to our problems. We’ll make better predictions.”

Page is not so naïve as to think that talent does not matter. He writes: “We should not forget that ability still matters. Ability matters as much as diversity. If you want a super duper basketball team, draft Michael Jordan even if you have to sacrifice some diversity.”
Therefore, Page does not advocate sacrificing ability for diversity, but rather balancing the two. Here’s the catch (there is always a catch, right?): more cognitive diversity often leads to more conflict. Page says that “diversity produces better outcomes but more conflict.” And that’s why the second edge is necessary: increased emotional intelligence to manage the conflict.

**Emotional Intelligence**

*Emotional intelligence* (EQ), a concept named and explored in the works of Daniel Goleman, is the skillset that allows us to know ourselves and others better. If we are emotionally intelligent, then we know our own thoughts and feelings (self-awareness) and we can identify others’ thoughts and feelings. If we add to those skills our ability to manage ourselves – take a breath, say, before we shout at a co-worker – and skillfully interact with others, we have high EQ. In short, EQ results in handling interpersonal matters well. Investment firms are chock-full of employees who have towering IQs and relatively tiny EQs. (Page writes, “intelligence tests are not necessarily good predictors of success generally.”) One way to think of the research on IQ vs. EQ is this: IQ gets you in the door, but EQ makes you successful. Years ago, Bell Labs researched this topic and found that their star performers had EQ, though they didn’t have this term back then. The benefits? Stars got phone calls returned and favors granted. They were influencers who had greased the wheels of effectiveness. High IQ and high EQ. Everyone who gets past the gatekeepers at an investment firm – gets hired – is smart. The ones who contribute the most are smart and people-savvy. They make great leaders, teammates, and client-facing professionals.

The Enneagram is a powerful tool in helping both staff members and leaders increase their EQ. It provides them with a blueprint of how they are hard-wired. Am I more inclined to action or reflection? Am I optimistic or pessimistic? Am I more aggressive or more passive? Do I pay attention to precision and details or do I prefer creative, big-picture thinking? Am I more a pack animal or a lone wolf? Am I better with people or ideas? These insights help us know our own attitudes and behaviors better. But they also broaden our worldview such that we begin to understand why others think and behave differently. They can be especially helpful in managing our relationships on a cognitively diverse team. We can begin to understand and even appreciate the power of differences. We can begin to leverage them.

The two big levers we are talking about – diversity and EQ – lead to several benefits in an investment firm. Cognitive diversity provides for more intelligent hiring, that is, acquiring talent that adds to the firm’s diversity. That diversity itself adds to better decision making. Higher EQ provides a variety of benefits: higher trust and respect levels, better communication (including more skillful feedback), more effective leaders
and therefore better teamwork, more skillful coaching and mentoring, and a reduction in conflict (or at least more skill in addressing it) – not to mention better client interactions.

Many investment firms acknowledge the benefits of cognitive diversity but have never explored ways to measure it. The Enneagram provides a metric. It helps people identify with one of nine personality types, each with a decidedly different way of viewing the world, processing information, making decisions, and communicating about those decisions.

To recap so far, the investment industry faces increased competition. The need is for strategies and tools that provide an edge. One tool that we’ve seen work is the Enneagram. The two big benefits are increased cognitive diversity and improved emotional intelligence, or self-awareness. The evidence from Page is compelling: studies show that cognitive diversity trumps homogeneity. Firms that embrace the Enneagram have an edge in trust, communication (especially feedback), decision making, leadership, conflict resolution, and coaching/mentoring.

But why the Enneagram? There are many personality assessments: Myers-Briggs, DiSC, Herrmann Brain Dominance, Birkman … to name just a few. We are familiar with these instruments and have used some of them with clients. For a while Myers-Briggs was our tool of choice. It’s popular and useful. Here was the problem: Most investment professionals, as mentioned earlier, are similar in personality. This similarity is especially true for the portfolio management and research functions. In some cases, the entire investment staff was comprised of the same Myers-Briggs type! (INTJ or ENTJ, with the “same” meaning the “NTJ” portion.) Hence, our discussion of the assessment was limited to, “Congratulations, you are all the same!” But in fact, they were not all the same, as measured by the Enneagram. It showed that these same “NTJ” personalities could be broken out into several of the nine Enneagram personality types, with five of them being fairly common.

Also, we found the Myers-Briggs tool is not “sticky.” Six months (sometimes six minutes!) after learning it, the individual has forgotten his/her type. These tools are only useful if they stick, and the Enneagram sticks. Probably because it is intuitively satisfying (it makes common sense) -and because the system is simple (with Types 1 through 9), individuals do remember the basics long after their training. And finally, in recent years many researchers have written compelling articles about the weaknesses of the Myers-Briggs tool. For example, no formal research has been conducted on it, and the legal system does not recognize it in the courts. For a good article on these points, check Benjamin Todd’s piece.¹⁰
What about DiSC? It’s a very simple tool, just four types with sticky names. Yes, we’ve used DiSC and it is helpful. However, a similar problem exists for DiSC, as with Myers-Briggs. Many investment professionals are “D” personalities, which in DiSC means “Dominant” or a “Driver.” Again, we faced the problem of a roomful of Ds and the same debrief as with M-B: “Congratulations, you are all Ds!” Here again, the Enneagram addressed the problem. In the Enneagram system, Ds break down into one of two dominant/driver personalities – and the differences in these two types are important. One is direct, blunt, and often causes friction. The other is more people-savvy, tactful, and politically astute. Both are competitive and driven to win, but, importantly, their underlying motivations are different.

Other assessments we’ve looked at are just too complicated. While the Enneagram is wonderfully rich and deep, it does not require an advanced degree in it to prove useful. Most people can apply its lessons immediately. And that’s what we’ll explore in the pages that follow.

So, where are we headed on this Enneagram journey? First, we need to explain the model: the background and the nine types. We then describe the Enneagram in the investment industry to provide context. How many of each type are there? Are the “tribes” (i.e., investments, marketing/sales/client facing/operations and support) different or similar in makeup? What roles are the different types attracted to?

After we’ve set the scene by explaining the tool and context, we’ll cover the most useful applications. In our view, they are as follows:

**Culture and the Enneagram.** Personality type, especially regarding leadership, plays a big role in creating the culture of a firm. Culture is seen as a major contributor to attracting and retaining talent. Leaders create cultures that are aligned with their goals and values. Knowing a leader’s type and that of the senior team goes a long way in understanding the rules of the game at a given firm. A clear example is the culture that Ray Dalio has created at Bridgewater. Clearly, Dalio’s influence is seen throughout the firm. He has described his culture in great detail in the recently published book, *Principles.* These principles are very much in line with those of the Type 8, which you’ll read about in the next chapter. While we have worked with leaders of all nine types, there are two (Type 1 and Type 3) that dominate the investment industry, giving us a blueprint for the rules of the road at many investment firms.

**Communication.** Invariably, firm leaders tell us that communication within their firm needs to be strengthened. Fortunately, the Enneagram has helped many firms do just that. It helps build trust and respect by identifying different styles of communication so
that we can be more tolerant of others. For example, if you are one of those “drivers” described earlier, and I understand that about you, I will be much more likely to accept your communication style, and not take it personally: “Why is he so rude to me!?” He’s not being rude to you, that’s just his preferred way of communicating: direct, frank, and to-the-point. Additionally, an important aspect of communication is feedback. Firms that have developed strong feedback loops for learning are way ahead of the pack. Feedback is crucial to good accountability. It’s the main tool for pointing out gaps in performance and correcting them. The giving and receiving of information is crucial in a knowledge work firm. The Enneagram helps (see Chapter 4).

**Decision making.** Different types solve problems differently. Leveraging these differences allows better decision making. Also, understanding one’s own personality allows us to correct for the unconscious biases we all have. For example, some types are “sunny-side-of-the-street” people. They are likely to fall into the bias of over-optimism, unless they develop objectivity about their viewpoints. Other types rush into action before they’ve collected all the data. Still other types fall into analysis paralysis because they avoid making decisions altogether, as they ask for more and more data. Given that the investment profession exists to add value in decision making, the Enneagram has much to offer in this regard (see Chapter 5).

**Teamwork.** Clearly, one of the Enneagram’s best uses is with teams (see Chapter 6). Whether you are leading one or participating on one, the Enneagram offers deep insights concerning dynamics. Chapter 6 provides an overview of successful teaming, then goes into the benefits of understanding your own type and those of teammates.

**Conflict resolution.** Countless conflicts are created by types bumping into each other. For example, I might think that the 80/20 rule is a fine way to operate, especially if we are striving for efficiency and high productivity. But my colleague may be a perfectionist, who loves precision and getting things “just right.” Well, that’s going to create friction. Understanding our inherent tendencies goes a long way toward cutting each other some slack. We can avoid taking it personally – a big theme of this book – and simply discuss how we need to get the work done (see Chapter 7). Sometimes precision is important, sometimes speed and quantity are.

**Leadership and professional development.** Whether you are a senior leader in the firm or a staff member, the Enneagram provides a useful blueprint for how to improve your contribution. Each type has clear strengths, but when these strengths are overused, they can become derailers. We find many professionals can advance to a certain level by employing their natural skills and operating largely on autopilot (one’s default modes of behavior and communication). But at some point in their careers, it becomes a
competitive advantage to move beyond autopilot and operate more consciously. Conscious behavior involves self-awareness, which in the case of the Enneagram means understanding your autopilot behavior and learning to be flexible and strategic in your choices. For example, when under stress, some types power up and intimidate. For many, that strategy has worked in their professional lives, so they continue to use it. As they advance, though, it will serve them to have other tools in their professional kit as well. Powering up is appropriate sometimes, whereas powering down and listening more carefully may be more appropriate at other times. Chapter 8 explores the path to self-mastery; that is, overcoming autopilot.

An overarching theme in all of these applications is the Focus Consulting Group model of “over” and “under” the line. Simply put, “over the line” means open and curious, mature behavior. In contrast, “under the line” is when we regress to closed and defensive behavior, which manifests as corporate drama. We have yet to hear a leader say, “You know, we need more drama in this firm. Things are getting a little stale. We need to crank up the gossip.”

Over-the-line occurs more consistently in trusting and safe environments, while under-the-line tends to emerge in fearful, blaming cultures. Study and application of the Enneagram goes a long way in promoting trust and safety, as Enneagram knowledge encourages us to understand and accept the worldviews of others. Just as the workplace has progressed in reducing prejudice – gender, race, age, and so on – we must also progress in reducing prejudice against different types. A Google study on high-performing teams showed that the key factor common to the best teams was psychological safety. That is, people felt safe to be real, to be genuinely themselves. They didn’t waste time or energy putting on masks. The Enneagram helps in this regard.

Without further ado, let’s get to the model and the types. The water is warm: jump in.

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2 Ibid., p. 10.
3 Ibid., p. 13.
4 Ibid., p. 17.
5 Ibid., p. 323.
6 Ibid., p. 335.
7 Ibid., p. 363.
8 Ibid., p. 299.
9 Ibid., p. 127.
In this chapter, we provide a brief overview of the Enneagram (Figure 1.1) and the nine Enneagram types, along with techniques you can use to determine your own.

The name Enneagram (*ennea*, from the Greek word for nine, and *gram*, meaning a written symbol) refers to nine distinct personality types, each with its own focus of attention and specific pattern of thinking, feeling, and acting. These patterns, which form and exert their influence at a largely unconscious level, are associated with particular strengths, weaknesses and blind spots. When we identify our own Enneagram type, we can uncover important insights about ourselves that can help us become better leaders and better teammates.

The nine types are referred to by their numbers – One through Nine. Descriptors are sometimes also used although there is no uniform standard for these within the Enneagram community. In this chapter, we will provide some of the more common descriptors for each type, but will use the type numbers throughout the rest of this book.
The Enneagram is organized by “Centers of Intelligence”: the head, the heart and the body. While we have all three centers at our disposal, we tend to rely on one of them more heavily than the others. The nine Enneagram types emanate from these centers, with three types associated with each center, as described below. (These are color coded throughout this book for your convenience.)

The “head” center, or intellectual center (Types Five, Six and Seven) relies on perceiving, thinking and analyzing information in a rational way, with a focus on safety and options.

The “heart” center, or emotional center (Types Two, Three and Four) leads with the feeling function, using emotional awareness to perceive how others are responding, with a focus on relationships and creating a desired image.

The “body” center, or instinctual/action center (Types Eight, Nine and One) draws on physical awareness and instinctual impulses to direct action, with a focus on control.

Wings and Arrows: Although our primary Enneagram type is our most important driver, we can also be influenced by the two neighboring types on either side of our type, known as “wings.” We may prefer one wing over the other, or we may use them both equally. Additionally, the arrows to – and away from – our primary type indicate two more types that are important to our personality constellation. These are known as the stress and security points, and we may find ourselves accessing one or both at various times. For a more in-depth look at wings and arrows, we recommend reading “Bringing Out the Best in Yourself at Work” (McGraw-Hill, 2004) by Ginger Lapid-Bogda, Ph.D.

Levels of Development
All nine Enneagram types are capable of operating at high levels of development, being exemplary professionals, teammates, and leaders. Conversely, all types are also capable of operating at low levels where they can create drama and stress and display other unproductive behaviors.

Because we are human, we can (and do) fluctuate among these states depending on the degree of our stress and anxiety, and our own self-control. If we tend to have low self-awareness, we are more prone to operate in an unhealthy state. The more time we spend gaining self-mastery (including learning how to identify when we are defensive, and then taking steps to shift to being open and curious), the more time we can spend in healthier, more productive states. An interesting observation we at FCG have made over the years is that the more developed – and balanced – individuals become, the less they resemble the “typical” profile of their Enneagram type. This can sometimes
make it difficult for them to identify their own type. For those individuals, looking back at how they responded to the world in their younger years can provide clues to their actual type.

**Determining Your Type**

We have three key points for you to keep in mind as you begin exploring your possible Enneagram type:

**You decide:** Type can only be determined from the inside, meaning only you can decide what your actual type is. Enneagram beginners often fall into the trap of thinking they have enough knowledge to type other people: although that may be fun and good practice, don’t assume that you’re right! It takes years of training to become skillful at helping others determine their type, and even then, the final decision is up to the individual.

**Speed can vary:** Type determination can happen very quickly for some people; for others, it can take years. And that is perfectly fine. Some of the most respected experts in the Enneagram world have “tried on” more than one type to see which one really fits. What’s most important is to continue asking yourself questions and developing an objective “inner witness” that can support you on your journey.

**A “personality nationality,” not an assembly line:** Individuals of the same type are still unique human beings – they are not cookie-cutter replicas of one another. The wings, arrows and many other factors influence the way we experience and react to the world. Tom Condon offers an analogy we like: Enneagram styles are like “nationalities,” a larger group of which we are individual examples. Studying the Enneagram reveals the differences between your own psychological nationality and those of other psychological nationalities, and helps you connect more usefully to others who have worldviews distinct from your own.

There are several ways to determine your true Enneagram type, all of which involve taking an objective look at yourself to assess your patterns of behavior. But therein lies the rub: Because many of our patterns of behavior are unconscious and automatic, they are therefore difficult for us to see clearly! Thus, we believe the most accurate method is to work with a trained Enneagram expert (including members of the FCG team) who can provide tools, techniques, and activities to help you gain a deep understanding of your own motivation and worldviews, as well as how your automatic responses can become blind spots over time.

So consider this book a first step in your Enneagram journey. We are delighted to be your guide through this fascinating and revealing process. Now on to the types!
Type One:
The Perfectionist, the Reformer, the Teacher, the Judge

“Goodness is the only investment that never fails.”
– Henry David Thoreau

My core belief
- The world is not perfect, so I must work diligently to improve myself and everything and everyone around me

My primary focus of attention
- What’s right and wrong with my environment, the people around me, and myself – and what should be corrected

My energy goes to
- Getting things right according to my standards of excellence
- Being self-reliant and responsible
- Suppressing my desire to engage in leisure activities or take it easy

I do my best to avoid
- Making mistakes or violating the rules

My strengths
- High standards, idealism and strong work ethic
- Getting tasks done quickly and efficiently
- Driving work to completion
- Adhering to timelines, schedules and deliverables

My personality characteristics
- Principled, purposeful, self-controlled, and responsible
- Attention goes to error, to what requires correction
- Powerful inner critic monitors thought, word, and deed
• Resentful, under constant tension
• Worried about getting things right; unusually sensitive to criticism

My communication style
• Precise, concise, detailed, direct, and oriented toward right and wrong
• Use words like should, ought, must, excellent, right, wrong, and good

My behaviors at work
• Work best when we are working within structure or toward a very specific goal
• Hold myself and everyone else to high standards
• Free about sharing our opinions

My potential blind spots
• Not creating a compelling, shared vision at the onset of projects to align and motivate the team
• Focusing more on details than on people; failing to engage them
• Appearing too demanding, critical, micromanaging, insensitive, and too reactive or defensive
• Only seeing black and white, unable to see the shades of gray in between

My hot spots (what makes me angry/defensive)
• Making mistakes or being unjustly criticized
• When others are irresponsible, doing things the wrong way, or breaking the rules
If you work with a One
- Be accurate and detailed when speaking and working with this person
- Be on time and keep your agreements (important for most types, but critical for Ones)
- Avoid words that imply right and wrong
- When giving feedback: Be specific, detailed and accurate, get his/her assessment first, avoid words that imply right or wrong, and help the recipient feel in control of the outcome

### Levels of Mastery

<table>
<thead>
<tr>
<th>High Self-Mastery</th>
<th>The Serene Accepter</th>
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</thead>
<tbody>
<tr>
<td>High self-awareness; responds in productive and highly flexible ways; high degree of personal integration</td>
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<tr>
<td>Wise, discerning, dignified, and patient</td>
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<tr>
<td>Quiet the inner critic so they can accept life on its own terms</td>
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<tr>
<td>Accepting, hopeful, and noble</td>
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<tr>
<td>Achieve true integrity and goodness</td>
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</table>

<table>
<thead>
<tr>
<th>Moderate Self-Mastery</th>
<th>The Teacher</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responds mainly from habit; some degree of self-awareness and personal integration</td>
<td></td>
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<tr>
<td>Serious, intense, and opinionated</td>
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<tr>
<td>Judgmental, reactive, and easily irritated by mistakes (their own or others')</td>
<td></td>
</tr>
<tr>
<td>Punctual and methodical</td>
<td></td>
</tr>
<tr>
<td>Irritable and tense</td>
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</table>

<table>
<thead>
<tr>
<th>Low Self-Mastery</th>
<th>The Judge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primarily reactive, unproductive, or destructive behavior; minimal/no self-awareness</td>
<td></td>
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<tr>
<td>Close-minded, self-righteous, and inflexible</td>
<td></td>
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<tr>
<td>Unstable, punishing, and overly critical</td>
<td></td>
</tr>
<tr>
<td>Highly reactive to even minor mistakes</td>
<td></td>
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<tr>
<td>Bitter and unforgiving</td>
<td></td>
</tr>
</tbody>
</table>

*Source: Ginger Lapid-Bogda, Ph.D., What Type of Leader Are You? (McGraw-Hill, 2007).*
Type Two: The Helper, the Mentor, the Giver, the Power behind the Throne

“The most meaningful way to succeed is to help others succeed.”

– Adam Grant

My core belief
- I have to give in order to get. To be loved I have to be needed

My primary focus of attention
- The needs, wants, and feelings of others in order to gain approval and feel indispensable

My energy goes to
- Suppressing my own needs
- Unconsciously seeking to get my needs met by giving others what I feel they need and want, expecting that they will then do the same for me
- Working hard to be indispensable

I do my best to avoid
- Disapproval from key people, or appearing needy

My strengths
- Ability to develop excellent relationships, empathic and generous
- Able to see the potential in, and motivate, others
- Have insight into others’ needs
- Optimistic and supportive

My personality characteristics
- Warm, approachable, attention goes to the needs of others
- Self-presentation alters to please significant people
- Give to get approval and acceptance
- Hard to express own needs, sometimes feel taken advantage of
My communication style
- Match communication style of the other person
- Ask questions, give compliments and advice, warm, friendly, and charming

My behaviors at work
- Focus on the important people and work hard for their respect (the power behind the throne or the indispensable assistant)
- Highly responsive to approval and encouragement, and discouraged by disapproval
- Want more than content: want emotional connection to the content

My potential blind spots
- Denial of own needs can result in burnout
- Have difficulty saying “no,” may overcommit and underdeliver
- Overemphasize relationships and become angry when unappreciated
- Indirect (lack of candor)

My hot spots (what makes me angry/defensive)
- When my efforts aren’t appreciated and my giving isn’t reciprocated
- When my personal needs and wants aren’t being met

If you work with a Two:
- Recognize their efforts and be generous with praise, appreciation, and affection
- Let them meet your needs when it is appropriate, but don’t be seduced by or dependent on the help they provide
• Encourage them to pay attention to what they want or need and encourage them to say no when appropriate
• When giving feedback: Sound friendly and optimistic, give more details only if asked, smile and maintain a positive attitude, ask about their feelings and reinforce your positive regard for them

### Levels of Mastery

<table>
<thead>
<tr>
<th>Levels of Mastery</th>
<th>The Humble One</th>
<th>The Friend</th>
<th>The Manipulator</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>High Self-Mastery</strong></td>
<td>High self-awareness; responds in productive and highly flexible ways; high degree of personal integration</td>
<td>Understand there is a profound purpose to everything that occurs that is independent of one’s own efforts</td>
<td>Concerned with feeling valuable, liked, needed, appreciated, and worthy</td>
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<tr>
<td></td>
<td>Do not give to get; Give simply to give</td>
<td>Often have many friends and/or are the center of social groups or institutions</td>
<td>Fear of being unwanted, discarded, and deemed intrinsically unworthy</td>
</tr>
<tr>
<td></td>
<td>Do not feel a need to reinforce their self-worth by getting others to like them and orchestrating other people’s lives</td>
<td>Tend to engage others through flattery, giving attention, doing favors, and other forms of interpersonal behavior that are sometimes sincere, but sometimes not</td>
<td>Can be master manipulators, using guilt, blame, or shame to control others</td>
</tr>
<tr>
<td></td>
<td>Gentle, generous, humble, inclusive, and deeply compassionate</td>
<td>May be emotional, aggressive, and hovering</td>
<td>Fall into psychological despair, then try to make the other person feel responsible</td>
</tr>
<tr>
<td></td>
<td>Express their own deeper needs directly</td>
<td>Have difficulty saying no</td>
<td>When their efforts are thwarted, will use full force to get what they want, but take no responsibility for their unproductive behavior</td>
</tr>
<tr>
<td><strong>Moderate Self-Mastery</strong></td>
<td>Responds mainly from habit; some degree of self-awareness and personal integration</td>
<td>Read people well</td>
<td>Can be compassionate and helpful</td>
</tr>
<tr>
<td><strong>Low Self-Mastery</strong></td>
<td>Primarily reactive, unproductive, or destructive behavior; minimal/no self-awareness</td>
<td>Tend to engage others through flattery, giving attention, doing favors, and other forms of interpersonal behavior that are sometimes sincere, but sometimes not</td>
<td>Often offer useful advice that they expect others to take</td>
</tr>
</tbody>
</table>

*Source: Ginger Lapid-Bogda, Ph.D., What Type of Leader Are You? (McGraw-Hill, 2007).*
Type Three: The Achiever, the Motivator, the Producer, the Performer

“Winning isn’t everything. It’s the only thing.”
– Vince Lombardi

My core belief
• The world values people for what they do, not for who they are. I must avoid failure

My primary focus of attention
• Tasks, goals and recognition for accomplishments

I do my best to avoid
• Failure or the appearance of failure

My energy goes to
• Achieving success to gain the respect of others
• Working efficiently
• Maintaining a good image

My strengths
• Results-oriented, high energy and efficient
• Overcoming obstacles
• Confident
• Ability to read and adapt to the audience

My personality characteristics
• Competitive and efficient, primary identification with accomplishment and success
• Inattention to feelings; emotions get in the way of work
• Impatient; feel constant pressure to perform
My communication style
- Enthusiastic, efficient, logical and organized
- Project a winning image, avoid topics that reflect negatively on us

My behaviors at work
- Efficient and focused on accomplishing the goal
- Competitive and prefer positions of power and status
- Avoid wasting time

My potential blind spots
- Overly competitive, becoming overextended
- Abrupt or rushed, impatient with delays and with other people’s feelings, may cut corners in the name of efficiency
- Not always forthcoming
- Hide deep-level feelings and believe public image is true image

My hot spots (what makes me angry/defensive)
- When something gets in the way of getting things done, such as incompetence, indecisiveness, or inefficiency
- Being criticized or made to look bad in public

If you work with a Three:
- Be prepared, well organized, do what you say you will do and get the job done
- Be clear on expectations, responsibilities, and criteria for success
• Show them you care about them for who they are, not what they accomplish
• When giving feedback: Make sure time and place are convenient; frame the feedback as a way for the recipient to be even more successful; use actual examples and get their agreement about the subject, and remain upbeat

## Levels of Mastery

<table>
<thead>
<tr>
<th>High Self-Mastery</th>
<th>The Believer</th>
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</table>
| High self-awareness; responds in productive and highly flexible ways; high degree of personal integration | • Understands everyone has intrinsic value, and there is a natural flow and order to everything  
• Look inside themselves to find who they really are (apart from their accomplishments) and what they truly feel (instead of masking emotions)  
• Willing to admit that they don’t always feel on top of things and that they have foibles like everyone else  
• Possess a contagious enthusiasm, genuineness, and confidence  
• Deeply spontaneous because they trust that they are not responsible for making everything happen |

<table>
<thead>
<tr>
<th>Moderate Self-Mastery</th>
<th>The Star</th>
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</table>
| Responds mainly from habit; some degree of self-awareness and personal integration | • Concerned with feeling successful, avoiding failure, and gaining the respect of others  
• Focus on goals and work, usually at the expense of relationships  
• Driven and competitive; seek recognition and have a need to outdistance their rivals  
• Appear friendly but are often motivated by their desire for success  
• Many times, what looks like an emotional response is more the kind of response they believe they should have, not an authentic reaction  
• At times, even they wonder who they really are |

<table>
<thead>
<tr>
<th>Low Self-Mastery</th>
<th>The Calculator</th>
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</thead>
</table>
| Primarily reactive, unproductive, or destructive behavior; minimal/no self-awareness | • Extreme fear of failure  
• May be described as phony, self-serving, opportunistic  
• Go after whatever they want (money, status, fame) with little regard for others  
• Extremely isolated but hide their inner emptiness by believing that they are the image they’ve created |

*Source: Ginger Lapid-Bogda, Ph.D., What Type of Leader Are You? (McGraw-Hill, 2007).*
Type Four: The Individualist, the Artist, the Connoisseur, the Romantic

“To be yourself in a world that is constantly trying to make you something else is the greatest accomplishment.”
– Ralph Waldo Emerson

My core belief
• Something ideal is missing in me or in my life

My primary focus of attention
• What is deeply meaningful about the past or the future and what is missing in me or my life in the present that I long for

My energy goes to
• Being uniquely creative
• Expressing myself
• Finding meaningful depth

I do my best to avoid
• Feeling or appearing “ordinary”

My strengths
• Inspiring, compassionate, expressive and creative
• Intuitive
• Drive for excellence
• Seek deeper meaning, deeper levels of understanding

My personality characteristics
• Idealistic, empathetic, artistic and romantic
• Resist being evaluated: need to be seen as unique
Books you might find on a Four’s shelf

- **Attention goes to what is missing**
- **Feel special and elite; suffering sets you apart from others, feeling unlovable**

**My communication style**
- **Clever, dramatic and intense**
- **Talk about ourselves and our feelings; share personal stories and ask personal questions**

**My behaviors at work**
- **We are creative and seek to make a unique contribution**
- **We are able to work at deep levels of understanding, helping to resolve emotional disputes**
- **We are idealists and complain about the ordinary**

**My potential blind spots**
- **Intense, self-conscious and moody**
- **Easily bored**
- **Difficulty accepting criticism**
- **Deeply critical of others**

**My hot spots (what makes me angry/defensive)**
- **Being misunderstood, slighted, rejected, or abandoned**
- **Feeling envious; that someone else has the happiness and perfection that I long for**
If you work with a Four:
- Acknowledge their feelings, and help them feel understood
- Help them see the positive, not what is lacking
- Appreciate them for a unique contribution that they have made
- When giving feedback: Develop rapport, do not accuse; be clear, direct, and honest, ask about their feelings and use feeling statements. Show you care, use words like *I, me,* and *mine*

### Levels of Mastery

<table>
<thead>
<tr>
<th>High Self-Mastery</th>
<th>The Appreciative One</th>
</tr>
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<tbody>
<tr>
<td>High self-awareness; responds in productive and highly flexible ways; high degree of personal integration</td>
<td>Understand everything has meaning and significance, and everyone is connected at the deepest levels</td>
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<tr>
<td></td>
<td>Emanate centeredness, tranquility, and calm</td>
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<td>Their artistic expression is universal because they are open to both the delight and sadness that life brings</td>
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<td></td>
<td>Grateful and graceful, they deeply appreciate what they have rather than lamenting whey they lack</td>
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<td></td>
<td>Exhibit an inner wholeness and constancy</td>
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<td>Their gentle empathy and genuine concern draw others to them</td>
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<td>When facing a difficult challenge, they do not go into emotional turmoil because they’re able to reflect on their own experience, understand the other person’s point of view, and examine the related contextual factors</td>
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<table>
<thead>
<tr>
<th>Moderate Self-Mastery</th>
<th>The Unique One</th>
</tr>
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<tbody>
<tr>
<td>Responds mainly from habit; some degree of self-awareness and personal integration</td>
<td>Concerned with feeling significant, special, and finding meaning</td>
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<tr>
<td></td>
<td>Can be either dramatic or reticent as they seek meaningful relationships and authentic conversations</td>
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<tr>
<td></td>
<td>Can be imaginative, transforming their inner experience, anguish, and search for meaning into artistic expression</td>
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<td></td>
<td>Conversations are frequently self-referencing; tell prolonged personal stories and redirect conversations to themselves</td>
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<td></td>
<td>Constantly compare themselves to others to determine whether they are superior or deficient</td>
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<td></td>
<td>Have difficulty being self-accepting</td>
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<td></td>
<td>Yearning, moody, and sometimes melancholic</td>
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<td></td>
<td>Reflective, empathetic, and gifted</td>
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<table>
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<tr>
<th>Low Self-Mastery</th>
<th>The Defective One</th>
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<tbody>
<tr>
<td>Primarily reactive, unproductive, or destructive behavior; minimal/no self-awareness</td>
<td>Fear of being intrinsically defective and completely disconnected</td>
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<td></td>
<td>Bitter, depressed, emotionally volatile, hypersensitive, and self-absorbed</td>
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<td></td>
<td>Feel deeply wounded by anything perceived as a slight or rejection</td>
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<td></td>
<td>Unable to extricate themselves from their negative self-perception, they can become tormented, deeply ashamed, alienated, rageful, withdrawn, or highly aggressive, accusing others and life of intentionally harming them</td>
</tr>
<tr>
<td></td>
<td>Their art has a tragic quality from which there seems to be no escape</td>
</tr>
</tbody>
</table>

*Source: Ginger Lapid-Bogda, Ph.D., What Type of Leader Are You? (McGraw-Hill, 2007).*
Type Five:
The Observer, the Investigator, the Sage, the Thinker

“An investment in knowledge pays the best interest.”
– Benjamin Franklin

My core belief
• The world demands too much from me and I may run out of energy

My primary focus of attention
• Intellectual understanding, accumulating knowledge, and potential intrusions from others’ agendas, needs and feelings

My energy goes to
• Protecting myself from intrusive demands and being drained of my resources by becoming private and self-sufficient
• Making myself feel safe by limiting needs and desires
• Accumulating knowledge

I do my best to avoid
• Being engulfed by other people

My strengths
• Intelligent, perceptive and insightful
• Innovative and forward-thinking
• Thoughtful, objective and knowledgeable
• Excellent in crises

My personality characteristics
• Constantly learning, thinking, and storing up knowledge
• Private, distant, limit intrusions from a world that wants too much
• Attention goes to observing rather than participating
• Detached from feelings, reduced needs and limited desires
**Books you might find on a Five’s shelf**

**My communication style**
- Limit verbal exchanges, choosing words carefully
- Share thoughts rather than feelings, and may not be a good listener

**My behaviors at work**
- Prefer to work alone with minimal supervision
- Enjoy finding out how things work or why they work the way they do
- Good at drawing meaningful conclusions from miscellaneous facts and making predictions based on those conclusions

**My potential blind spots**
- Detached and overly independent
- Aloof and arrogant
- Underemphasizes relationships and social skills
- Withholds information

**My hot spots (what makes me angry/defensive)**
- Demands, intrusions, and not having enough time to restore energy
- Overload of emotional input or having needs that lead to dependency

**If you work with a Five**
- Respect their need for privacy and space and don’t overwhelm them with enthusiasm and emotions
- Appeal to their intellect, including as much supporting data as possible
- Encourage them to be self-observant and to express their feelings
- Encourage them to accept support from the team
- When giving feedback: State clear expectations of the meeting, be very specific and fact-based, give the recipient space to consider what has been said, let the recipient be the one to bring up feelings, and explain your rationale

### Levels of Mastery

<table>
<thead>
<tr>
<th>High Self-Mastery</th>
<th>The Integrated Wizard</th>
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</table>
| High self-awareness; responds in productive and highly flexible ways; high degree of personal integration | • Understands that true wisdom involves an integration of thoughts, feelings, and action and comes from direct experience  
• Lively, spontaneous, joyful, and imaginative  
• Their wisdom comes from the full integration of the head, heart, and body  
• They have moved beyond a primarily cerebral way of existence into a state of contagious zest for ideas, feelings, and experiences |

<table>
<thead>
<tr>
<th>Moderate Self-Mastery</th>
<th>The Remote Expert</th>
</tr>
</thead>
</table>
| Responds mainly from habit; some degree of self-awareness and personal integration | • Concerned with conserving inner resources and energy, maintaining privacy, and accumulating knowledge in order to feel competent  
• Appear remote and private, guarding their time, energy, and autonomy  
• Dislike surprises  
• Avoid being the center of attention  
• Avoid circumstances that require them to reveal personal information  
• Detached from their feelings of the moment but able to reconnect with their emotions later when they are alone and feel comfortable  
• Hunger for knowledge about anything that interests them  
• Keep their needs to a minimum  
• Guarded and controlled but can be highly spontaneous with the few people they trust |

<table>
<thead>
<tr>
<th>Low Self-Mastery</th>
<th>The Fearful Strategist</th>
</tr>
</thead>
</table>
| Primarily reactive, unproductive, or destructive behavior; minimal/no self-awareness | • Fear of being helpless, incapable, depleted, and overtaken  
• Frightened, withdrawn, and isolated  
• Hostile and haunted, they believe that others are planning to do harm; as a consequence, they will plot and scheme to harm others to circumvent or preempt  
• Secretive and implosive, they remove themselves from interaction with others  
• Extremely limited access to their own feelings  
• Their minds are so overactive that their mental processes seem out of control even to them |

Type Six: The Loyal Skeptic, the Troubleshooter, the Devil’s Advocate, the Questioner

“I will tell you how to become rich. Close the door. Be fearful when others are greedy. Be greedy when others are fearful.”

– Warren Buffett

My core belief
• The world is unsafe, the truth is hidden and authorities can’t always be trusted

My primary focus of attention
• What could go wrong, worst-case scenarios and how to deal with them

My energy goes to
• Vigilance and questioning
• Obeying authority to gain security and avoid danger, or defying authority to battle perceived threats and face danger
• Imagining worst-case scenarios

I do my best to avoid
• Danger

My strengths
• Excellent troubleshooting and ability to foresee problems
• Strategic thinking, evaluating/analyzing information and ideas
• Responsible, practical and collaborative
• Loyal to company and employees

My personality characteristics
• Active imagination; sees implications, inferences, and hidden meanings
• Reliable, hard-working, responsible, and trustworthy
• Doubting, contrarian thinking, sometimes procrastinates when fearing an outcome
• Questions authority
Books you might find on a Six’s shelf

My communication style
- Discusses worries, concerns, and “what ifs”
- Can alternate between warm, confident tone and uncertainty

My behaviors at work
- We are excellent troubleshooters and Devil’s Advocates, and can foresee problems thanks to our extensive planning and the “what if” scenarios in our head
- We are comfortable evaluating/analyzing information and ideas
- We follow the rules

My potential blind spots
- Excessive worrying, overly cautious (or overly risk-taking), projects own thought onto others
- Analysis paralysis
- Overly compliant (or defiant)
- Self-sacrificing

My hot spots (what makes me angry/defensive)
- When we feel our trust in someone/something has been broken or we do not feel supported by others
- Feeling cornered, controlled, or pressured

If you work with a Six
- Be consistent, genuine, and supportive of them, giving them well-defined rules and parameters within which to work
- Recognize that they have issues with self-doubt and be generous with your appreciation of them and their contributions. However, be sensitive that many 6s are uncomfortable in the spotlight
- Be concrete and specific when giving them feedback
- Help them not to “catastrophize”
- When giving feedback: Be concrete and specific, patiently repeating yourself if necessary; give tentative suggestions early on, let them know you support them, and provide alternatives

### Levels of Mastery

<table>
<thead>
<tr>
<th>High Self-Mastery</th>
<th>The Courageous One</th>
</tr>
</thead>
</table>
| High self-awareness; responds in productive and highly flexible ways; high degree of personal integration | • Understand that meaning and support exist both inside and outside themselves  
• Intellectual and insightful  
• Trust their own inner authority rather than looking to others to keep them safe  
• Know that they can look after themselves and that there is little from which they truly need to be protected  
• Confident, calm, resilient  
• Connect with others in a deep, steady, and warmhearted way  
• Clear and courageous |

<table>
<thead>
<tr>
<th>Moderate Self-Mastery</th>
<th>The Loyalist</th>
</tr>
</thead>
</table>
| Responds mainly from habit; some degree of self-awareness and personal integration | • Concerned with safety, belonging, and being able to trust  
• Insightful, clever, overly busy, endearing, approval-seeking  
• Antiauthority, wavering, short-tempered, reactive  
• Alternate between being trusting and distrusting  
• Plagued by doubts and confusion  
• On one hand, desire the safety provided by cohesive groups, but on the other hand, fear these groups unless the groups have a strong sense of like-mindedness  
• Loyal to friends, groups, and leaders whom they trust, but that trust is easily broken if others do not live up to their hopes and expectations |

<table>
<thead>
<tr>
<th>Low Self-Mastery</th>
<th>The Coward</th>
</tr>
</thead>
</table>
| Primarily reactive, unproductive, or destructive behavior; minimal/no self-awareness | • Fear of having no support or sense of meaning and being unable to survive  
• Display an extreme amount of anxiety and frenzy as they go about trying to make their frightening world less dangerous  
• Engage in continuous worst-case scenario development and projection  
• With a tendency toward paranoia, can become clingingly dependent, panicky, and punitive  
• Looking for solace, they find little because they reject anyone who disagrees with their worldview or dares to offer a contrary opinion |

*Source: Ginger Lapid-Bogda, Ph.D., What Type of Leader Are You? (McGraw-Hill, 2007).*
Type Seven: The Enthusiast, the Epicure, the Visionary, the Optimist

“The world is but a canvas to our imagination.”
– Henry David Thoreau

My core belief
• The world is full of exciting possibilities for me to explore

My primary focus of attention
• Finding new and stimulating people, ideas, plans, options, projects or events to keep life exciting

I do my best to avoid
• Experiencing pain or being limited

My energy goes to
• Imagining many fascinating possibilities and engaging in pleasurable activities
• Rationalizing away negative outcomes
• Equalizing authority

My strengths
• Positivity, quick thinking and high energy
• Brainstorming and creative problem solving
• Connecting concepts that do not initially appear to be related

My personality characteristics
• Focus on pleasurable activities, upbeat, optimistic
• Active – lots of projects and can be overbooked
• Difficulty with commitment, dislike limitations
• Can get bored and distracted
Books you might find on a Seven's shelf

My communication style
- Charming, fast-talking, articulate, witty
- Focus on the positive, reframing or ignoring the negative, can be impatient

My behaviors at work
- Enthusiastic and upbeat, and can raise the mood of the team and get them energized
- Prefer brainstorming new ideas and initiating projects
- Often become bored during the execution phase of a project, particularly if it involves repetitive, menial tasks
- Know how to equalize authority

My potential blind spots
- Impulsivity, becoming unfocused, too many balls in the air
- Avoids painful situations, and has inconsistent empathy for others
- Poor listening, reactive to negative feedback and rationalizes negative experiences
- Dislikes routine

My hot spots (what makes me angry/defensive)
- Get frustrated and impatient when options become limited or I am prevented from getting what I want
- People who are stuck, unhappy, depressed, or blaming others

If you work with a Seven
- Collaboratively determine options for them to choose from to avoid making them feel boxed in
- Avoid reacting negatively to their ideas; rather, appreciate their creative thinking
- Collaboratively create boundaries and deadlines and avoid assigning them repetitive tasks
- Encourage them to deal with pain, fear, and restlessness rather than escaping
- When giving feedback: Put critical feedback between two positive comments, ask recipient for ideas first; maintain upbeat attitude, give recipient a choice of options, frame issue in larger context and don’t act like you’re the boss (even if you are)

<table>
<thead>
<tr>
<th>Levels of Mastery</th>
<th>The Focused Inspirer</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>High Self-Mastery</strong></td>
<td></td>
</tr>
<tr>
<td>High self-awareness; responds in productive and highly flexible ways; high degree of personal integration</td>
<td>Understand that genuine happiness and a feeling of wholeness come from integrating negative and positive experiences</td>
</tr>
<tr>
<td><strong>The Focused Inspirer</strong></td>
<td></td>
</tr>
<tr>
<td>• Understand that genuine happiness and a feeling of wholeness come from integrating negative and positive experiences</td>
<td>• Have learned how to tame their highly active minds</td>
</tr>
<tr>
<td>• Have learned how to focus on people, tasks, feelings, and learning something in depth – rather than dispersing their energy</td>
<td>• Capacity to focus – on people, tasks, feelings, and learning something in depth – rather than dispersing their energy</td>
</tr>
<tr>
<td>• Complete work effortlessly, listen well, and emanate happiness and peaceful joy</td>
<td>• Complete work effortlessly, listen well, and emanate happiness and peaceful joy</td>
</tr>
<tr>
<td>• Spirited and deep; they have a true sense of wonder and inspire those around them, not by energizing them, but by their calm yet vital presence</td>
<td>• Spirited and deep; they have a true sense of wonder and inspire those around them, not by energizing them, but by their calm yet vital presence</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Moderate Self-Mastery</th>
<th>The Stimulator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responds mainly from habit; some degree of self-awareness and personal integration</td>
<td>Concerned with satisfaction, stimulation, and feeling good</td>
</tr>
<tr>
<td><strong>The Stimulator</strong></td>
<td></td>
</tr>
<tr>
<td>• Concerned with satisfaction, stimulation, and feeling good</td>
<td>• Creative and engaging but also frenzied and impatient</td>
</tr>
<tr>
<td>• Their minds work so fast that they often have many half-thought-through notions, most of which they express</td>
<td>• Overestimate their competence or knowledge, considering themselves quick studies</td>
</tr>
<tr>
<td>• Overestimate their competence or knowledge, considering themselves quick studies</td>
<td>• Addicted to the adrenaline rush of experiences that are new and stimulating; sometimes find it difficult to focus and carry tasks through to completion</td>
</tr>
<tr>
<td>• Addicted to the adrenaline rush of experiences that are new and stimulating; sometimes find it difficult to focus and carry tasks through to completion</td>
<td>• Energetic and playful</td>
</tr>
<tr>
<td>• Energetic and playful</td>
<td>• When confronted with something they have done that is less than stellar, will reframe the event by portraying it in positive rather than negative terms</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Low Self-Mastery</th>
<th>The Frenetic Escape Artist</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primarily reactive, unproductive, or destructive behavior; minimal/no self-awareness</td>
<td>Fear of pain, deprivation, and not feeling whole</td>
</tr>
<tr>
<td><strong>The Frenetic Escape Artist</strong></td>
<td></td>
</tr>
<tr>
<td>• Fear of pain, deprivation, and not feeling whole</td>
<td>• Consumed by anxiety and alternate between manic behavior (extreme hyperactivity) and depression</td>
</tr>
<tr>
<td>• Consumed by anxiety and alternate between manic behavior (extreme hyperactivity) and depression</td>
<td>• Joyless and prone to causing scenes; flee from self-reflection and blame others for their circumstances</td>
</tr>
<tr>
<td>• Joyless and prone to causing scenes; flee from self-reflection and blame others for their circumstances</td>
<td>• Feeling cornered and trapped, engage in self-destructive and self-defeating behaviors</td>
</tr>
</tbody>
</table>

Type Eight: The Challenger, the Protector, the Boss, the Chief

“Only those who dare to fail greatly can ever achieve greatly.”
– Robert F. Kennedy

My core belief
- It is a hard and unjust world in which the powerful take advantage of others’ innocence. Only the strong survive

My primary focus of attention
- Injustice, not being controlled by others, and getting things moving in work or play

My energy goes to
- Looking for deception and manipulation
- Power, dominance, and control of territory
- Being strong and powerful by imposing my own truth and protecting the vulnerable

I do my best to avoid
- Appearing weak or vulnerable

My strengths
- Self-confident, energetic and direct
- Hard-working and particularly good at confronting obstacles and motivating others to take action
- Protective of others and supports others’ success

My personality characteristics
- Powerful, independent, assertive, passionate
- Opinionated, outspoken; tell it like it is
- Controlling
- Excessive
Books you might find on an Eight’s shelf

My communication style
- Direct, forceful, and sometimes blunt
- Authoritative, controlling and sometimes impatient

My behaviors at work
- Visionary and action-oriented, natural leaders
- Prefer to be in charge, little patience for meetings or details
- Want the unquestioned loyalty of the inner circle and will protect others on the team from unfair treatment

My potential blind spots
- “A bull in a china shop”, not recognizing impact on others
- Act too impulsively, make decisions too quickly
- Disdain weakness, out of touch with own vulnerability
- Unreasonable expectations of self and others, feel used when others don’t perform up to par

My hot spots (what makes me angry/defensive)
- Perceived injustice, deceit or manipulation
- Being blind-sided in public

If you work with an Eight
- Be direct and to the point; speak your own truth, stand your ground and meet them head on
- Give them feedback about the impact of their aggressiveness on you
• They will be profoundly touched if you let them know that you truly care about them
• When giving feedback: Be brief, direct, truthful; give the big picture; let recipient respond as often as he or she wishes; indicate your belief in the person; let recipient feel in control

<table>
<thead>
<tr>
<th>Levels of Mastery</th>
<th>The Truth Seeker</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>High Self-Mastery</strong></td>
<td>High self-awareness; responds in productive and highly flexible ways; high degree of personal integration</td>
</tr>
<tr>
<td><strong>The Truth Seeker</strong></td>
<td>• Understands that vulnerability and weakness are part of being human, and that multiple truths must be assimilated to reach the real truth</td>
</tr>
<tr>
<td></td>
<td>• Challenge is to learn to manage their vast energy and reservoir of anger by fully acknowledging their long-hidden vulnerability</td>
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<tr>
<td></td>
<td>• Generous, strong, openhearted, and open-minded</td>
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<td></td>
<td>• Although still direct and honest, speak from the heart and the head as well as from the gut</td>
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<td></td>
<td>• Solicit and embrace differing opinions</td>
</tr>
<tr>
<td></td>
<td>• Protectiveness of others is gentle rather than controlling</td>
</tr>
<tr>
<td></td>
<td>• Grounded, warm, and deeply confident</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Moderate Self-Mastery</strong></th>
<th>The Immovable Rock</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responds mainly from habit; some degree of self-awareness and personal integration</td>
<td></td>
</tr>
<tr>
<td><strong>The Immovable Rock</strong></td>
<td>• Concerned with self-protection and not showing weakness</td>
</tr>
<tr>
<td></td>
<td>• Try hard to manage their frustration and anger</td>
</tr>
<tr>
<td></td>
<td>• Can be sensitive and generous but also controlling, dominating, and aggressive</td>
</tr>
<tr>
<td></td>
<td>• Quick to respond and take action; expect immediate responses from others</td>
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<tr>
<td></td>
<td>• Have strong opinions; their presence is felt, even when they are quiet</td>
</tr>
<tr>
<td></td>
<td>• Others look to them for decisions and clarity of direction</td>
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<tr>
<td></td>
<td>• Humble regarding their accomplishments and often embarrassed when complimented in public, but also like to be appreciated and respected</td>
</tr>
<tr>
<td></td>
<td>• If given a large challenge, rise to the occasion</td>
</tr>
<tr>
<td></td>
<td>• Try to constrain them or force them to contain their vast energy and they become angry, blaming, and/or sick</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Low Self-Mastery</strong></th>
<th>The Bully</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primarily reactive, unproductive, or destructive behavior; minimal/no self-awareness</td>
<td>• Fear of being harmed, controlled, or extremely vulnerable</td>
</tr>
<tr>
<td></td>
<td>• Can be direct to the point of cruelty, unleashing a flood of anger and destructive punitive behavior</td>
</tr>
<tr>
<td></td>
<td>• Justify their actions by blaming the other person for what is, in fact, their inability to acknowledge their own intense vulnerability</td>
</tr>
<tr>
<td></td>
<td>• At worst, can deteriorate into antisocial and/or violent behavior, because they cannot contain or control their explosive anger</td>
</tr>
</tbody>
</table>

*Source: Ginger Lapid-Bogda, Ph.D., What Type of Leader Are You? (McGraw-Hill, 2007).*
Type Nine:  
The Mediator, the Harmonizer, the Peacekeeper, the Negotiator

“Peace is its own reward.”  
– Mahatma Gandhi

My core belief
• I will blend in and create harmony because other people matter more than I do

My primary focus of attention
• Other people’s agendas, making sure everyone’s voice is heard and the external environment

My energy goes to
• Maintaining peace and harmony, being collaborative and friendly
• Forgetting myself and merging with others
• Staying calm and collected

I do my best to avoid
• Conflict

My strengths
• Diplomatic, inclusive, and collaborative
• Ability to see all sides of an issue
• Assimilating the big picture via operational details
• Mediating disagreements

My personality characteristics
• Easy-going, nonjudgmental, accepting, and caring
• Peacemaker/harmonizer; sometimes overly adaptive
• Wants the comfortable solution, avoids conflicts, may become ambivalent
• Indirect anger; passive aggression
Books you might find on a Nine’s shelf

My communication style
- Excellent listeners and often prefer listening to speaking
- Make the effort to be fair and present all sides and use indefinite statements such as “maybe”
- Give detailed information in sequential order

My behaviors at work
- Excellent mediators and good leaders when we are clear on direction
- Willing to answer all phone calls and assist everyone who shows up
- Work best when we take some time to work alone and without interruption

My potential blind spots
- Conflict avoidant, which can impact important decision-making
- Unassertive and indecisive
- Forgetting priorities, procrastinating
- Passive-aggressive (stubborn) under pressure

My hot spots (what makes me angry/defensive)
- When it is time to go after something for myself, take a position, or when I’m in the spotlight
- Competition and conflict

If you work with a Nine
- Establish clear expectations and performance goals, best if in writing
- Ask for their input and opinion, and listen to them
- Work toward collaboration and cooperation
- Don’t mistake silence for agreement and don’t expect decisions or action on the spot: give them time to think and consider
- When giving feedback: Develop rapport; be as nonjudgmental as possible; try to see the situation from multiple angles; give the larger context of the situation; add your ideas but do not demand that the recipient take a particular action

### Levels of Mastery

<table>
<thead>
<tr>
<th>High Self-Mastery</th>
<th>The Fully Conscious One</th>
</tr>
</thead>
</table>
| High self-awareness; responds in productive and highly flexible ways; high degree of personal integration | • Understand that unconditional regard connects everyone and everything  
• No longer have difficulty taking a stand  
• Approach life in an active and purposeful way, knowing that they have the right to voice their opinions  
• Are involved, engaged, and extremely vital  
• Solid, substantial, and alert, they are also serene, deeply content, and “in flow,” all of which come from a firm inner core |

<table>
<thead>
<tr>
<th>Moderate Self-Mastery</th>
<th>The Harmonizer</th>
</tr>
</thead>
</table>
| Responds mainly from habit; some degree of self-awareness and personal integration | • Concerned with stability, harmony, and being heard  
• Want everyone to get along, preferring peace and harmony above all else  
• Adept at mediating differences but highly anxious when conflict is directed at them  
• Lose focus, pursuing activities that distract them rather than attending to the challenges in front of them  
• Have trouble asking for what they want; prefer the predictable pace of routine activities, and act so agreeably that they often have many friends, or at least many people who like being around them  
• Rarely take a stand on something they believe in, opting instead to go along with what others want |

<table>
<thead>
<tr>
<th>Low Self-Mastery</th>
<th>The Sleeper</th>
</tr>
</thead>
</table>
| Primarily reactive, unproductive, or destructive behavior; minimal/no self-awareness | • Fear of separation from others, being controlled, and discord  
• Do not pay attention to themselves, and have no energy to pay attention to anyone else  
• Ignore even the most life-threatening problems, refusing to face the most obvious consequences of their desire to pretend everything is okay  
• Consistently neglectful and forgetful, they become chronically sluggish and immovable  
• Should they feel pressured to do something they don’t want to do, they become passive-aggressive |

We hope that after reading the type descriptions, you have a pretty good sense of your “home base”: the Enneagram type that represents your basic operating system. Think of this type as you on “auto-pilot.” When you are simply going about your day without much self-reflection, your home base will be driving your behavior. If you are still not certain about your primary type, we recommend you pick up a copy of “The Art of Typing” by Ginger Lapid-Bogda, which is available on Amazon. It’s an outstanding reference on how to determine type, and one we use ourselves frequently.

Now, let’s explore the broader context of the Enneagram in the investment industry.
After learning about the nine Enneagram types in Chapter 1, you have probably formed some opinions about your own type. You may also have thought about the types you’ve most frequently encountered in the investment business. If we were to place a bet, we’d wager that you focused on two in particular: the One and the Three.

That’s because those two types alone account for 50% of the investment world, according to our research. Table 2.1 illustrates the breakdown across the industry by type.

<table>
<thead>
<tr>
<th>Enneagram Type</th>
<th>Percent of Industry</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type Three</td>
<td>30%</td>
</tr>
<tr>
<td>Type One</td>
<td>20%</td>
</tr>
<tr>
<td>Type Two</td>
<td>15%</td>
</tr>
<tr>
<td>Type Nine</td>
<td>8%</td>
</tr>
<tr>
<td>Type Five</td>
<td>7%</td>
</tr>
<tr>
<td>Type Six</td>
<td>7%</td>
</tr>
<tr>
<td>Type Eight</td>
<td>7%</td>
</tr>
<tr>
<td>Type Seven</td>
<td>5%</td>
</tr>
<tr>
<td>Type Four</td>
<td>1%</td>
</tr>
</tbody>
</table>

This concentration of Ones and Threes should not come as a surprise, given the competitive nature of the investment business. Both types share a strong achiever orientation, and there are few better places to measure success than the performance-driven investment world.
In addition to those two types, we see fairly strong representation of the Two (helper). Our research shows that Twos make up about 15% of the typical investment firm.

Although there are no agreed-upon statistics for the Enneagram breakdown of the general population, the Three/One/Two pattern we see in the investment business is not what we have observed in other fields (see Table 2.2). For example, a sample group of psychology students and practitioners shows a heavy concentration of Twos and Fives whereas the Threes make up only 5% of this subset. Anecdotally, we have participated in many personal growth seminars which have had very strong Type Four representation, but very few Threes.

<table>
<thead>
<tr>
<th>Enneagram Type</th>
<th>Percent of Industry</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type Two</td>
<td>28%</td>
</tr>
<tr>
<td>Type Five</td>
<td>18%</td>
</tr>
<tr>
<td>Type One</td>
<td>13%</td>
</tr>
<tr>
<td>Type Seven</td>
<td>11%</td>
</tr>
<tr>
<td>Type Four</td>
<td>10%</td>
</tr>
<tr>
<td>Type Eight</td>
<td>8%</td>
</tr>
<tr>
<td>Type Three</td>
<td>5%</td>
</tr>
<tr>
<td>Type Six</td>
<td>4%</td>
</tr>
<tr>
<td>Type Nine</td>
<td>3%</td>
</tr>
</tbody>
</table>

What impact does Enneagram type distribution have on culture, teamwork, and performance in the investment industry? One way to assess this is by looking at the specific strengths and blind spots for each type in order to understand which elements may be overrepresented or underrepresented. Table 2.3 highlights the key contributions typically provided by each type when operating at their best.
### Table 2.3 Key Strengths by Type

<table>
<thead>
<tr>
<th>Enneagram Type</th>
<th>Industry Representation</th>
<th>Strengths</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type One</td>
<td>20%</td>
<td>Pursuit of excellence; strives for highest quality, organized, takes responsibility</td>
</tr>
<tr>
<td>Type Two</td>
<td>15%</td>
<td>Motivation and service to others; develops excellent relationships, supportive, motivates others</td>
</tr>
<tr>
<td>Type Three</td>
<td>30%</td>
<td>Obtaining results; success-oriented, high energy, overcomes obstacles</td>
</tr>
<tr>
<td>Type Four</td>
<td>1%</td>
<td>Pursuit of personal passion; finds unique solutions, inspiring, compassionate</td>
</tr>
<tr>
<td>Type Five</td>
<td>7%</td>
<td>Objectivity; analytical, thorough planning, calm in crisis</td>
</tr>
<tr>
<td>Type Six</td>
<td>7%</td>
<td>Insight and planning; loyal, anticipates problems, collaborative</td>
</tr>
<tr>
<td>Type Seven</td>
<td>5%</td>
<td>Innovation and flexibility; imaginative, quick-thinking, enthusiastic</td>
</tr>
<tr>
<td>Type Eight</td>
<td>7%</td>
<td>Making important things happen; direct, self-confident, strategic</td>
</tr>
<tr>
<td>Type Nine</td>
<td>8%</td>
<td>Inclusion and consensus; diplomatic, consistent, assimilates big picture through attention to operational details</td>
</tr>
</tbody>
</table>

In reviewing the strengths distribution by type in the industry, we can make the following observations:

- Ones and Threes, with their focus on excellence and results, support cultures that place the highest values on productivity, efficiency, and performance. Chapter 3 discusses these important cultural influences in more detail.

- The Type Two weighting also plays an important role in high-performance organizations. Positioned between One and Three on the Enneagram symbol, a Two may share certain characteristics of one of these neighboring types (referred to as “wings”), which allows the Two to effectively “speak the language” and work productively with these types. Additionally, with a focus on connection, the Two can also boost the collaboration and engagement on the team, effectively bringing out the best in everyone. From our 360° data, we know that Twos have the strongest self-awareness and emotional intelligence of all types.
The near-absence of the Type Four reveals a potential gap in creative problem-solving and unique expression, which can have an impact on cultural health, client servicing, marketing/branding, and talent development.

Low representation of the Type Seven indicates a potential gap in innovation if teams become overly focused on current goals and fail to consider alternatives.

Similarly, each type brings its own blind spots to the team, so an overrepresentation of any one type can be a drag on performance, if diverse opinions are not actively sought. Table 2.4 charts the specific detractors to performance that each type can bring when operating at a lower level of self-mastery.

### Table 2.4 Derailers by Type

<table>
<thead>
<tr>
<th>Enneagram Type</th>
<th>Industry Representation</th>
<th>Derailers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type One</td>
<td>20%</td>
<td>Micromanagement; overly critical, excessively detail-focused, black-and-white thinking (no shades of gray)</td>
</tr>
<tr>
<td>Type Two</td>
<td>15%</td>
<td>Accommodation (co-dependent); overcommits, overemphasizes relationships, gives to get</td>
</tr>
<tr>
<td>Type Three</td>
<td>30%</td>
<td>Winning at any cost; overly competitive, not always forthcoming, impatient</td>
</tr>
<tr>
<td>Type Four</td>
<td>1%</td>
<td>Emotionally moody; self-conscious, deeply critical and envious of others</td>
</tr>
<tr>
<td>Type Five</td>
<td>7%</td>
<td>Isolation; detached, overly independent, underemphasizes relationships</td>
</tr>
<tr>
<td>Type Six</td>
<td>7%</td>
<td>Negativity; worrying, mistrustful, prone to analysis-paralysis</td>
</tr>
<tr>
<td>Type Seven</td>
<td>5%</td>
<td>Lack of focus; impulsive, nonfinishing, rebellious</td>
</tr>
<tr>
<td>Type Eight</td>
<td>7%</td>
<td>Authoritarianism; controlling, easily angered, agitated by slow pace</td>
</tr>
<tr>
<td>Type Nine</td>
<td>8%</td>
<td>Indecision; conflict-avoidant, procrastinates, passive-aggressive when pushed</td>
</tr>
</tbody>
</table>

In reviewing the derailer distribution by type in the industry, we can make the following observations:
• Micromanagement and pressure to win at any cost, primarily from Ones and Threes, can create high stress as well as potential conflict for team members, as perfection and performance battle it out.

• Twos can get caught in the middle of the conflict, working to please both sides and then overcommitting and underdelivering, which only creates more tension.

Each of the remaining types, as described in Table 2.4, has its own derailer which can become even more problematic when it belongs to the leader.

**Tribes and Types**

It’s also useful to look at the Enneagram breakdown for the individual “tribes” – work groups – in investment organizations: Investments, Distribution, and Operations (Table 2.5).

<table>
<thead>
<tr>
<th>Enneagram Type</th>
<th>Investment</th>
<th>Distribution</th>
<th>Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type One</td>
<td>18%</td>
<td>12%</td>
<td>20%</td>
</tr>
<tr>
<td>Type Two</td>
<td>10%</td>
<td>23%</td>
<td>20%</td>
</tr>
<tr>
<td>Type Three</td>
<td>31%</td>
<td>33%</td>
<td>28%</td>
</tr>
<tr>
<td>Type Four</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Type Five</td>
<td>9%</td>
<td>3%</td>
<td>4%</td>
</tr>
<tr>
<td>Type Six</td>
<td>6%</td>
<td>6%</td>
<td>8%</td>
</tr>
<tr>
<td>Type Seven</td>
<td>6%</td>
<td>8%</td>
<td>5%</td>
</tr>
<tr>
<td>Type Eight</td>
<td>9%</td>
<td>6%</td>
<td>6%</td>
</tr>
<tr>
<td>Type Nine</td>
<td>9%</td>
<td>7%</td>
<td>8%</td>
</tr>
</tbody>
</table>

As you can see, the populations across tribes are fairly consistent, with heaviest representation by Ones, Twos and Threes in all three, and the Three orientation dominating. However, there are some subtleties across the three groups that are worth noting, along with their potential impact on teamwork.

**Investment tribe:** More Fives and Eights, fewer Twos

*Potential impact on teamwork:* Greater objectivity and decisiveness; less collaboration and communication.
Distribution tribe: More Twos and Sevens, fewer Ones and Fives

*Potential impact on teamwork:* Increased collaboration and innovation; less focus on objectivity and details.

Operations tribe: More Twos, fewer Fives

*Potential impact on teamwork:* Greater collaboration, less objectivity.

**Type and Role Preferences**

Although all nine types can be found across a wide variety of roles, there are a number of distinct role preferences that often emerge when we work with teams. Attendees at our FCG workshops were quick to point those out, reinforcing our observations.

Types with a strong role preference (in order of degree of preference):

**The Five:** Often found in research roles, where their desire for deep knowledge and understanding is a natural fit. Some are also drawn to trading, with its intense focus on one primary activity. Regardless of role, Observer types in the workshops articulated their very strong preference for having the space to work alone and keeping interruptions to a minimum.

**The Six:** Risk management can be an attractive role for this type, for which keen insights, careful contingency planning, and constant vigilance are a must. Our groups also noted that the Six could also thrive in fixed-income management – with the exception, perhaps, of high yield.

**The Seven:** Strategic planning, launching new programs, and building teams are natural strengths of the Seven so we see a variety of roles that are well-suited for the optimistic, creative, and quick-moving minds of this type. However, as one of the Sevens in the group pointed out, risk management may not be one of them!

**The One:** Sometimes found in investment roles, the One can also be found in roles where precision and quality control are a must, including accounting, compliance, and information technology (IT).

**The Two:** Often found in relationship-oriented roles, including human resources and client servicing.
Types with a moderate role preference (in order of degree of preference):

**The Three:** We find Threes across a wide range of roles, with moderately stronger presence in portfolio management.

**The Eight:** Being in a leadership role is the driving force for the Eight who can be found in all three tribes, across a range of functions.

**The Nine:** We have found Nines running investment organizations, and in other leadership roles, although they often identify with relationship management or support roles.

**The Four:** Can be found in creative marketing roles, but most tell us they would prefer to be in a different industry/profession altogether

**In summary:**
Two Enneagram types, Threes and Ones, account for 50% of the investment world; a third type, the Two, represents another 15% of the investment-world population.

The remaining six types make up significantly smaller proportions:

- The heavy concentration of Threes and Ones can produce some significant advantages for investment firms in terms of productivity, efficiency, and performance.

- On the flip side, these type concentrations often come with blind spots that can be a drag on performance if they are not recognized and addressed.

- Type distribution across the three “tribes” (investments, operations, distribution) is fairly consistent, although some subtle variations exist, which can produce additional strengths as well as blind spots.

- Although all types can be found in all kinds of roles, we have observed a number of distinct preferences: Fives in research roles, Sixes in various types of risk management, Sevens in strategic planning and new initiatives, and Ones in precision-oriented roles such as accounting, compliance, and IT.
In Chapter 2, you learned that two Enneagram types in particular are drawn to the investment world: The One and the Three. This should not be surprising. The investment world is intensely competitive, attracting Type A, hard-charging professionals. As you saw in the Chapter 2, it was not just the investment tribe that was largely Types One and Three; the other tribes – distribution and operations – drew them as well. In the words of Enneagram expert David Daniels, “Ones and Threes can be considered look-alike types because they are both achievers. Both can be goal-oriented, competency-oriented, and success-oriented with workaholic tendencies.”

Ones and Threes worship at the altar of efficiency and effectiveness. The Threes lean a bit more to efficiency, getting lots of things done; in contrast, the Ones lean more toward effectiveness, getting it exactly right. We included the data from a sample of psychologists in Chapter 2 to show that the One/Three combo is not common in the world at large, but it certainly is prevalent in the investment world. However, the United States culture is arguably a Three, achievement-oriented, culture, with its emphasis on competition (sports stars are heroes), winning, and celebrities.

FCG’s research on investment cultures identifies the following as core values for most firms:

- Client focused
- Integrity
- Collaboration
- Excellence/continuous improvement

The biggest gap value for firms – the difference between the existing culture and the aspirational one – is excellence/continuous improvement. Firms are continually driving to compete, win, and improve still more. This drive to continually improve is well-researched and shown to be a strong motivator for knowledge workers. All of this culture data squares with the prevalence of Ones and Threes. They are hard-wired this way.
We call this One/Three culture a “high-performance culture.” William Bridges, in his book *The Character of Organizations*, provides a good description of this kind of culture. In the following passages, we quote his description and respond with our own views as they relate to the investment industry.

**Bridges:** The high performance culture forte is strategy, however, not tactics. Often the creative solution is more interesting to the organization than the detailed plan of turning it into a viable product.

[FCG: Hence the investment industry’s love of sophisticated, complex solutions that often have relatively little utility for the ordinary person.]

**B:** And there is even a tendency for the organization to want things to conform to the intellectual model rather than accepting things as they are.

[Very accurate in light of the “Capital Asset Pricing Model,” which is elegant but not based on realistic assumptions.]

**B:** So, the high performance culture results sometimes fall short of the expectations people have for them.

[The Edelman Trust Barometer would support this statement: the investment industry has fallen way short of expectations. It ranks near the bottom for trust.]

**B:** The high performance culture has another serious failing. It is likely to be insensitive to the human aspects of whatever it is doing.

[Typical Ones and Threes focus on tasks and achievements, rather than relationships and emotions.]

**B:** This may mean that it underestimates the distress caused by its actions and that employee reactions are unforeseen. The organization is likely to expect employees to subordinate personal concerns and see the logic of the situation.

[FCG hears this complaint often from investment leadership: dismissing workers’ concerns as petty and labeling them “malcontents” or “troublemakers.”]

**B:** The high performance culture is fairly impervious to criticism.
[Self-confidence bordering on arrogance is often found in investment firms. Few would say that investment firms are characterized by small egos.]

B: It is hard for outsiders to get much of an idea about how it functions, which mutes criticism by hiding what is going on.

[Especially in the hedge fund industry, which is very secretive. Transparency requirements had to be imposed on the industry.]

B. But it also generates criticism among people who are suspicious of what they cannot see. The self-confidence with which the organization steers its own course can turn into stubbornness, and if the organization gets off on the wrong track somehow, that stubbornness can be disastrous – because high performance cultures do not easily admit that they have been wrong. They succeed by willpower, and they fail by willpower.

[There are lots of examples of firms and individuals whose stubbornness got them in trouble: Long Term Capital Management? Or more recently, Bill Miller? 15 years of outperformance all thrown away in a year by doubling down on financials in 2009.]

B: They are internally flexible. They expect their employees to be able to shift work groups readily and to handle multiple or ambiguous reporting relationships. They also expect them to understand what is expected of them quickly, and if things must be explained more than once or if a training program does not generate results quickly, there is likely to be impatience. In high performance cultures, people are supposed to “get the idea” and not need much detailed direction.

[Spot on. For many FCG clients, leaders explain the strategy at one “Town Hall” meeting and are then frustrated when FCG’s survey shows that half the firm does not understand the strategy. One CEO in London (after telling us that he did not like consultants and did not like Americans) told us that investments was a simple business and did not need a strategy. Meanwhile, the entire staff was begging for a well-articulated strategy.]

B: They are in more trouble, however, with changes that are forced on them.

[Which is the current situation: margins falling, alpha shrinking, and trust eroding. Being able to choose one’s challenges is important to them, and high-performance culture does not take kindly to pressure. When it is the organization’s own inner workings that are the problem, the high-performance culture is in even more trouble and can quickly lose momentum and go into a dangerous period of confusion. (We certainly have seen this phenomenon in the industry. The millennials have thrown some]
leadership teams into a tailspin: “How do we manage these people? They are so entitled and different from us.”

B: Rational innovation is their strength. They like to deal with information and are impatient with the softer relational side of communication, which they dismiss as touchy-feely or small talk.

[True, but to be fair, the Ones and Threes are learning that emotional intelligence (EQ) and collaboration are vital to success.]

B: So, they don’t handle their human relations very well, forgetting that people need appreciation and that there is wisdom of the heart as well as of the head.

[FCG has coined the term “ADD” for the industry: Appreciation Deficit Disorder. FCG wrote a white paper called “Tribes” which shows that the two lesser tribes – operations and distribution – feel underappreciated, disrespected, and unempowered.]

B: Viewing people as essentially elements in a system, they have a rather narrow concept of support and motivation. This can work for highly technical analysts and portfolio managers, but it doesn’t work so well for other kinds of employees, who often feel that they have been forgotten and taken for granted.

At their best, such companies are very creative.

[Bridgewater is a famous and very successful example.]

B: At their worst, they are simply demanding places with very little heart.

[FCG worked with one asset manager who fit this description so closely that we eventually resigned the account. They went through six of our consultants, until finally the last one standing said “enough” and we were done. Meanwhile, the firm in question turns over a third of its analytical staff in a typical year.]

Most investment professionals have experienced both sides of the description above: the exhilaration and passion for the work, and the harsh and sometimes ruthless environment. Good investment leaders understand the upside of the high performance culture and manage accordingly: leveraging the efficiency and effectiveness, while mitigating the critical, workaholic tendencies. Good leaders understand that honey works better than vinegar. They paint a very attractive vision of success, one that includes strong WIIFMs (What’s-in-it-for-me?) for each team member. They look
forward and lead by example, leveraging the key motivational factors for investment firm professionals:

- **Purpose**: why are we doing this?
- **Autonomy**: freedom to choose how to do the work.
- **Mastery**: the opportunity to continuously improve towards excellence.
- **Passion**: alignment with the kind of work that they love.

Importantly, there are exceptions to the rule: firms that are not One/Three. For example, FCG has worked with firms that are led by Nines. As you know from the earlier description of types, Nines are easy-going and peaceful types who avoid conflict. One firm in particular with a Nine leader has been especially successful because the talented investors enjoy the calm and thoughtful culture, which emphasizes excellence but not growth. As long as this firm produces good returns, the founder and senior staff members are happy.

In fact, FCG has worked with investment firms led by all the Enneagram types. Because leaders set the tone for the culture, these firms have a slightly different rhythm than the predominant Type One/Three culture. Despite the type difference at the top, though, these firms are still populated with mostly Ones and Threes. Hence, their cultures often retain a strong semblance of the high-performance culture just discussed. The leaders, regardless of their type, get pulled in the Type One/Three direction. Often, this pull creates friction in the firm.

Within high-performance cultures, there are subtle but important differences between Type One and Three leaders. Despite looking a lot alike, Ones and Threes are different: Ones are more likely to be hounded by their inner critic, which motivates them to do what is judged right by the high standards of the critic, whereas Threes are more driven to succeed and to change their image and approach (even cutting corners if necessary) to get to the goal and be recognized for their accomplishments.17

In simple terms, the One wants to get the task done 100% correctly; the Three is more likely to shoot for 80/20, then move on. The Three’s drive for efficiency dictates that they check as many boxes as they can. Because Ones and Threes dominate the landscape in investment firms, a more detailed look at how they work together, how they clash, and how they resolve conflict is provided by Enneagram expert Helen Palmer:

*Threes get the job done, but Ones do it right. It’s a question of quantity versus quality. Performers do volume production, and Perfectionists want a perfect result. Both types can be workaholic, but Threes take the most efficient route. They set goals, aim, and*
energize, taking every possible short cut. Spotty directions are fine for Threes; they can learn on their feet. They improvise. Details can wait until later. Meanwhile this kind of procedural inconsistency can drive Ones up the wall.  

A One who responded to requests for proposals (RFPs) in a Three-like work environment, reported the following experience:

I've worked with a lot of Three salespeople in my firm. They fly into the office at 60 miles an hour, do a spot check of what I need them to review, bark a few changes and exit at high speed. I, on the other hand, have been there for 12 hours, preparing detailed responses to all of the RFP questions after accumulating an immense amount of data. I know that what the salespeople want is logical (sometimes?) but often isn’t even possible. I also know they’re not going to listen to me. I used to bloody myself a lot, worrying about not following orders, until I figured out I should just do it my way, requesting as little input as possible. I finally got it that they just want it done and don’t care if it’s perfect.

Helen Palmer goes on to describe the One and Three work relationship as follows:

Type Three managers have several projects afloat at the same time. New ventures are begun before the current ones are finished, so there’s never time to catch up. Threes want to initiate, delegate, and move on. Which places the responsibility for follow-through on the staff. Meanwhile, the equally hard working Type One employees backtrack in search of a plan. No plan equals full stop. What looks like minor details to Achievers (3) are fundamental necessities to Ones. Ones hesitate in the face of uncertainty. There are too many balls in the air. Ones think: “We need to schedule a meeting. This could result in costly mistakes.”

Ones stop to plan while Threes speed up. The distance between the two increases if the goal-oriented Three manager takes the employee’s follow-through for granted. Focused on goals, and personally identified with success, Threes are infuriated when tasks are blocked. Type Three managers think: “Employees are responsible for small matters. It only takes a minute or two to order and organize. I’m on the front line, I represent the business, I’m visible. Everything else is secondary.”

Under-appreciated Ones are trouble. Type Ones invest enormous time and effort in researching, comparing, considering, and refining. They know where the pennies go and where the files are kept. And they will slow down if they are unhappy. A standoff occurs when a One, grounded in principle and backed by carefully assembled data,
faces a Three, who wants something that works. Neither will admit error because error questions competency, and both types are heavily identified with their professional profiles. Conflicts can develop if the Three gets angry, speeds up, and won’t listen. Now there are two angry people who are both right.

Conflict resolution should focus on the fact that both are committed to job excellence. Threes may have to be bluntly informed, “This isn’t working,” which usually brings them up short. It helps if Threes are mature enough to see that success depends on cooperation rather than solo performance. Type Three managers should schedule “employee input day” and “employee recognition week,” with a star next to the Type One employees’ names. Ones offer great input and go all out when they’re identified with a project, yet they do not put themselves forward for the recognition they need. In addition, it helps if Ones can learn to couch their suggestions in a Three-like language of efficiency, profitability, and competitive edge.

One managers can be highly controlling. They want to be sure of details, which is guaranteed to make a Type Three employee bend the rules. Threes are focused on the goal, and Ones have to account for all the steps that lead to the goal. Ones are focused on character, honest effort, and fair return. Threes want instant personal success. Type Three employees are working for security, prestige, and image. They respond to competition, bonuses, and titles, which may run counter [to] the Type One managers’ more conservative traits. Ones may impose bulletproof guidelines for job success, which Threes will either ignore or finesse. It takes too much time to count the pennies and correct the files. Small mistakes don’t matter to Threes but they matter a lot to Type One managers. This pair is often successful with Threes positioned as the point person who deals with events in the field. A Type Three employee can handle rapid turnovers of information and will make on-the-spot decisions. The Three’s input can be invaluable to a Type One manager, who will modify the plan accordingly.¹⁹

Given the importance of Threes and Ones in the investment world, we’ve used this chapter to explain in some detail the cultures they create and their friction points. In the next chapter we turn our attention to how Enneagram type influences communication, and how it can be used to improve the quality and effectiveness of all forms of investment team interaction.
In summary:

• There is very strong representation in the investment world of Ones and Threes – both competitive, hard-charging types. As a result, the cultures that they create are equally hard-charging and competitive. These are known as “high performance cultures,” and they tend to have both productive as well as non-productive qualities.

• FCG’s research on investment cultures identifies the following as core values for most firms:
  – Client focused
  – Integrity
  – Collaboration
  – Excellence/continuous improvement

• The biggest gap value for firms – the difference between the existing culture and the aspirational one – is excellence/continuous improvement. Firms are continually driving to compete, win, and improve still more.

• This “win at all costs” mindset can create one of the most significant shortfalls for high performance cultures: insensitivity to the human aspects of whatever it is doing.

• This can cause stress, lower levels of engagement, poorer decision-making and turnover of talent, unless leaders master emotional intelligence and work to understand how to motivate and energize their talent.

15 Find the Edelman Trust Barometer at https://www.edelman.com/trust2017
19 Ibid.
At a recent industry conference on the west coast, a CIO approached us to discuss a challenge her leadership team had been grappling with over the past year. “It’s really frustrating,” she said, “because on paper, we look great. Top-tier track record, good clients, talented team, near-record asset growth, growing presence in new markets – really not much to complain about, right? But we’re just not working together like we used to. People should be happy but they’re not. This rapid growth has put a lot of pressure on everyone, and despite all the new people we’ve hired, there’s more friction than ever between the investment team and the new business group, our junior analysts don’t seem as engaged as they should be, and our IT group feels overworked and underappreciated. Is this what success is supposed to look like?”

She went on to say, “And it seems like the biggest problem is around communication. It’s not like the old days, when we founded the firm. Back then, we had six other staff members and our office was so small that communication was never an issue. We just stood up and yelled over the sides of our cubicles,” she laughed. “Talk about having no privacy! But we all knew everything about every client (and often everything about each other!) and we operated as a very tightly knit group. We were more like a family than a company, in those days. Now we have more than 120 employees, and it seems like our senior team wastes a lot of time untangling crossed wires because people aren’t communicating well. It’s like we’ve gone from being a happy family to a dysfunctional one, and we need help.”

You may be nodding as you read this, because you may have lived this yourself. It’s a common story in the investment business. Growth, despite its many benefits, can also create silos around work groups or offices, which can lead to an “us-versus-them” mentality, lower levels of candor, less trust, and, as a result, a breakdown in communication. Smaller teams, as well, can have their own communication issues, many of which are also driven by personality type and communication style.
Consider the following scenario, which unfolds regularly at investment organizations of all sizes:

The CIO, a Type Five, of a long-only equity shop was discussing the plan for seeding a new fund idea with his lead PM, a Type Two. Given the risk of managing a new strategy – which looked good on paper but hadn’t been tested in the market yet – the PM was looking for encouragement and support from his boss and long-time mentor. The PM asked, “Do you think I will succeed with this new fund?” The Type Five boss responded, “I don’t know, there’s no evidence for it.” The Type Two PM left the conversation discouraged and irritated.

Let’s unpack what happened, which we did in a clearing session with the two individuals. The Two, with his need for approval – his ego’s strategy for survival and success – wanted a strong endorsement: “Yes, I know you can do it. I’m rooting for you.” Instead, he got a neutral answer, which he interpreted as a vote of no confidence. When we discussed this response with the Type Five CIO, he said, “How could I answer the question with a strong ‘yes?’ It hasn’t been tested, there’s no evidence.” This response is perfectly in line with a Five’s internal wiring: They are data driven and very logical, without much emotional awareness. When we rephrased the PM’s question to “Do you want to see me succeed in this new strategy?” the CIO’s response was an unequivocal “yes.” This is a good example of the subtlety and importance of language and how it relates to type. A simple exchange in which both parties had good intentions and were perfectly aligned turned out badly until they cleared up the misunderstanding. Enneagram type was very useful in this clearing discussion.

The solution to this challenge lies in understanding the distinct communication styles of the nine Enneagram types, and how one’s own style may be interpreted by people of different types. By learning how to adapt your style to that of the listener, your message stands a much better chance of getting through clearly.

**Communication Competencies**

There are two key communication competencies that tend to vary by Enneagram type. The first is *diplomacy*, meaning the ability to handle negotiations with other people so there are no hard feelings. This includes the art of active listening, and being open to other people’s points of view. The second competency is *frankness*, which means being open, honest, and direct in your communications.

The communications model in Figure 4.1 shows the relationship between these two competencies.
You have a preferred place on this model, which you can find even without knowing your Enneagram type. In fact, let’s do that right now. How would you rate yourself in both of these competencies? Not when you are consciously working on them, but where you go most naturally (and where you wish everyone else would operate). Based on your preferences, you can be in one of the following four quadrants:

**Forthright Diplomacy (upper right):** The sweet spot, where diplomacy and frankness have a healthy balance, and where we find the least amount of static in the lines of communication. Those able to operate in this quadrant also have the ability to “flex” to the blunt or polite quadrants as the situation may warrant. We have found few people who operate naturally in this quadrant, but many who have learned how to get there after years of self-development. In terms of the Enneagram, all types have access to the upper right.

**Blunt (upper left):** “What you see is what you get.” Members of this quadrant find it very easy to be honest and direct. They view diplomacy (at levels higher than their own) to be time-consuming and not particularly useful. They usually prefer others to be direct with them, and may mistrust people with lower levels of frankness. Entire teams can operate quite happily in this quadrant, which can sound loud, argumentative, and even angry at times to members of the other quadrants. Because most teams are a combination of styles, we recommend that Blunt members be aware of the other styles, and consider dialing up their listening skills, in order to communicate more effectively with other styles. In the Enneagram world, we most often find Eights, Ones and Threes in the Blunt quadrant.
**Polite/evasive (lower right):** Members of this quadrant are willing to listen to other points of view openly and curiously, but are not as willing to share their own opinions completely. As a result, they may not be contributing their full value, insight, and creativity to the team. Additionally, in their efforts to be agreeable, those in the polite quadrant may sometimes seem phony or manipulative to people in other quadrants. Entire teams operating in this quadrant can appear very close, sincere, and engaged, but they can also be very slow to address true issues because of high levels of withholding. The learning edge for this group is to dial up the frankness by understanding that candor is a gift that can help others, and learning to share their opinions more readily. In the Enneagram world, we most often find Twos, like the one in our preceding example; Fours and Nines in the polite quadrant. Less frequently, we have found Sixes and Sevens in this quadrant, although those types can also operate in the Blunt quadrant.

**Avoidant (lower left):** Members of the avoidant quadrant are often individual contributors who are experts in specialized roles. They thrive on having time alone to think deeply, and are drained by too much interaction with others. The learning edge for this group is to recognize when it’s necessary to collaborate with others, and to dial up both the candor and the listening skills. This quadrant is home base for many Fives. Of course, we have found Fives who have been able to move up and to the right on this model when needed. (In the preceding example, the Type Five CIO had no trouble being frank, but hadn’t been as successful in dialing up the diplomacy.) However, it’s important to recognize the energy drain this involves and plan the time accordingly.

**Better Feedback with the Enneagram**

Feedback is the lifeblood of high-performing investment teams. The best firms we know excel at creating cultures of feedback. This skill is not gained overnight, but with ongoing practice, we’ve found that even the thickest-skinned investment types can learn to seek ongoing feedback – even when it flies in the face of their deepest convictions. And the payoff for doing so can be significant. As Warren Buffett, chairman and CEO of Berkshire Hathaway, advises, “Continually challenge and be willing to amend your best-loved ideas.” The only way to do this is by hearing – and really listening to – different points of view.

So, as a team, how do we make feedback easier to swallow? Well, if we could learn how our teammates prefer to receive feedback, and then deliver it that way, we would be far less likely to cause defensive reactions. Again, this is where the Enneagram can be invaluable. As it turns out, each Enneagram type has specific likes and dislikes when it comes to getting feedback. Additionally, each type has certain type-driven tendencies in delivering feedback that are important to be aware of, because some of these can be hot spots for other types. The chart in Figure 4.2, developed by Ginger
Lapid-Bogda, PhD, provides guidelines on delivering feedback to each of the nine types, as well as what to keep in mind about your own type that could trigger a reaction in the other types.

Table 4.2 Using the Enneagram to Give Effective Feedback

<table>
<thead>
<tr>
<th>Giving Feedback to a ...</th>
<th>Giving Feedback as a ...</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Type 1</strong></td>
<td>Be specific, detailed and accurate; get recipient’s assessment first; get concurrence; avoid words that imply right or wrong; help recipient feel in control of the outcome.</td>
</tr>
<tr>
<td><strong>Type 1</strong></td>
<td>Although be specific, avoid being too detailed or picking on small items; control your use of judgmental language.</td>
</tr>
<tr>
<td><strong>Type 2</strong></td>
<td>Sound friendly and optimistic; make certain there is absolute privacy; give more details only if asked; smile and maintain a positive attitude; ask about their feelings; reinforce your positive regard for them.</td>
</tr>
<tr>
<td><strong>Type 2</strong></td>
<td>Avoid sugarcoating negative information to keep the recipient from feeling bad; do not take their response personally; do not assume your instincts are fact.</td>
</tr>
<tr>
<td><strong>Type 3</strong></td>
<td>Make sure time/place are convenient; frame the feedback as a way for recipient to be even more successful; use actual examples and get their agreement about them; remain upbeat.</td>
</tr>
<tr>
<td><strong>Type 3</strong></td>
<td>Allow room for feelings (especially the other person’s); be patient; focus on the result rather than use too many small examples that may derail your point.</td>
</tr>
<tr>
<td><strong>Type 4</strong></td>
<td>Develop rapport with recipient; do not accuse; be clear, direct and honest; ask about their feelings and use “feeling” statements; show you care; use words like I, me and mine.</td>
</tr>
<tr>
<td><strong>Type 4</strong></td>
<td>Be careful not to project your feelings onto the recipient or assume you know what they’re feeling; keep a positive tone; try to match the recipient’s intensity, mood and energy.</td>
</tr>
<tr>
<td><strong>Type 5</strong></td>
<td>State clear expectations of the meeting; be very specific and fact-based; give the recipient space to consider what has been said; let the recipient be the one to bring up feelings; explain your rationale.</td>
</tr>
<tr>
<td><strong>Type 5</strong></td>
<td>Do not be so concise that the recipient does not understand what you are saying; don’t overload the recipient with information; accept an emotional response from the other person.</td>
</tr>
<tr>
<td><strong>Type 6</strong></td>
<td>Be concrete and specific, patiently repeating yourself if necessary; give tentative suggestions early on and help recipient not to “catastrophize”; let recipient know you support him/her; provide alternatives.</td>
</tr>
<tr>
<td><strong>Type 6</strong></td>
<td>Calm yourself before the feedback discussion; keep sight of the big picture and don’t get lost in the details; balance negative and positive possibilities; avoid assuming your thoughts are accurate – seek answers.</td>
</tr>
<tr>
<td><strong>Type 7</strong></td>
<td>Put critical feedback between two positive comments; ask recipient for ideas first; maintain upbeat attitude; give recipient his/her choice of options; frame issue in larger context; don’t act like you’re the boss.</td>
</tr>
<tr>
<td><strong>Type 7</strong></td>
<td>Do not let your optimism obscure what the feedback recipient needs to hear; ensure the central issue is communicated in context and with perspective; avoid getting sidetracked.</td>
</tr>
<tr>
<td><strong>Type 8</strong></td>
<td>Be brief, direct, truthful; give the big picture; let recipient respond as often as he/she wishes; indicate your belief in the person and availability of support; let recipient feel in control.</td>
</tr>
<tr>
<td><strong>Type 8</strong></td>
<td>Be receptive; consider in advance what you want to say; allow recipients to make the first suggestions; downplay your energy level so as not to overwhelm the recipient; smile, wait patiently.</td>
</tr>
<tr>
<td><strong>Type 9</strong></td>
<td>Develop rapport; be as nonjudgmental as possible; try to see situation from multiple angles; give larger context of situation; add your ideas but do not demand recipient take a particular action.</td>
</tr>
<tr>
<td><strong>Type 9</strong></td>
<td>Deliver a clear message; stay focused on your main point; avoid bringing other issues – related or unrelated – into the discussion (save them for another discussion).</td>
</tr>
</tbody>
</table>

Source: Bringing Out the Best in Yourself At Work by G. Lapid-Bodga, PhD.
Using Feedback to Build Trust

Trust is one of the critical success factors for high-performing teams, and it is closely linked to the quality and quantity of ongoing feedback. In our experience, the most successful teams are quick to address trust issues with honest and respectful feedback. There are good ways and not-so-good ways to give feedback, and we imagine you have experienced both! As our partner, Keith Robinson, has pointed out, if you say to a team member, “Hey, can we talk about some of the sleazeball things you do, and why we call you ‘Slick Willy’?” you will probably not get a good outcome. Rather, it’s better to give the conversation some serious prep time, using the “cube” model outlined here (see Figure 4.3) It’s also important to start with your intention (a constructive outcome for both) and to create safety by treating your team mate with respect and dignity.

Facts: Lead with facts, which may require some research on your part – looking through past agreements, checking emails, etc. Gain agreement on the facts; that is, make sure they really are facts! Then share your story with the other person.

Story: Based on these facts, I formed a story (i.e., an opinion). Share the opinion with the other person. Stop. Let the other person respond. Is your view accurate? What’s the other person’s view?

Reaction: Sometimes it’s appropriate to share your reaction: “I was concerned” or “I was confused.”

Request: Finally, what do you want to achieve by having this conversation? Given that we are discussing trust, a logical request would be, “I want to clear up this misunderstanding so that we have a good working relationship, based on strong trust.”

In our experience, the underlying problem in most trust issues is a misunderstanding. For example, one trust issue was caused because a team member’s emails were being rerouted into another’s “junk mail” folder. The sender had created a story that the recipient was ignoring the emails. Once the two of them discussed the issue and cleared it up, trust was restored. Often, if team members are simply willing to explore the issue, they will find that their concerns are unfounded. It’s rare that a team member is actually trying to pull a fast one, and hoping to get away with it!
If the feedback receiver is a skilled active listener, he or she will listen carefully and nondefensively to all that is said, with the goal of gaining a better understanding of the situation and the feedback provider’s perspective. Easier said than done! Becoming proficient at this give-and-take process is something that requires a lifetime of practice for most people. We have yet to see anyone do this perfectly all the time. The key is to keep working at it, knowing that sometimes it will come more easily than others. We’ll go into this process further in Chapter 7 on Conflict Resolution.

In summary:
• One of the biggest issues for growing investment firms revolves around communication.

• Growth creates siloes, which can damage candor, trust, and the ability to provide – and receive – feedback, the lifeblood of high-performing investment teams.

• Enneagram type and communication style contribute heavily to the communication equation.

• By understanding how different Enneagram types prefer to communicate, teams can significantly improve their communications and their ability to build a feedback-rich culture.

• An effective feedback framework is Fact, Story, Reaction, and Request, use of which helps take much of the drama out of a given conflict.
The investment profession is arguably in the business of making decisions. Preferably good ones. Therefore, this chapter is a bit longer than others because of the relative importance and contribution made by the Enneagram. Indeed, understanding your own type and those of your team members is important in making good decisions. As covered earlier, diversity of thinking styles is critical to making quality decisions. The Enneagram provides a tool for measuring diversity and, importantly, how to use that diversity optimally.

Let’s begin with a model for decision making. The model we’ll propose is called “open narrow close.” It was originally discovered through empirical evidence. Researchers watched high-quality decision-making teams and determined how they were making decisions. Their research question: Was there a common process? If so, what was it? After extensive examination, the researchers found that top decision-making teams used an open narrow close process, often without explicitly knowing that they were doing so.

Here’s how the model works.

**Open:** In this phase, the rules of brainstorming are in place. Nominate lots of ideas that address the problem. Or, consider a predetermined list of all the possibilities and then play off that list. The key point in this phase of decision making is to let ideas flow without evaluating or deciding yet. Research on successful brainstorming shows that most of the great ideas occur after the first wave of ideas. Let the first wave settle, then go deeper and look at the second wave of ideas.

**Narrow:** This second phase uses a different part of the brain (left vs. right). The exercise in this phase is to begin to categorize and assess the merits of the creative session. Analysts are ideally suited for this phase of the problem-solving process. An assessment of relevant data and fact-vs.-story is key here. The team members who excel at rigorous examination of facts and logical thinking also excel in this phase.
Close: The final phase involves reaching a decision. A few top-idea candidates may emerge from the narrowing process. Closers are good at considering these finalists and choosing the right one. They are decisive. In the investment process, this is often the main distinction between good analysts and good portfolio managers. The former are great openers and narrowers, the latter are superb closers. They pull the trigger.

The model is best shown as a diamond. In Figure 5.1, we’ve included the Enneagram types that are best suited for each phase of the process. Obviously, with self-awareness and some training, one person could excel at each phase. The point here is which type is naturally good at which phase.

Figure 5.1 Open-Narrow-Close Model

An example of the utility of this model involved a product development team which included both openers and narrowers. One participant described the sessions as very frustrating. The openers would toss out ideas for new products and the narrowers would quickly shoot them down. It was a bit like watching the game “Whack-a-Mole.” When a new idea emerged, it was immediately beaten down. When we explained the Open Narrow Close model and how the Enneagram fit in, the participant shouted, “That’s it! That’s what we’ve been experiencing!” The solution was to let the natural Openers have time to themselves to ideate and bring forward candidates. Then the Narrowers could use their excellent analytical skills to question these ideas.

Also critical to good decision making and effectiveness are the boxes on either side of the diamond. Problems must be framed properly. A famous quote attributed to Einstein is: “If I had an hour to solve a problem, I would spend 55 minutes framing it and 5 minutes solving it.” In the behavioral finance world, much research has been done on the biases involving poor framing. In our experience, Nines are the best framers. They are the best Enneagram type at seeing all sides of an issue and being patient about reaching a problem definition. Threes are quite good at goal setting, but their
impatience to move ahead and get things done can hamper their ability to give framing the proper attention.

On the other end of the diamond is the follow-through. Arguably, many great plans are undermined by poor execution. Sevens, for example, are wonderful openers – and tend to love it – but they are often the worst at follow-through. They find the task of carefully implementing the plan to be boring. Sevens want to move on to the next cool idea. Another type that is weak on follow-through is the Nine. This type, which is great at framing and bridging from opening to narrowing, is poor at execution for the same reason: they are patient and look at things from all angles. So sometimes they can appear to be procrastinating. If you want something done quickly and accurately, they are not the best choice. However, in our experience, Type Ones are often excellent executors. They love to push forward and complete projects, and they love to get them right.

Let’s apply the model to the all-important process of selecting good investments. The framing box for an equity research team would comprise the philosophy and process. Are we value, growth, or momentum? What is our agreed-upon process for selecting stocks that go in the portfolio? All of these questions must be answered before a team starts proposing candidates to be added to – or deleted from – the portfolio.

The opening phase for an equity team would involve proposing viable names to put in the portfolio. Many candidates could be put forth by the analysts, based on market conditions, the investment style, and fundamental factors for the individual stocks. Many times the new and “offbeat” names are proposed by a Seven who is creative and less risk-averse than other types.

After a list of candidates is assembled, the narrowing experts come into play. These team members are really good at rigorous analysis – fundamental factors, risk assessment – of the proposed candidates. Key skills in this phase are open candor and respectful debate. The best equity teams that we work with are very good at debate and dialogue. They are “hard on the issues and soft on the people.” After a heated debate on a stock, they can leave the meeting friends and go to the pub for a drink together. No hard feelings.

Finally, the decision must be made: which stocks make it into the portfolio and which ones are sold. In this phase, the types who are most decisive and comfortable with taking a stand come into play. The three types that stand out here – as shown in Figure 5.1 – are Ones, Threes and Eights. Each of these types is a natural closer. They are rationally oriented (vs. feeling) and somewhat impatient. They want to make a decision
and implement it. Unlike the Nine or Five, who may sit on a decision for weeks or months, these closers move quickly to completion.

Please don't misunderstand our point: This discussion is not intended to rule investment professionals out of certain roles. For example, we have known Nines who are excellent portfolio managers. But they have become self-aware enough to realize that they must overcome their natural tendency to be patient and consider all points of view, and make timely decisions. Likewise, Eights can be very good fact-finders if they overcome their natural desire to take action and patiently enter into the process of carefully assembling the data. Our research, however, does support the case we have made that the basic functions involved in investing – collecting information, analyzing the information, and deciding – are populated by the types we’ve discussed here.

Moving from an investment-oriented decision to a broader firm decision, we can look at a firm challenge of building a strong, effective culture. Here we can use another aspect of the Enneagram to help us understand how decisions are made most effectively.

When looking at culture, there is a natural tension between the types that are relationship oriented and those that are thinking oriented. The former want to establish a culture that fosters employee engagement through trust, respect, inclusion, and appreciation. The latter, while not arguing with these factors, lean toward building a culture that is successful by emphasizing accountability, clear decision rights, and task orientation.

The Enneagram helps us understand the natural tensions by considering how the nine Enneagram types emanate from the three centers of human intelligence:

**The thinking group (Head):** Fives, Sixes and Sevens

**The relationship (Heart) group:** Twos, Threes and Fours

**The action group (Body/Gut):** Eights, Nines and Ones

The strengths and weaknesses concerning decisions are summarized in Table 5.1.
The ground rules for a good culture involve the best elements of each. A strong culture will combine these elements in a balanced fashion.

**Head:** The culture will be rational and logical. The processes will be thoughtful and effective. Accountability and decision authority will be clearly spelled out and enforced. Few exceptions will be made, as it’s important to have clarity and to be fair. If the culture does not include and honor these factors, the Head types will disengage.

**Heart:** These types will want to make sure that the culture includes elements that foster a sense of belonging. People are treated with dignity and respect. Trust is a key value. Balance of home and work is important. A humane environment is essential. People are seen as human beings, not simply human doings.

**Body/Gut:** The culture must also pay attention to action and moving forward. You could build a culture that includes both the “head” and “heart” aspects, but goes nowhere. The work could be thoughtful and stimulating, and involve relationships that

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**Table 5.1 Decision-Making Strengths and Weaknesses**

<table>
<thead>
<tr>
<th>Centers of Intelligence</th>
<th>Productive Uses of this Center</th>
<th>Enneagram Type-Specific Misuses</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Head Center</strong></td>
<td>• Objective analysis</td>
<td>• Overanalyzing (Fives)</td>
</tr>
<tr>
<td></td>
<td>• Understanding data without bias</td>
<td>• Obsessive collection and examination of data</td>
</tr>
<tr>
<td></td>
<td>• Astute insight</td>
<td>• Projection (Sixes)</td>
</tr>
<tr>
<td></td>
<td>• Understanding the meaning and implications of data</td>
<td>• Attributing one’s own motives and behavior to other people</td>
</tr>
<tr>
<td></td>
<td>• Productive planning</td>
<td>• Overplanning (Sevens)</td>
</tr>
<tr>
<td></td>
<td>• Structuring sets of activities effectively</td>
<td>• Excessive planning, overscheduling</td>
</tr>
<tr>
<td><strong>Heart Center</strong></td>
<td>• Empathy</td>
<td>• Emotional manipulation (Twos)</td>
</tr>
<tr>
<td></td>
<td>• Identifying with and understanding another person’s feelings</td>
<td>• Attempting to control others through the calculated use of feelings</td>
</tr>
<tr>
<td></td>
<td>• Connection and collaboration</td>
<td>• Playing roles (Threes)</td>
</tr>
<tr>
<td></td>
<td>• Authentic relating</td>
<td>• Relating through an image or role</td>
</tr>
<tr>
<td></td>
<td>• Relating without pretense</td>
<td>• Oversensitivity (Fours)</td>
</tr>
<tr>
<td></td>
<td>• Compass</td>
<td>• Excessive emotionality</td>
</tr>
<tr>
<td></td>
<td>• Heartfelt kindness toward another person</td>
<td></td>
</tr>
<tr>
<td><strong>Body/Gut Center</strong></td>
<td>• Taking effective action</td>
<td>• Excessive action (Eights)</td>
</tr>
<tr>
<td></td>
<td>• Taking well-chosen and timely action</td>
<td>• Taking too much action</td>
</tr>
<tr>
<td></td>
<td>• Steadfastness</td>
<td>• Passivity (Nines)</td>
</tr>
<tr>
<td></td>
<td>• Being firm and resolute</td>
<td>• Being inert</td>
</tr>
<tr>
<td></td>
<td>• Gut-knowing</td>
<td>• Reactivity (Ones)</td>
</tr>
<tr>
<td></td>
<td>• Having a clear and trustworthy instinctive response</td>
<td>• Reacting too strongly or too quickly</td>
</tr>
</tbody>
</table>
are positive and supportive, but the firm could stagnate. The Body/Gut types will make sure that a culture includes an appetite for taking risks and moving to action.

Hence, a healthy culture will include input from all three intelligence centers, recognizing that balance is crucial to sustainability. A purely “Head” culture may become a sterile and insensitive place to work. A purely “Heart” culture could be wonderfully collegial and friendly, but unable to focus and drive for results. A purely “Body/Gut” culture could move forward in a rash manner that would soon derail and come apart.

The practical use of this knowledge is to assemble a culture committee that includes all three centers of intelligence: head, heart, and body. The Enneagram allows you to do that with precision.

Finally, the Enneagram helps address the decision-making traps associated with behavioral biases.

The Enneagram and Behavioral Biases

Behavioral biases, also known as “decision traps,” are well researched and familiar to investment professionals. Biases operate unconsciously and undermine our decision making. For example, Ones are unconsciously drawn to being right. Therefore, if they don’t develop self-awareness, they may fall into the trap of confirmation bias (when we unwittingly go about confirming our hypothesis by only selecting data that align with it). This bias occurs for different reasons with nearly all the types. An example, I may like a particular stock, so I find all the data that support purchase, ignoring the contrary or disconfirming evidence. From our experience and research, we’ve found that the Enneagram can be a useful tool in helping us uncover and guard against these biases.

But here’s the rub: Since our biases are actually blind spots, we may have a hard time knowing what they actually are. Our colleagues, on the other hand, may be able to shed some light on them for us because they see us more objectively. You can use the worksheet in Figure 5.2 to test this out. (And if you do, we would welcome hearing the outcome!)
Table 5.2 Behavioral Biases Worksheet

Review the following list of behavioral biases and place a check mark next to the ones you think you are most likely to have. Then ask a colleague to review the list and put a check next to the ones s/he thinks you have. If you both checked the same biases, then you're likely to have good self-awareness. On the other hand, if your colleague checked different biases than you, that may provide some useful insights into your possible blind spots/behavioral traps.

<table>
<thead>
<tr>
<th>Behavioral Bias</th>
<th>Description of Bias</th>
<th>My biases</th>
<th>My colleague's view of my biases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overconfidence</td>
<td>Unwarranted faith in one's intuitive reasoning, judgments, and cognitive abilities. Example: 80% of audiences believe they are better-than-average drivers.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Representativeness</td>
<td>Quick categorizing of new information; inferring from a small sample a conclusion about the larger population. Example: The “hot hand” fallacy in basketball.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Anchoring</td>
<td>Tendency to “anchor” on a fact or number in making a decision. Example: Facebook will always be a great stock (because it has been in the past).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cognitive dissonance</td>
<td>Discomfort when new information conflicts with one's current beliefs. Example: Learning that smoking (an enjoyable activity for the smoker) is bad for health.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Availability</td>
<td>Hearing/seeing something frequently so that we misinterpret reality. Example: Tornadoes hit mobile home parks more than regular homes (they don't).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self-attribution</td>
<td>Attributing personal success to ability and personal failure to bad luck. Example: Sports win was due to skill, whereas a loss was due to bad refereeing.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Illusion of control</td>
<td>Assuming we have more control than we actually do. Example: Lottery players who choose their own numbers believe they have a higher chance of winning than those who are given their numbers.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ambiguity aversion</td>
<td>Sticking to what one knows because one fears the unknown. Example: Buy stocks of companies whose products you regularly use.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Endowment</td>
<td>Placing a high value on a decision you've made or a belief you hold simply because it is yours. Example: Insisting on a higher price for your used car because it is your car.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self-control</td>
<td>Immediate gratification; favoring the short term over the long term because you want the benefits sooner. Example: The one-marshmallow-now vs. two-marshmallows-later research with kids.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Optimism</td>
<td>Rose-colored-glasses; bias toward being too positive about a decision’s outcome. Example: Buying into a vendor’s rosy sales pitch.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Confirmation</td>
<td>Tendency to look for data that confirm our belief. Example: Labeling someone a “bad team player,” then looking for examples of misbehavior, while ignoring times when that person was a good team player.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hindsight</td>
<td>The “I-knew-it-all-along” bias; people tend to rewrite history to make themselves look good. Example: After the 2008 crash, a market forecaster might say, “I predicted that would happen.”</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Status Quo</td>
<td>The desire to stay with the current situation over any kind of change; remaining with what is familiar. Example: Keeping the same investment approach when it hasn’t worked for years.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 5.3 reveals the most common behavioral biases that have been reported by each type.

<table>
<thead>
<tr>
<th>Behavioral Bias</th>
<th>Types Most Often Reporting This Bias</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overconfidence</td>
<td>1, 3, 5, 7, 8</td>
<td>All five types counter their insecurity in this way</td>
</tr>
<tr>
<td>Representativeness</td>
<td>2, 3, 7</td>
<td>All three types are “speedy” and like quick answers</td>
</tr>
<tr>
<td>Anchoring</td>
<td>1, 6, 7</td>
<td>Security factor: I can rely on the past to guide me; for 7s, once they’ve made the decision, they want to move on</td>
</tr>
<tr>
<td>Cognitive dissonance</td>
<td>6</td>
<td>6s wrestle with trust issues, and this makes them doubt what they thought was true</td>
</tr>
<tr>
<td>Availability</td>
<td>Not identified as common to any type</td>
<td>Scored low by all types: Could be a blind spot?</td>
</tr>
<tr>
<td>Self-attribution</td>
<td>Not identified as common to any type</td>
<td>Based on FCG experience, a definite blind spot for most types</td>
</tr>
<tr>
<td>Illusion of control</td>
<td>1, 5, 8</td>
<td>Control factor: Fear arises when these types don’t have control</td>
</tr>
<tr>
<td>Ambiguity aversion</td>
<td>5, 6, 9</td>
<td>Security factor: These types feel safer with what they know</td>
</tr>
<tr>
<td>Endowment</td>
<td>3, 7, 8</td>
<td>Links to overconfidence, defending against insecurity/weakness</td>
</tr>
<tr>
<td>Self-control</td>
<td>4, 7</td>
<td>More emotional, impulsive types</td>
</tr>
<tr>
<td>Optimism</td>
<td>2, 7, 9</td>
<td>These types are wired to see life in more positive ways. Are also referred to as the Optimism Triad</td>
</tr>
<tr>
<td>Confirmation</td>
<td>Common to all types, except 6, the devil’s advocate.</td>
<td>Human tendency to prove ourselves right; ego loves this</td>
</tr>
<tr>
<td>Hindsight</td>
<td>6, 8</td>
<td>6s avoid confirmation bias, but after all their doubting and devil’s advocacy, they like to believe it led them to the “right” answer; trust issue underlies this bias</td>
</tr>
<tr>
<td>Status Quo</td>
<td>5, 6, 9</td>
<td>These types don’t like change, so they resist it; 5s are proud of their careful research and like to think it’s right</td>
</tr>
</tbody>
</table>

As we’ve preached throughout this book, the benefits of accurately determining your Enneagram type are significant. By studying Table 5.2, you can better understand how your type affects your decision making and guard against these traps. Without this self-awareness, one could easily fall into the same trap repeatedly. For example, Sevens are optimistic by nature. They are drawn to new and exciting ideas. They are the least risk-averse of all the types. Hence, if they operate on “auto-pilot,” they can get themselves into trouble. They will dive head first into a number of ventures that are alluring but don’t pan out. A smart Seven will buddy up with a Six when making decisions because the latter is hard-wired to be a devil’s advocate. The Six will ask all the hard “realistic” questions that the Seven may not have considered. There is a team
that we’ve worked with that is led by a Seven/Six combo. They have established a superb track record and operate in the manner described here: lots of new ideas grounded in tough analysis. Interestingly, but not surprisingly, these two do not get along well, as the Seven/Six dynamic creates predictable friction.

Decision Rights and Enneagram Type
Another important dimension of decision making is a clear articulation of “decision rights.” Good leaders specify up front who is responsible for a particular decision, which speeds up the process and settles down the team members. Team members understand their role in how a decision will be made. They understand whether they have a voice and a vote … Or just a voice … Or neither.

The decision rights matrix, or “menu,” of decision options in Figure 5.2 illustrates the relationship between time and buy-in for each option. Effective leaders make full use of the menu, selecting an appropriate option for any given decision and communicating that choice clearly to the team. For example, mission-critical decisions that affect all team members may require the consensus option so that all the relevant information is presented and discussed, whereas less critical decisions (what should we order for the team lunch today?) may be made with a faster option. Highly urgent decisions may require the “Leader Decides” option due to time constraints. The “Subgroup” options are appropriate when there is a smaller group of team members who are the most qualified to address the issue(s) or when assignments have to be divided up. “Majority vote” is simply that: Each team member gets a vote and the majority wins.

Figure 5.2  Decision Rights Options
We have found that Enneagram type has a strong influence on the decision rights options most favored – or avoided – by individual leaders, as illustrated in Table 5.4.

<table>
<thead>
<tr>
<th>Preference</th>
<th>Slight Preference</th>
<th>Neutral</th>
<th>Avoidance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leader decides</td>
<td>Leader decides with Input</td>
<td>Subgroup decides</td>
<td>Subgroup decides with Input</td>
</tr>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>4</td>
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<td>5</td>
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<td>6</td>
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<tr>
<td>7</td>
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<td>8</td>
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<td>9</td>
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</tr>
</tbody>
</table>
In summary:
Investment firms are in the business of decision making.

The Enneagram helps in a number of ways.

• It plays naturally into the Open Narrow Close model of problem solving.

• It allows individuals to understand the benefits of each intelligence center: the head (rational), the heart (emotional), and the body/gut (intuitive).

• It addresses behavioral biases and helps professionals understand which ones they are likely to fall into.

• It is useful in understanding the decision process; that is, how decisions are typically made by each type.

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CHAPTER 6
Managing Teams

Now we turn our attention to leading and participating on teams. Our thesis is that investment firms must up their game, and the core unit of any firm is the teams that comprise their workforce. So, managing them well is key to success. Any leader, regardless of type, must address these elements of good teamwork:

• Creating a Vision of Success (Where?), the mission (Why?), and strategy (How?)

• Defining and aligning around values. What are the ground rules?

• Assembling the right team members. Do we have sufficient diversity and skills?

• Assigning clear roles and responsibilities. How do I contribute?

• Establishing goals and metrics. How will we know if we have succeeded?

• Communicating well. Is the team well informed? Are they getting feedback? Do we trust each other? Do we practice good listening and candor?

• Making good decisions. Do we have clear decision rights? Do we use our resources to make the best decisions?

As you can imagine, different Enneagram types excel at certain elements and are challenged by others. Threes are particularly gifted at setting goals and encouraging the team to tirelessly work towards them. Twos are concerned with team dynamics and focus on empowering team members. Sevens seem to have a gift for crafting excellent visions of success. And so on. In this chapter we’ll highlight the leadership paradigms for each type – what the role of leadership entails – their typical strengths and weaknesses, their core values, and the characteristics of an ideal work setting. Table 6.1 shows these traits for each type.21
In our experience working with investment firms, we have found that three factors in particular play an especially large part in team excellence:

1. Clear purpose and direction
2. Right team members
3. High trust levels

We know this from our Team Scorecard assessment, which measures 24 well-researched factors that are important to team success. Our research examined results from 28 different teams – from various functions in multiple firms – and used analytics to tell us which factors provided the biggest contribution to top performance. For more on this research visit: http://www.focuscgroup.com/wp-content/uploads/2015/11/Teaming-Effectively-3-Key-Factors.pdf

<table>
<thead>
<tr>
<th>Enneagram Type</th>
<th>Leadership Paradigm</th>
<th>Strengths</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Type One</strong></td>
<td>Leaders set clear goals and inspire others to do their best work</td>
<td>Principled, committed, stable, disciplined, objective, process-oriented</td>
</tr>
<tr>
<td><strong>Type Two</strong></td>
<td>Leaders assess strengths and weaknesses and empower the team</td>
<td>Mentoring, generous, friendly, appreciative, determined, flexible</td>
</tr>
<tr>
<td><strong>Type Three</strong></td>
<td>Leaders create productive work environments that achieve goals</td>
<td>Goal-oriented, fast-moving, persistent, organized, enthusiastic, flexible</td>
</tr>
<tr>
<td><strong>Type Four</strong></td>
<td>Leaders create firms that give meaning and purpose to one’s life</td>
<td>Sensitive, intuitive, cut to the heart of the matter</td>
</tr>
<tr>
<td><strong>Type Five</strong></td>
<td>Leaders create effective firms through research and planning</td>
<td>Analytical, deep research, passion for ideas, self-starters</td>
</tr>
<tr>
<td><strong>Type Six</strong></td>
<td>Leaders build cultures of creative problem solvers where all feel part of the solution</td>
<td>Dutiful, loyal, imaginative, committed, team player, devil’s advocate</td>
</tr>
<tr>
<td><strong>Type Seven</strong></td>
<td>Leaders create visionary firms that stimulate creativity and favor an egalitarian team</td>
<td>Creative, fun, adaptable, action-oriented, fast-paced, focus on high quality and candor, positive, glass half full</td>
</tr>
<tr>
<td><strong>Type Eight</strong></td>
<td>Leaders like to create high-performing teams that engage in big-picture, high-impact work</td>
<td>Dealing with chaos, courage, fairness, protectiveness; taking action, making decisions under uncertainty</td>
</tr>
<tr>
<td><strong>Type Nine</strong></td>
<td>Leaders build collaborative and cohesive teams by aligning around a common purpose and clear goals</td>
<td>Empathetic, supportive, consider all points of view, accepting, persistent, adaptable</td>
</tr>
</tbody>
</table>
Clear purpose and direction seems like an obvious factor: Teams must know why they exist and what they are trying to achieve. The Enneagram helps leaders understand their own biases in approaching this task of setting purpose and direction. For example, Ones are focused on process. They set clear goals and inspire others to aim for the highest quality, outlining clear processes for doing so. Twos, in contrast, focus on the team members, assessing their strengths and weaknesses, providing them with support and resources to achieve their goals. For Twos, relationships tend to trump tasks. Each Enneagram type, as shown in Table 6.1, has a paradigm for how leaders should approach their role as team leaders.

Concerning right team members, we’ve written earlier about the importance of diversity for teams. Many investment firms understand this advantage and use it to promote the effectiveness of their teams, but they don’t have an actual metric for diversity. The Enneagram provides such a metric.
In addition to diversity, “right” team members each have three key attributes, an idea borrowed from Patrick Lencioni’s book, *The Ideal Team Player*. They are humble, hungry, and people-smart (high EQ). Here’s how Lencioni describes them:

**Humble**
The first and most important virtue of an ideal team player is humility. A humble employee is someone who is more concerned with the success of the team than with getting credit for his or her contributions. People who lack humility in a significant way, the ones who demand a disproportionate amount of attention, are dangerous for a team. Having said that, humble team players are not afraid to honestly acknowledge the skills and talents that they bring to the team, though never in a proud or boastful way.

**Hungry**
The next virtue of an ideal team player is hunger, the desire to work hard and do whatever is necessary to help the team succeed. Hungry employees almost never have to be pushed by a leader to work harder because they are self-motivated and diligent. They volunteer to fill gaps, take on more responsibilities and are eagerly looking around corners for new ways to contribute to the team.

**People Smart**
The final virtue of a team player is not about being intelligent, but rather about being wise in how to deal with people. Smart employees understand the nuances of team dynamics, and know how their words and actions impact others. Their good judgment and intuition help them deal with others in the most effective way.

Lencioni claims that you need all three to be a great team player. Figure 6.1 shows what happens if you only have one or two of the qualities.

---

**Figure 6.1 Ideal Team Player**
If you are just humble, hungry, or people-smart, then you are a doormat, bulldozer, or charmer respectively. If you have two of the three qualities, you are still not an ideal team player. These combinations are described as:

**The Accidental Mess-Maker:** This person is humble and has plenty of drive, but lacks people smarts. So, these people are likely to create messes, as they act with very little emotional intelligence and team savvy. These people may accomplish a great deal but leave behind a trail of interpersonal destruction.

**The Lovable Slacker:** These people may at first appear ideal because they are humble and people-smart, and therefore very likable. However, they lack the drive to go the extra mile. They do only what is required of them and soon frustrate all the truly conscientious members of the team.

**The Skillful Politician:** Perhaps the most dangerous of the three “incomplete” players, the skillful politicians know how to present themselves very skillfully and know how to look well-intentioned and even humble. All the while, though, these people are egocentric and looking out only for their own interests. Teammates can end up feeling manipulated and scarred.

Here’s how the Enneagram can help. There are many “incomplete players” in the investment world, largely explained by their Enneagram type. FCG encounters very few teams that have members with all three qualities. Skillful use of the Enneagram, via a willingness to look at oneself, can help round out a member’s completeness. For example, many investment firms make the mistake of hiring bulldozers (Eights, Threes or Ones). These people are extremely smart and have established good track records in their area of expertise (e.g., stock picking, portfolio management, sales, etc.). Often, though, they lack the humility and/or the people smarts (EQ) needed to play well on a team. FCG has labeled difficult workers “Red X’s” and written lots about them. Many firms are willing to put up with these types because they are often star performers – and eventually, most firms get burned by this decision. (A notable case is Bill Gross at PIMCO.) So, for these three types to become ideal team players, they must look in the mirror and ask, “Am I humble in my speech and actions?” and “Do I understand myself and others, such that I am skillful in my interactions?”

Alternatively, we find investment professionals who are long on humility, but may be weak on hungry and people-smarts. From the Enneagram, we know that Nines, Sixes and often Fives can be relatively humble. These types avoid the spotlight. And while some Fives may exhibit the “smartest-guy-in-the-room” syndrome, many are quietly brilliant without drawing attention to themselves. These three types are usually easy to
work with because they don’t rattle the teacups and do wish to fit in with the others team members. These types must look in the mirror and ask, “Am I showing enough initiative and drive?” and “Do I understand myself and others, such that I am skillful in my interactions?”

Finally, the two types who are strongest at EQ – understanding themselves and others – are the Two and the Four. As members of the “heart” triad, the intelligence center that focuses on relationships, these two types naturally seek approval from others. Hence, they work to understand and be accepted by the other team members. These types can also be seen as humble because they realize that arrogance will turn off other team members and cause them to lose the approval they seek. The biggest downfall of these two types can be the third attribute: hungry. Indeed, some Twos and Fours are very driven, but many are more interested in being indispensable in their relationships and creating harmony than they are in goals and achievements. As natural “feelers” (rather than “thinkers”), they favor people over tasks. Therefore, from a professional perspective these team members would be wise to ask themselves, “Am I paying proper attention to achieving goals and contributing to results?”

The investment industry, in FCG’s view, is long on “hungry” types. We encounter competitive and driven people in nearly all our client firms. The DNA of most investment professionals is really smart and really driven. It’s rarer that we find investment professionals who have the other two qualities: humble and people-smart. Given Lencioni’s insistence that you need all three to be an ideal team player, it explains why FCG finds so few teams that are truly high performing. They do exist, and they are wonderful to behold, but scarce. They are four-leafed clovers, few and far between.

The Sevens may be scratching their heads wondering, “Okay, so where do I fit in?” In our experience, Sevens tend to vary among the three attributes and therefore it’s harder to generalize about them. Some Sevens are hard driving, while others are relatively humble, and still others show a remarkable interest and skill in working with team members. So, if you are a Seven you’ll have to do some introspection and collect feedback from your teammates to determine where your strengths and weaknesses lie … which naturally segues into Lencioni’s recommendation for team assessment and strengthening.

Because few of us are naturally strong in all three attributes, Lencioni suggests the following exercise:

• Have a frank discussion with the team using his framework.
• Allow the team members to score themselves on the three dimensions described earlier. (A simple 1-10 scorecard is fine.)

• Have the team members who had low scores on the same dimension debrief with one another.

Lencioni’s experience is that often they will share their shortcomings with other team members who’ve made the same admission. If team members can own it, that is the first step toward modifying their behavior to be more effective as a teammate.

In concluding this chapter on teams, we thought it would be useful to provide actual feedback provided by team members to leaders of each type. These comments come from 360-degree reviews we have administered for a number of our clients. They represent themes that we find for strengths and derailers (overdone strengths) by types, not “one-off” observations.

### Table 6.2 Enneagram Type and 360° Reviews

<table>
<thead>
<tr>
<th>Team Leader Feedback by Type</th>
<th>Strengths from 360°</th>
<th>Derailers (overdone strengths) from 360°</th>
</tr>
</thead>
</table>
| **Type One**                | • Extremely bright/Very organized  
• Self-motivated/High integrity  
• Efficient with time and resources  
• Prepares well for meetings  
• Works hard to keep up-to-date with new rules and regulations  
• Tremendous attention to detail | • Gets in the weeds  
• Micromanages  
• Highly critical  
• Only sees black and white  
• Judgmental |
| **Type Two**                | • Provides opportunity  
• Supports and empowers employees in their roles  
• Very engaging  
• Enjoyable to work with  
• Caring/Good listener  
• Team builder/Collaborative | • Trouble saying no; can overcommit  
• Conflict avoidant  
• Needs to have a stronger voice  
• Can be more process oriented  
• Overly helpful; intrusive |
| **Type Three**              | • Extremely competent/Very efficient  
• Highly persuasive/Charismatic  
• Drive to win  
• Fast thinker; processes information very quickly  
• Great communicator  
• Executes at a very high level | • Can appear self-serving  
• Needs to spend more time building relationships  
• Sometimes leaves others behind  
• Needs to be more patient  
• Delegate more |
| **Type Four**               | • Hands-on leader  
• Promotes a cohesive and inclusive working environment  
• Team builder  
• Creative/Authentic | • Can be impatient or irritable  
• Moody  
• Driving action |
| **Type Five**               | • Very diligent/Methodical  
• High integrity  
• Solution oriented  
• Calm/Thoughtful | • Analysis paralysis  
• Appears unemotional  
• Needs to share his knowledge  
• Be a better listener to other’s perspectives  
• Risk-averse |
### Type Six
- Extremely loyal/High integrity
- Process oriented
- Very thoughtful
- Questioning mind; plays devil’s advocate well
- Trustworthy
- Loses site of people when overly focused on the task at hand
- Risk-averse
- Comes off as negative
- Micromanages
- Can get too caught up in details

### Type Seven
- Energetic
- Innovative
- Optimistic; positive attitude
- Grasps things quickly
- Has vision,
- Flexible
- Needs to restrict constant focus on new ideas or ones that are only tangential to business
- Needs to set priorities and not get distracted
- Changes mind frequently
- Difficulty executing on ideas
- Conflict avoidant
-Disconnected from "unglamorous" parts of business

### Type Eight
- Highest integrity
- Very strong commercial acumen
- Drives high performance
- Understands and manages complex and difficult issues quickly and effectively.
- Smells bull**** a mile away
- Seems arrogant
- Lacks humility and an inability to admit when wrong.
- Often seen as volatile or hard to approach
- Kills the messenger.
- Needs more patience and to listen more

### Type Nine
- Dedicated and knows more about our clients collectively than anyone else.
- Tremendous humility
- Very approachable
- Communicates openly
- Tries to see all sides of a problem or situation
- Calm, relaxed and friendly
- Hard to get clear direction.
- Answers questions with questions
- Appears indecisive
- Does not motivate others
- Too passive

### In summary:
- All teams must address and answer certain questions like, “What is our goal?” “What is my role on the team?” “Who has authority for which decisions?” and “Have we established ground rules?”
- Each Enneagram type has strengths and weaknesses as leaders and team members.
- Ideal team members have three attributes: humble, hungry, and people-smart.
- Few investment teams have members who possess all three attributes, so to be high performing each team member must leverage strengths and identify and work on their shortcomings.
- Feedback from 360-degree participants indicate the common strengths and weaknesses identified in actual settings.

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21 Ginger Lapid-Bogda, Ph.D., *Stretch Your Leadership Paradigms with the Enneagram*
22 Our thanks to Patrick Lencioni for his original thinking on this concept. See Patrick Lencioni, *The Ideal Team Player* (Wiley, 2016), p. ____.
23 EQ is shorthand for emotional intelligence. See Dan Goleman’s book, *Emotional Intelligence* (Bantam, 2012) for more on this.
24 By “incomplete player” we mean team members who do not have all three qualities: humility, hunger, and people-smarts.
25 See our website for papers and talks on “Red Xs”: www.focusCgroup.com
CHAPTER 7

Conflict Resolution

Conflict occurs everywhere in life. At home and at work and everywhere else. It’s natural. Webster defines conflict as a disagreement, as in “we have conflicting interests.” More relevant to this chapter is a second Webster definition: a serious disagreement. For this chapter to be useful, we’ll focus on addressing and resolving serious differences. Kerry Patterson, author of *Crucial Conversations* (our source book for this chapter) defines a serious disagreement this way:26

- The topic is important
- There are differing views
- Emotions run high

Patterson says that when you have these three elements, you are faced with a crucial conversation. Most people (especially politicians, it seems) have very weak skillsets in this regard. Emotions run high and the self-righteous blaming begins.

In our work with investment teams, we find that conflict resolution is the weakest skill of the 24 that we measure. The question on the survey is phrased: “Conflict is addressed and resolved in a constructive way; we know how to ‘deal with it’ and move on.”27

When you understand the dynamics of conflict resolution, you understand why the score is low on this question! From our research, several factors are needed for good conflict resolution:

- Trust
- Candor
- Productive debate

These skills build on one another. Trust is necessary for candor; trust and candor are both necessary for good, productive debate (rather than argument). Most teams don’t have the first three factors established strongly enough for use in addressing and
resolving conflict. So, before we explain a method for resolving conflict, you may want to look at these three factors as cornerstones.

The Enneagram plays an important role in resolving conflict because it explains where the natural friction points are between types. For example, Ones tend to aim for 100% completion on projects, whereas Threes may be satisfied with 80%, as efficiency is their goal (get more done). This can lead to conflict. One way to think of conflict is the model in Figure 7.1.

As you can see, personality type – the Enneagram type – is at the core of conflict. Then role comes into play: A compliance officer and a marketing professional may come into conflict due to their roles. Finally, context may create conflict: A colleague showing up late for a key client meeting will probably create conflict.

Because personality is often the core of conflict, we provide Table 7.1 (courtesy of Ginger Lapid-Bogda, PhD) to help readers understand the predictable ways in which conflict may arise due to Enneagram types. Please note that the term “pinch” refers to something that would be irritating, and “crunch” refers to the higher level of irritation that results from multiple pinches.

<table>
<thead>
<tr>
<th>Type</th>
<th>Common pinches for this type</th>
<th>Behavior of this type when pinched</th>
<th>How to approach a person of this type in a pinch or crunch</th>
<th>How individuals of this type can manage themselves in a pinch or crunch</th>
</tr>
</thead>
<tbody>
<tr>
<td>One</td>
<td>• Being criticized</td>
<td>• Curt statements</td>
<td>• Take a problem-solving approach</td>
<td>• Ask yourself: What does my reaction to this situation or to the other person’s behavior say about me in terms of my Enneagram type and about the areas in which I can develop?</td>
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<tr>
<td></td>
<td>• Another’s lack of follow-through</td>
<td>• Accusations related to other issues</td>
<td>• Allow them time to think through their feelings</td>
<td>• Am I listening with an open mind and heart?</td>
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<td></td>
<td>• Another’s non-collaborative changes to a plan</td>
<td>• Nonverbal cues of anger</td>
<td>• Provide some structure to the conversation</td>
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<tr>
<td></td>
<td>• Feeling deceived</td>
<td>• Saying nothing</td>
<td>• Let the 1 talk first</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>• Use nonjudgmental language</td>
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</tbody>
</table>

Table 7.1 Enneagram Type and Conflict
<table>
<thead>
<tr>
<th>Type</th>
<th>Common pinches for this type</th>
<th>Behavior of this type when pinched</th>
<th>How to approach a person of this type in a pinch or crunch</th>
<th>How individuals of this type can manage themselves in a pinch or crunch</th>
</tr>
</thead>
<tbody>
<tr>
<td>Two</td>
<td>• Being taken for granted</td>
<td>• Keep feelings to themselves for long periods of time</td>
<td>• Let them talk extensively</td>
<td>• Ask yourself: What does my reaction to this situation or to the other person’s behavior say about me in terms of my Enneagram type and about the areas in which I can develop? Am I expressing my own needs directly?</td>
</tr>
<tr>
<td></td>
<td>• Feeling unappreciated</td>
<td>• Intensely emotional when they do not say something</td>
<td>• Ask clarifying questions</td>
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<td></td>
<td>• Not being heard</td>
<td>• Think through what they will say in advance, which will include how they feel, why they feel that way, what they believe the other person has done wrong</td>
<td>• Share your perspective</td>
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<td></td>
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<td></td>
<td>• Make sure to validate their perspective</td>
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<td></td>
<td></td>
<td></td>
<td>• Discuss feelings and thoughts</td>
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<tr>
<td>Three</td>
<td>• Being put in a position of likely failure</td>
<td>• Ask a short sequence of structured questions</td>
<td>• Be kind and clear</td>
<td>• Ask yourself: What does my reaction to this situation or to the other person’s behavior say about me in terms of my Enneagram type and about the areas in which I can develop? Am I willing to disclose information that may not make me look good?</td>
</tr>
<tr>
<td></td>
<td>• Not looking good professionally</td>
<td>• Unlikely to say that they are upset</td>
<td>• Make sure there is no excessive work pressure on them</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Being blamed for the poor work of others</td>
<td>• Body language unlikely to give clues</td>
<td>• Do not use an intensely emotional tone</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Not receiving credit for work</td>
<td>• Over time, tone of voice becomes sharp</td>
<td>• Use a rational, problem-solving approach</td>
<td></td>
</tr>
<tr>
<td>Four</td>
<td>• Being ignored or slighted</td>
<td>• Do not suggest that they are being overly sensitive</td>
<td>• May say something in a blunt way</td>
<td>• Ask yourself: What does my reaction to this situation or to the other person’s behavior say about me in terms of my Enneagram type and about the areas in which I can develop? Am I displaying my objectivity and emotional balance?</td>
</tr>
<tr>
<td></td>
<td>• Being asked to do something contrary to personal values</td>
<td>• Be careful not to act blaming or accusing</td>
<td>• Become extremely quiet</td>
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<tr>
<td></td>
<td>• An event that elicits envy</td>
<td></td>
<td>• Experience multiple feelings simultaneously and intensely</td>
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<td></td>
<td></td>
<td></td>
<td>• Excessively analyze the situation in order to understand</td>
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<td></td>
<td></td>
<td></td>
<td>• Hold on to feelings for long periods of time</td>
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<tr>
<td>Five</td>
<td>• Breaking confidences</td>
<td>• Offer an open invitation to express their feelings</td>
<td>• Say little</td>
<td>• Ask yourself: What does my reaction to this situation or to the other person’s behavior say about me in terms of my Enneagram type and about the areas in which I can develop? Am I expressing my feelings in the moment?</td>
</tr>
<tr>
<td></td>
<td>• Being surprised</td>
<td>• Listen until they are completely finished</td>
<td>• Pull back, but may not show this outwardly</td>
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<tr>
<td></td>
<td>• Dishonesty</td>
<td>• Paraphrase their feelings, thoughts, and meaning</td>
<td>• Retain the experience mentally</td>
<td></td>
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<tr>
<td></td>
<td>• Out-of-control situations</td>
<td>• Do not suggest that they are being overly sensitive</td>
<td>• May express anger as outrage during an intense pinch or during a crunch</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Overwhelming tasks</td>
<td>• Be careful not to act blaming or accusing</td>
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</tr>
</tbody>
</table>
| Six | • Pressure  
• Lack of genuineness  
• Lack of commitment  
• Abusive authority | • May withdraw  
• Engage in intensive analysis  
• May be highly reactive  
• Conjecture and project own thoughts, feelings, and motivations onto the other person | • Give them space when they want to withdraw  
• Allow them to share completely  
• Validate their right to their perspective  
• Be warm and genuine  
• Rebuild trust | • Ask yourself: What does my reaction to this situation or to the other person’s behavior say about me in terms of my Enneagram type and about the areas in which I can develop?  
• Am I differentiating between my projections and my insights? |
| Seven | • Boring and mundane tasks  
• Feeling dismissed or not taken seriously  
• Unjust criticism | • Avoid situations by thinking of pleasurable alternatives  
• Rationalize their own behavior  
• Blame or condemn others | • Make the initial overtures for conversations nonintrusive  
• Ask nonjudgmental, open-ended questions  
• Allow them to fully express themselves  
• Draw out their line of reasoning  
• Communicate your understanding of their feelings  
• Validate their experience  
• Be sincere, direct, and nonaccusatory | • Ask yourself: What does my reaction to this situation or to the other person’s behavior say about me in terms of my Enneagram type and about the areas in which I can develop?  
• Am I willing to deal with and stay focused on painful and difficult issues? |
| Eight | • Injustice  
• Not dealing directly with the issues  
• Others not taking responsibility for their own behavior  
• Being blindsided  
• Another’s lack of truthfulness | • Feel surges of anger that propel them to action  
• Sift and sort information and feelings quickly  
• Avoid feeling vulnerable or out of control, if possible  
• May withdraw entirely  
• Seek the counsel of individuals they trust and respect  
• Dismiss and discard those for whom they lack respect | • Be direct  
• Be honest  
• Listen to the intensity of their feelings  
• Do not act weak or uncertain  
• Avoid language that they might perceive as blaming them  
• Validate their experience  
• Be sincere, direct, and nonaccusatory | • Ask yourself: What does my reaction to this situation or to the other person’s behavior say about me in terms of my Enneagram type and about the areas in which I can develop?  
• Am I sharing my feelings of vulnerability and showing my softer side to both myself and others? |
| Nine | • Disruption of peace and harmony  
• Being told what to do  
• Feeling ignored  
• Rudeness in others  
• Overt hostility  
• Feeling taken advantage of  
• Being confronted  
• Not feeling supported | • Say nothing  
• Facial tension may give a slight indication of anger  
• May be unaware of own anger  
• May place anger onto someone not involved  
• Anger may remain with them for periods of time | • Ask about their anger in a kind and simple way, and in an indirect and low-pressure manner  
• Listen fully  
• Affirm the fact that they have expressed anger directly  
• Share alternative perspectives in a way that still validates their feelings | • Ask yourself: What does my reaction to this situation or to the other person’s behavior say about me in terms of my Enneagram type and about the areas in which I can develop?  
• Am I taking a clear stand on issues and expressing my anger directly? |
When you begin to understand the power of the Enneagram, you understand why helping people on your team uncover their type is so useful.

Having laid out the conflicts due to personality types, we’ll use the “Cube” model described in Chapter 4 and Figure 4.3 to address it; Figure 7.2 can be used for reference.

**Figure 7.2 Cube Feedback Model for Addressing Trust Issues**

<table>
<thead>
<tr>
<th>FACTS</th>
<th>STORY</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Prior agreements</td>
<td>• Opinions</td>
</tr>
<tr>
<td>• Actions</td>
<td>• Judgments</td>
</tr>
<tr>
<td>• Results</td>
<td>• Interpretation</td>
</tr>
<tr>
<td>• Video camera view</td>
<td>• Assumptions</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>REQUEST</th>
<th>REACTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Request</td>
<td>• Gratitude</td>
</tr>
<tr>
<td>• Action Plan</td>
<td>• Anger</td>
</tr>
<tr>
<td>• Development</td>
<td>• Disappointment</td>
</tr>
<tr>
<td>• Improved skill or knowledge</td>
<td>• Fear</td>
</tr>
<tr>
<td></td>
<td>• Excitement</td>
</tr>
</tbody>
</table>

Three phases of the model are useful: before the conversation, during, and after.

**Before the Conversation**

Before the conversation, spend some time looking at your own reaction. If you simply approach the other person when you are angry (“under the line”), you won’t resolve the conflict and will probably make it worse. (This outcome explains why many people avoid conflict altogether: they’ve tried – unskillfully – and simply made it worse.) As we discussed earlier, the Cube is also very helpful in handling these discussions.

Given that the conversation involves a serious disagreement (i.e., conflict), this sort of thoughtful preparation is important. Do not – repeat, do not – try to resolve conflict with an unprepared, shoot-from-the-hip approach. It will almost certainly backfire. And, of course, don’t avoid the conflict if the topic is important. Instead, plan for it carefully by using the model in Figure 7.2. Let’s walk through an example.

Imagine this scenario: You and a colleague work hard on a project. The work goes well. The outcome is successful. The boss calls a meeting to hear the results. Your colleague and several others attend the meeting, but you are on a business trip. When you return,
one of the attendees pulls you aside and says, “I just thought you should know that when Joe presented the results to the boss, he didn’t mention you. It sounded like he did all the work.”

Ouch. Your first reaction might be, “Where is that slithering snake? I want to see if he’ll fit in one of the trash bins around here.” Understandable. But seeking revenge won’t resolve conflict (although many people take this short-term gratification approach). Instead, let yourself cool off and choose to take the high road: a respectful attempt to resolve this matter. (Point: It makes a difference if this incident is a one-time event, or a pattern. Let’s assume here that it’s a one-off.)

Walking through the Cube model works like this:

**Facts:** What is unarguable? What happened that a video camera could have recorded? In this case, be careful not to say, “Hey, in the meeting with the boss you took all the credit.” You don’t know that. It’s not a fact. The fact is that a third party told you that is what occurred. Other facts are things like the time the meeting occurred, who attended, that you were gone on a trip, etc. But those facts are not nearly as important. So, write down the fact: You heard from a third party that Joe presented the results in such a way that it sounded like he did all the work himself.

**Story:** What story did you make up about the facts? Here’s where things get interesting, because people can make up very different stories about the same facts. Someone in the meeting may have heard Joe say the very same words but interpreted them differently: “No, Joe wasn’t taking all the credit. The boss knew that two of them worked on it.” It’s important for you to be clear with yourself what story you made up. Most likely, it was something like: “That stinks. We worked hard on that and I assumed he would treat me fairly in the meeting with the boss. Joe is a lot more self-centered and sneaky than I thought. He can’t really be trusted.” To shorten it to a bumper sticker, your story is: “Joe is self-centered and untrustworthy.”

Because many people have trouble resolving conflict – and are afraid of it – they avoid it and hang on to their stories; in this instance, that Joe is self-centered and untrustworthy. Obviously, this approach doesn’t contribute to optimal teamwork.

Returning to the Enneagram and its utility, we can predict what stories various types might make up about this incident, and how they might react. Table 7.1 helps us predict how various types will react. Eights are very concerned with truth, justice, and fairness, plus they are decisive and action-oriented. Eights may well feel betrayed and often power up for a confrontation. They may blast the supposedly erring individuals and
then “discard” them. Threes who crave looking good professionally will be angry for a
different reason: they didn’t earn the recognition they were counting on. Threes
typically won’t respond directly, as an Eight would; instead, they may work behind the
scenes to get satisfaction. Twos will experience yet another reaction. They value
relationships above all else, so they will feel unappreciated and taken for granted. Twos
may keep their feelings to themselves, spin on them, and finally express their feelings
to the other person, explaining why they feel that way and what the other person’s
behavior did to their relationship.

**Reaction:** As noted earlier, reactions may be very different depending on type.
Importantly, understand your own reaction and write it down. Were you angry?
Disappointed? Sad? Confused? Allowing yourself a moment to consider your reaction
is useful in gaining self-awareness and in calming down. Naming feelings has been
shown to be a good way to manage feelings. The saying is, “What you can name, you
can tame.” In the example we are using, a likely reaction is, “I felt angry about it. And a
little betrayed.”

**Request:** Importantly, identify what you want as an outcome from this conversation
(confrontation, meeting, …). This is where the cool-down period and reflection are
helpful. You may say at first, “I want to wring his neck,” but that’s probably not your
best plan. If you are in a working relationship with this person, it would probably serve
you better to choose another outcome. Perhaps one like: “I want to resolve this in a
way that I feel OK about. And that would involve Joe making things right. I want him to
acknowledge his behavior and I want him to tell the boss that it was a joint effort.”
Often, as I’ve pondered this final step of request, I change my initial thinking and get
clearer about what I really do want. The less passionate, more analytical approach
tends to move those rioting emotions to a more manageable arm’s-length; it’s a
useful exercise.

In short, before you address the conflict, cool down and work through the Cube. (Use
Table 7.1 to zero in on how your type reacts.)

**During the Conversation**
The most important aspect of the conversation is safety. The conflict won’t be
resolved well, if at all, if there isn’t sufficient safety for both parties. One or both of you
will be defensive – and that brings out the worst in us. There are two key ways to
establish safety:

**Mutual Purpose.** Figure out what the common goal is that makes sense to both of
you. For example, “we both want a good client experience.” Keep this goal front and
center during the conversation. It represents a common interest that you can align around. You both want it.

**Mutual Respect.** Treat the other person with respect, not just tolerance. Assume that the other person is an intelligent and decent person who wants to do the right thing. Most of the time, they are. Realize that in the situation you are addressing, they may have had a bad day or weak moment. Again, this is where the Enneagram is so useful. Each type gets triggered differently. For example, Twos get triggered when they feel unappreciated. A Five may not be tuned in to that aspect of a relationship – they are often logical and detached from feelings – and may trigger a Two without any awareness that they have done so. The clearing conversation may come as a complete surprise to the Five and may not offend her at all. Rather, a Five – who loves to learn and is very logical – might consider it a useful learning experience. Mastering the basics of the Enneagram can help you understand what respect “looks like” for each type.

Use the Cube model during the discussion to describe how you experienced the conflict. Make sure you simply report your experience without blaming or attacking the other person. Your goal is to honestly explain your reality – how you experienced the event – and the other person’s role is to listen respectfully and learn from it. A successful resolution comes from the mutual respect shown in this crucial step. Note: There need not be agreement about the issue of disagreement. If the basic conflict is about how the other person treated you during a debate, then the matter to be resolved is: “I want to be treated respectfully.” It is not: “I want you to adopt my position.”

**After the Discussion**
Sometimes the conflict is resolved simply by having the discussion described in the preceding subsection. Other times there is a follow-up step, often an agreement. In the preceding case, the parties may agree that they will treat each other respectfully, even when they disagree. In the first example – concerning the credit for work done – the follow-up may include going to the boss and explaining that two people completed the work, not just the person who reported on it.

We’ve used this model successfully over the years and it is well worth learning and practicing. For a more complete description, we highly recommend reading Patterson’s book, *Crucial Conversations.*

**Enneagram Examples**
To tie this model to the Enneagram, let’s consider a few examples. First off, understand that the Enneagram is a good tool for avoiding a confrontation in the first place. Learn the basics shown in Table 7.1 and you can anticipate the pinch points of different types.
For example, if you are dealing with a One and you try to finesse something that may not be quite accurate, that will trigger him. Knowing this in advance can help you prepare for the discussion and understand his reaction. Many times this advance knowledge softens the impact when you hear the One’s resistance or irritation.

If a confrontation does occur, the Cube model in Figure 7.2 provides a useful tool for addressing it constructively.

Here are some situations we’ve observed and resolved successfully.

A COO, an Eight, was very upset because the Type Three CEO was taking too much time away from the office. Eights are very concerned with fairness and justice. She saw the CEO’s behavior as completely unfair. Others had to “punch the clock” and show up at the office, whereas the CEO did not. In fact, the COO had counted the number of unexplained absences and put the number at 52 days in the last year. The trigger occurred when the COO implied that the CEO was not a hard worker (i.e., had taken time away from the office to relax and have fun). At this point, the Type Three CEO lost it. Threes tend to be workaholics, likely to work harder than anyone else, so when this CEO was “accused” of slacking, it hit like a dagger to the heart. The CEO was given a chance to explain that he was working tirelessly on planes, trains, and automobiles. It was absolutely untrue that he was “slacking” in any way. By understanding each other’s Enneagram type – that Eights are hyper-attuned to fairness, and that Threes are devoted to working hard – they resolved this difference and left the meeting with a renewed appreciation for each other.

A Type One PM and a Type Two CEO were battling because the CEO behaved in the typical Two fashion: very generous and friendly. Meanwhile, the PM was practical and logical and not given to praise. (Remember, Ones have a very strong inner critic and often are the least appreciative type, focusing instead on the shortcomings of people and processes.) When the CEO upped his generosity toward the PM – remember that Twos give to get – he was met with indifference. This pattern would continue until the CEO finally exploded out of fear and frustration. His life strategy was not working. He felt unappreciated and taken for granted. This core issue bled into all aspects of their relationship: authority (the CEO was unwilling to bestow the title of CIO on the PM), compensation, and ownership in the firm. Obviously, these decisions were viewed by the PM as completely unfair, which is a big issue for Ones: fair and principled behavior. The relationship deteriorated until finally FCG was called in to mediate. The Enneagram was very helpful in explaining how the relationship had derailed. Interestingly, the two people in this
example actually held a great deal of affection for one another. As they unwound the friction, they were delighted to recover their underlying friendship. Often, this is the outcome of a conflict.

Given that personality type plays a central role both in creating conflict (through misunderstandings) and in resolving conflict (by understanding), you can see why we’ve had success using this tool to reduce drama in organizations.

**In summary:**
- Conflict is normal and occurs in all relationships.

- For investment firms, it is the most difficult skill to learn and apply.

- Personality type is core to conflict. Therefore, understanding the types is very useful in avoiding and resolving conflict.

- Each type has unique “pinch points” that trigger reactions. Table 7.1 highlighted the pinch points and how to work with and through them.

- The model used for resolving conflict involves strategies to use in three phases of the conflict discussion:
  - First, understand your own reaction and “Cube” the discussion (i.e., plan it out).
  - Second, establish safety by emphasizing mutual purpose and respect.
  - Third, address any follow-up steps or agreements going forward.

- Understanding your own type and that of the other person helps in all three phases of conflict resolution.

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27 On a 7-point scale (7 = strongly agree, 4 = neutral, 1 = strongly disagree), the industry score for conflict is 4.65. (The highest score is for the factor “I feel that my work is important to reaching our firm’s goals”: 6.25.)
Professional Development: Managing the Ego

Now that you have some familiarity with the nine types and some of the ways they influence behavior, let’s explore personal growth. How do you develop professionally through use of the Enneagram? Any person in a firm – regardless of role – can benefit from understanding the influence of their Enneagram type.

The Enneagram types represent our ego strategies for survival. In this sense, the ego is not “bad”; in fact, it serves a useful purpose. The ego helps us move up Maslow’s hierarchy of needs – from survival to belonging to self-esteem – by satisfying these “deficiency” needs. The ego responds to fear and helps us stay safe, finds people to care for us, and crafts a successful career. These basic fears fall into three broad categories: wanting security, wanting approval, and wanting control. The ego devises strategies, often primitive, to meet these needs. For example, the Type Two is especially prone to wanting approval. These types are called helpers or givers because that is their strategy for receiving approval. Their ego thinks, “If I give to people, then surely they will reciprocate and care for me” – and there is research to show that this strategy has merit. But if Twos don’t bring self-awareness to their behavior, they can easily end up as people-pleasers. They can go on auto-pilot and make their life strategy about making sure others’ needs are met, at the expense of their own. The development path for Twos is to use self-awareness to let go of this need to endlessly please people and give from a genuine place of caring, rather than a fearful place of “I need their approval.”

Note that these strategies can seem rather innocent on the surface, but at a primal level they can feel like life or death. Which, of course, is why they have such powerful influence over our lives.

Consider another type, the Three, which is dominant in the investment world. The Three’s survival strategy is: be successful, look good, be a winner. By being successful, Threes will satisfy their basic wants – security, approval, and control – and get the “good” things in life. As with any of the nine strategies, there is truth to this. Threes
make good grades; often excel at sports, the arts, or other activities; go to good schools; get good jobs; earn good money; and so on. In the United States, this formula is part and parcel of our culture. Arguably, the United States is a Type Three culture. And we know that the investment world is a Three culture. So, what is the underlying fear that drives this behavior? Failure. Again, at a primal level, failure for a Three feels like death. If you don’t believe us, just ask one! When we’ve asked Threes the very direct question “What if you fail?” we get horrified looks. Plus comments like, “Failure is not an option” (Apollo 13). So, a Three on auto-pilot becomes a human “doing”: working long hours, accomplishing tasks, and moving on to the next thing.

The negative consequences of Three behavior are twofold. First, they often suffer burnout because they are going full out 24/7: a “mush-dog-mush” mentality. Second, they become human doings, no longer human beings. In fact, often Threes focus so much on achieving and moving forward that they lose touch with who they are. They have trouble connecting with their teammates in a genuine way. Co-workers become means to an end. (We know from our culture work that the investment industry suffers a serious scarcity of appreciation, as noted earlier in the book.) Further, some Threes focus so much on winning that shortcuts become acceptable. Much of the misbehavior in the investment world can be attributed to the heavy Type Three cultures that value winning over anything else, sometimes including their fiduciary responsibilities.

Often Threes can be difficult coaching clients because they have achieved so much success that they resist change. Their reasoning is: “Why should I listen to you? I’ve achieved way more than most. I’m a winner. I’d be stupid to change my ways.” And there is a certain logic to that, as there is with any of the nine ego strategies. Usually, Threes have to wait until they see clearly that their strategy is not working, then their motivation to change surfaces. For example, a workaholic Three might face serious health problems – heart disease, migraines, ulcers – or personal problems (e.g., a spouse who is fed up with an “absent” partner). Threes who have experienced these life-altering events will frequently express gratitude later that they were forced to look at their mindset and behavior.

Table 8.1 shows the basic worldview (described earlier in the book) for each type, the ego’s strategy for dealing with it, and the approach for unwinding the ego’s grip (i.e., getting out of auto-pilot behavior).
<table>
<thead>
<tr>
<th>Type's Worldview, Strategy, and Approach</th>
<th>Descriptions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Type One</strong></td>
<td>People must be good and accurate to get what they need.</td>
</tr>
<tr>
<td>Wayview</td>
<td>I learned to be good, responsible, and conscientious. I have high internal standards, and I follow the rules. My strong inner critic monitors my actions. I suppress my anger.</td>
</tr>
<tr>
<td>Strategy</td>
<td>Observe myself constantly, judging things as good or bad, right or wrong. Accept that there is more than one way to do things. Forgive myself and others, let go of judgments. Allow time for pleasure. Question strict rules and structures.</td>
</tr>
<tr>
<td>Approach for unwinding the ego</td>
<td></td>
</tr>
<tr>
<td><strong>Type Two</strong></td>
<td>To get, you must give. To be loved, you must be needed.</td>
</tr>
<tr>
<td>Wayview</td>
<td>I learned to get what I need by observing carefully what others need and giving it to them. I feel proud of being indispensable.</td>
</tr>
<tr>
<td>Strategy</td>
<td>Approval does not depend on changing myself for others (people-pleasing). Gaining clarity about the real me and what I need. Allowing myself to give and receive without expectations. Setting limits and boundaries. Noticing when my helpfulness is intrusive or controlling.</td>
</tr>
<tr>
<td>Approach for unwinding the ego</td>
<td></td>
</tr>
<tr>
<td><strong>Type Three</strong></td>
<td>The world rewards winners, so I will work hard to succeed.</td>
</tr>
<tr>
<td>Wayview</td>
<td>I will get my needs met by achieving and succeeding. I will maintain a good image. I will develop a driven, go-ahead energy that masks my true self.</td>
</tr>
<tr>
<td>Strategy</td>
<td>Becoming self-reflective about what really makes me happy. Slowing down. Welcoming my inner experience. Moving away from approval by others to what actually matters to me. Listening, being receptive, developing empathy. More being, less doing.</td>
</tr>
<tr>
<td>Approach for unwinding the ego</td>
<td></td>
</tr>
<tr>
<td><strong>Type Four</strong></td>
<td>Something important is missing. To get what I need, I must recover it.</td>
</tr>
<tr>
<td>Wayview</td>
<td>I must keep searching for an ideal love or perfect circumstance to feel loved, whole, and complete. Something is missing and I must recover it.</td>
</tr>
<tr>
<td>Strategy</td>
<td>Focus on what is positive and present in life, rather than what is missing. Set goals and achieve them, even as feelings fluctuate. Appreciate the ordinary and cultivate joy in seeing others succeed.</td>
</tr>
<tr>
<td>Approach for unwinding the ego</td>
<td></td>
</tr>
<tr>
<td><strong>Type Five</strong></td>
<td>The world demands too much from people. I must conserve my resources so as not to be depleted.</td>
</tr>
<tr>
<td>Wayview</td>
<td>I learned to detach and protect myself from intrusions. I became private and self-sufficient. I limit my desires and wants and accumulate lots of knowledge.</td>
</tr>
<tr>
<td>Strategy</td>
<td>I allow myself to experience my inner world and reconnect with my emotions. I realize that I do have the resources to achieve my goals and that abundance is possible. I practice “not needing to know” (curiosity) and give up the mask of The Know-It-All.</td>
</tr>
<tr>
<td>Approach for unwinding the ego</td>
<td></td>
</tr>
<tr>
<td><strong>Type Six</strong></td>
<td>The world is unpredictable and hazardous. People often can’t trust one another.</td>
</tr>
<tr>
<td>Wayview</td>
<td>I became hypervigilant to guard against dangers. I obey authority and develop processes to provide for more safety and security. Sometimes, when I become doubting, I defy authority and charge into perceived threats. I will consider all scenarios and plan accordingly.</td>
</tr>
<tr>
<td>Strategy</td>
<td>Learning to trust myself and others. Accepting that uncertainty is a natural part of life. Use others to check my fears (i.e., reality testing). Cultivate courage by taking action in the face of fear.</td>
</tr>
<tr>
<td>Approach for unwinding the ego</td>
<td></td>
</tr>
</tbody>
</table>
**Type Seven**

**Worldview**

The world limits people, frustrates them, and causes them pain that can be avoided.

**Strategy**

I learned to avoid limitations and pain by using my active mind to engage in pleasurable activities or fantasies. I stay busy and try one experience after another. I am very creative and keep generating ideas.

**Approach for unwinding the ego**

Notice when my quest for pleasure is in response to fear of limits or pain. Practice working on one thing at a time until it is finished. Live in the present, reduce fantasizing. Welcome the light and the darkness. Keep commitments to self and others.

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**Type Eight**

**Worldview**

The world is a hard and unjust place in which the powerful take advantage of the weak.

**Strategy**

I learned to become strong and powerful by imposing my own truth on others. I hide my vulnerability in order to protect myself and gain respect from others. I developed a big, forceful personality. I trust my instincts.

**Approach for unwinding the ego**

Notice my intensity and impact on others. Recognize when my intensity is an attempt to mask my vulnerability. Practice waiting and listening rather than responding impulsively. Learn to apply the appropriate amount of force in response. Seek win-win. Learn to compromise.

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**Type Nine**

**Worldview**

The world requires people to blend in so that they can survive.

**Strategy**

I learned to forget myself and to blend in. I learned to be satisfied with inessentials and small comforts rather than my real priorities.

**Approach for unwinding the ego**

Pay attention to my own needs and well-being. Recognize that irritation is a signal that I may be discounting something inside me that matters. Watch for times when I procrastinate to avoid taking real action steps and moving forward. Accept discomfort and conflict as a natural part of life.

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**The Four Rs**

Having discussed the strategies and escapes from the ego’s influence, we now describe in more detail the process for freeing oneself. There is a useful mnemonic – the four Rs – that covers the four steps to unwinding the ego. The four Rs are:

- Recognize
- Refrain
- Release
- Repeat

**Recognize**

Step one involves the most powerful aspect of emotional intelligence, the place where it all starts: self-awareness. **Recognize** means developing the ability to spot the behavioral patterns as they emerge. For example, Eights are passionate and comfortable with anger. If they get frustrated in a meeting, they are the most likely type to express anger, which might look like an attack. Frequently, we hear that Eights are scary. They are intimidating to many. Hence, the ego strategy for Eights – to be powerful and in control – which may have worked well on the playground, can undermine their leadership or teamwork. We have coached many Eight leaders who wonder why they receive little if any feedback from their staff. When we interview the staff, the reason is obvious: they are scared of the Eight. A natural tendency for many Eights is to fight back, or to seek
revenge. For example, we will give an Eight the feedback that his nickname is “the terminator” and the immediate response from the Eight: “Who said that!?” Obviously, that sort of response is exactly why staff members are fearful. They know that the leader will seek retribution.

So, for Eights to unwind the ego, they must recognize these patterns. They need to be aware of how Eights operate when on auto-pilot, and to understand how the auto-pilot behavior can undermine their effectiveness. In the case we’ve been describing, the damage is poor communication and little feedback. A self-aware Eight who receives critical feedback would feel the immediate urge to retaliate – a detrimental response – but could instead make a different, more constructive, choice of behaviors.

**Refrain**

*Refrain* means don’t do the auto-pilot behavior. Again, this requires you to have developed enough self-awareness to spot that automatic response. In the case of the Eight, refraining could mean don’t go on the attack. Instead, learn to become curious. Attack looks like “Who said that?!?” A different response – curiosity – could look like, “Hmm. Why am I perceived as a terminator? What can I learn from that feedback? How can I be more effective?” Based on the ego strategy of an Eight -- be powerful and take charge – you can see what a stretch it is to refrain from retaliating and instead become curious. This second step of refraining applies to all nine of the types and strategies. Twos, for example, need to recognize their people-pleasing tendencies and then refrain from the automatic response of “How can I help?”

**Release**

The third step begins with relaxing. We don’t mean find the nearest sofa and take a nap. Instead, this step is linked to the second step. If you can catch your automatic response and refrain from doing it, then you can relax and release it. The mistake that most of us make when faced with discomfort is to tense up and fight it. This choice increases the discomfort. Rather than fighting the situation, learn to relax into it and accept it. Experience your immediate reaction fully. Don’t stuff it or push it aside. Don’t judge it. Just experience it: anger, embarrassment, sadness, confusion … Whatever it is, just let it be without judging or pushing it away. If you practice this technique, over time you will find it remarkably simple but effective in dealing with the predictable resistance that the ego will offer up. Remember that the ego only recognizes fear and survival. Therefore, it dismisses the idea that relaxing into the discomfort could be a successful strategy. But relaxing and letting go will work if you practice it over time and persevere. Like any habit – smoking, drinking too much, eating bad food – it takes time to unwind it. In our experience, this simple practice of allowing what is to be (“It is what it is”) can be profoundly life-changing.
Repeat
Then we have the final R, repeat. You won’t break the ego habits after the first or second attempt. It will take a while to lessen the force of the habit, and the ego will be rooting against you and fighting to regain control the entire time. Be careful not to declare war on the ego. Remember, the ego served you well in your earlier days when you needed a crude but effective strategy to survive and get your basic needs met. Instead of doing battle with the ego, simply recognize its pull and gently tell it, “Thanks, but we don’t need that old strategy anymore. You can go into semi-retirement. I’ll let you know when I need you again.”

At this point, some readers might be curious about the part of one’s psyche that is used to navigate this behavioral change. What is the part of ourselves that we are using to unwind the ego? People have used many names for this part of the psyche: the observing self, the witness, the higher self, and so on. The key is that we all have a part of our awareness that can observe our feelings and thoughts. This part is capable of observing without judging, without labeling good or bad, right or wrong. The practice of mindfulness uses this witnessing ability that each of us possesses to help us become increasingly present to what is happening in the here and now. Your efforts to unwind your ego will be helped considerably by simple daily practices in mindfulness or a variation of mindfulness, meditation. These practices strengthen one’s witnessing ability: the ability to become conscious and move beyond auto-pilot.

Hopefully, from this description of the four Rs, you begin to see the value of knowing your Enneagram type. You now have a map of the territory. Enneagram types reveal both the ego strategy you’ve adopted and a path to freedom. When you have a basic understanding of your type, you have the blueprint for your unwinding work. Without the Enneagram blueprint, it might take years for you to uncover the ego’s strategy. (Remember, the ego doesn’t want to lose control and is very clever at hiding itself in the shadows.) Plus, our natural defenses do their best to rationalize away our faults and shortcomings. The Enneagram helps us cut through the fog and see clearly the path to freedom. Even if you are functioning at a high level and enjoying lots of success, the Enneagram will help you see where your type holds you back.

**In summary:**

- Becoming the best professional – or leader – you can be involves managing your ego and letting your true self (or “higher self”) take charge.

- Knowledge of your Enneagram type is essential in transitioning from auto-pilot (where your ego runs the show) to conscious leadership (where your true, witnessing, mindful self takes over).
Table 8.1 described the basic strategy that each Enneagram type devises in order to survive. Unless we become conscious and self-aware of these strategies, we will use them on auto-pilot for our entire lives.

Don’t declare war on the ego. That is just a trap to let ego continue to run the show, because now you are at war with yourself. Rather, use your ability to witness (or “observe”) your thoughts, feelings, and behavior. This self-awareness is the best tool for unwinding the ego.

A four-step process is useful in practical situations:
- Recognize that you have been triggered.
- Refrain from an auto-pilot response, like defending yourself.
- Release the reaction by accepting it fully without judgment, then letting it dissolve.
- Repeat this practice over and over until it becomes natural.

Use of this technique over time will help unwind the ego and allow you to be at your best by practicing conscious leadership, of yourself or a team or a firm.

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CHAPTER 9

Practical Applications of the Enneagram

We hope the discussion of the Enneagram in this book has helped you understand yourself and your colleagues better. Most importantly, we hope that it has provided ideas for how you can use the Enneagram in your everyday life, both at work and outside of the office. We close the book with concrete examples of how the Enneagram has proved useful in our work with clients.

A Type Three creating “mini-me’s” (Enneagram and culture)

Many times as leaders learn more about culture and the Enneagram, they realize that they have mirrored themselves on the leadership team. A talented Three leader made this discovery when he reviewed the results of his culture survey with us. The firm had enjoyed great success in growing assets to well over $100 billion from a modest base as a start-up twenty years prior. Despite this commercial success, the culture survey revealed that the Executive Committee (EC) viewed the firm very differently from the staff members (roughly 200 people).

The EC’s collective view of the culture was:
- Highly aligned around a common set of values: client focus, integrity, accountability, excellence, continuous improvement, and competitive/be the best
- High morale because of cohesive culture and strong results
- Strong ability to attract and retain talent

In contrast, the staff’s view was:
- Several sludge factors (dysfunctional behaviors) in the firm’s culture
- Low morale, as the leaders were unappreciative and relentless about driving for results
- Flight risk due to burnout and low morale
When the CEO saw this disconnect between the EC and the staff, he asked us for advice. We suggested the Enneagram as a way to understand the mindset of the EC. When you understand the senior team’s mindset, it provides an important insight into the culture and functioning of the firm. What the Enneagram results revealed was that the EC (eight people) comprised six Type Threes and two Type Eights. These Enneagram types, as you know from reading this book, are the hardest charging of all the types. If unchecked, they will drive staff members over the edge in terms of demands, high expectations, and workloads. And this is exactly what was happening at the firm in question. The EC was on “auto-pilot” like a runaway train. Staff members were exhausted and demoralized. They could not seem to do enough to please the EC. There was always more to do. And the bar was continually raised.

Now you might say, “Well, why didn’t the staff members simply tell the EC that they were pushing too hard?” They tried to, and the response was, “We have some slackers who don’t want to pull their weight.” Accordingly, the push-back from the staff died away as “complainers” were punished for their feedback.

In this case, the Enneagram proved invaluable because it held up a mirror that allowed the EC to view themselves as the rest of the firm did. Fortunately, the EC was willing to lean into the Enneagram and learn more about their own personalities and those of the staff. We used a metaphor from athletics to suggest the “sprint and recover” approach to work. You don’t train for a race by exhaustively training every day to the breaking point. You work hard, then recover. The EC began to realize that their own pace – which was frantic – was not a realistic pace for many other types. The EC got points for addressing the issues raised in the culture survey and for improving their self-awareness. The progress forward was not perfectly smooth – more like two steps forward and one back – but over a year’s time, the culture had definitely improved. And importantly, the view of it by the EC and the staff had become more aligned.

A Type Seven CIO Driving his Type One Director of Research Nuts
(communication and feedback)
A friendly and engaging Seven had earned a reputation as a brilliant investor with a talent for new ideas and perceptive insights about the markets. He was well liked by the PMs and the team of analysts. He had wisely assigned a One as his Director of Research because she complemented his creative and flexible style with a skillful approach to carefully designed processes and clear “swimming lanes” for the analysts. For a short time this arrangement worked very well. The CIO continued to use his creative mind to analyze markets and provide good insights for the investment team, and
the director designed an effective investment process. After a few months, however, the CIO woke up in the middle of the night with a creative and – to him – compelling idea about how to completely rearrange the structure of the investment team.

The next day, without even a warning, he explained his new idea to the Director of Research. The tone in his voice was not one of “let’s bat this around and see if it will work.” Rather, he was so excited about the new structure that he began explaining how it would work and why it was so much better. The DoR listened quietly (remember, Ones do not like to show anger) and then left the meeting without saying anything except a simple “OK.”

The CIO was intuitively astute and called us to discuss the situation. He knew it had not gone over well. As we listened to the scenario, it was clear – from the Enneagram perspective, which he and his team knew – that he had, well, stepped in it. As we further discussed the situation, he asked us to meet with his DoR.

The meeting with DoR went as expected. She was furious with his decision. “I’ve just spent three months getting the analysts aligned and effective with the existing structure and now he wants to shake the whole thing up like a snow globe. I can’t deal with this.” Given that Ones have the strongest inner critic of any type, she was being very tough on herself: blaming herself for somehow falling short of the CIO’s expectations and, therefore, causing him to want to rearrange the whole process. This is a typical reaction from a One. Rather than seeing the Seven as someone who gets bored easily and allows his creative mind to create a new experience, she saw the change as her failing. In reality, no one was “wrong” in this scenario. Each was simply using their natural gifts: his being creative and adventurous (risk-taking), hers logical and stabilizing (risk-minimizing).

**Enneagram insights:** The upshot of this situation was a clearing conversation using the Enneagram to provide perspective on each of their approaches. Both individuals were extremely bright and versed in the Enneagram, so they quickly saw the predicament. As they talked it through from “over the line” (calm and respectful), the DoR decided that the CIO’s approach just wouldn’t work for her. She wanted a steadier, more predictable work assignment. As a result, she went back to being a successful and valuable contributor as an analyst. The CIO moved a different analyst into the DoR role. The new analyst was a Three who also had a gift for planning and structure, but was more comfortable with flexibility. The lesson for the CIO was to manage his creative output such that he wasn’t continually “springing” new ideas on the staff. This lesson has been common for Sevens, in our experience. As one of the most creative and
fast-moving of the Enneagram types, they can get in trouble as leaders by become whirl ing dervishes who spit out ideas faster than anyone can understand them, let alone execute them.

When we followed up a few months later, the new arrangement was working well, with all parties productively performing in their roles.

The Deliberating Five and the Frustrated Eight (decision-making)
An endowment fund had chosen a Five as its CIO. He was easy-going and extremely likable. Like most Fives, he enjoyed his quiet, alone time and spent a fair amount of time in his office. He was self-aware enough to realize that he should leave his office door open to invite interaction, even though Fives as a rule do not like intrusions. The role of the CIO and his team was to select managers, then allocate funds to them.

The CIO’s boss was an Eight who was not an investor by training. She was the Chair of the Board of Trustees. Her job and that of the Board was to ensure that the endowment’s funds were responsibly invested. At first all went well when the new CIO was hired. The Chair understood that it takes time to learn the players and the system. The CIO as a Five began the job by collecting data. He listened carefully and respectfully to all the PMs and analysts. He kept careful records of the conversations and kept collecting more data. And more data. And more data. Eventually, the Chair begin to feel that “nothing was happening.” She had asked the CIO to find a deputy head of the team who could look after operations tasks. After a full nine months, the CIO had not hired anyone. Eventually, the Chair hired us to work with the CIO because her frustration had reached a peak. Remember, Eights are in the “action” triad, which means they are prone to decisiveness and moving forward. The CIO’s behavior could not have been more perfectly planned to ignite her. When we talked to her privately, she showed the typical passion of an Eight, dropping the f-bomb a number of times. The first step in coaching the CIO was to do a 360, which included the Enneagram assessment. Here are some of the comments from his direct reports:

Positive comments:
• Open-door policy
• Investment acumen – very knowledgeable about various investment strategies (associated risks and returns)
• Shows appreciation
• Willingness to listen to others
On the negative side, and relevant to the issues discussed previously in this case (all comments from different staff members):

- He has a difficult time making decisions and getting matters across the finish line.
- Timely decision making/decisiveness doesn’t happen.
- He finds conflict and uncomfortable situations difficult to handle. He at times will delay decisions or actions which can lead his subordinates to believe he is being indecisive or not setting direction. While he clearly is mindful of obtaining the correct information to make decisions, he needs to be more resolute, particularly when the staff is looking to his authority as CIO.
- He appears at times to be reluctant to engage in tough conversations with staff members even though it is clear he is unhappy with some aspect of their behavior.
- He can improve being more direct with his subordinates in expressing what he wants/requires. I think he sometimes seeks to appease everyone and not offend anyone; however, not everyone will agree with him and some may not support him or his agenda. But everyone should be required to follow decisions that he makes, which will only occur when he requires it and makes it clear that he has the final say and his directions must be followed and adhered to.
- He has trouble making a decision, instead relying on his direct reports to try to come to a consensus. However, there is often disagreement among his direct reports and this CIO doesn’t appear to be able to get them all to “row in the same direction.”

Can you see why the Chair would be exasperated with the CIO’s behavior? The Type Eight Chair is the most likely type to take control, make decisions, confront people, and move forward. As shown by the preceding comments, this behavior is exactly opposite to that of the more passive, reclusive Five.

The upshot of this scenario has not been determined just yet. To his credit, though, the Type Five CIO has embraced the feedback and our coaching. He has also embraced the close involvement of the Chair as a partner and coach to him. The prognosis is positive, as both parties understand the Enneagram and the natural tensions that arise when a Five and an Eight work together. Once properly understood, their partnership can be quite effective. In the words of Helen Palmer,

The neutral quality that Five brings to management can be attractive to employees. Observers can radiate in-control leadership, and they can be resilient negotiators because they do not take negative pressure personally. Observers also bring a dispassionate analysis to decision making that allows Eights the freedom to say what they think without repercussions. A good interaction shows Eight exploding, Five detaching, and both deciding to drop the incident without holding a grudge.29
As FCG continues to work with this pair, Palmer recommends the following approach:

Mediation will have to focus on style of delivery. Eights are intrusive, and Fives are sensitive to intrusion. Eights want control, and Fives hold back. Each will claim that the other is controlling – the Eight by stepping forward to take control, and the Five by stepping back to exercise remote control. Regardless of who holds the managerial title, each partner can rely on the other’s natural endowments: Fives are shields from confrontation when a Boss moves into action, and Eights who work with an Observer learn to think before they act.30

Coaching an Ambitious Three: More than Just “Getting Stuff Done” (Managing teams)
Our next story could be the poster child for investment professionals everywhere, because it’s one we have seen more times than we can count. It’s about a Three who had been very successful as the leader of a small team, but is struggling after being promoted into a more senior leadership role. In this instance, our Three had recently been named as head of new business for one of three major asset classes at a global firm. After six months on the job, she realized that the skills that had gotten her there weren’t working so well in her new environment, and some were actually preventing her from making further progress. Her boss noticed, as well, and suggested coaching. In our initial meeting, it was clear that this Three was committed to feedback and willing to make changes, so we began a coaching relationship.

One of our first steps was to collect feedback from the Three’s colleagues, to gain a better understanding of how she was perceived across all the groups and levels with which she interacts. This is a critical step because it’s one that leaders typically cannot do on their own. As leaders move up in an organization, honest feedback about them actually goes down because others are often afraid of negative repercussions and thus may give less-than-frank feedback when asked face to face. But the same people are often very willing to share their opinions through the anonymous 360-degree assessment that FCG administers, because they are assured of confidentiality. Here is a recap of some of the comments we heard:

Strengths:
• From her boss: She has an incredible desire to get ahead and is ambitious, very smart, and understands the industry very well. She’s the one we send in when the task is “impossible.” She knows how to deal with obstacles and doesn’t quit until the job is done, no matter how difficult it is.
• From a direct report: One on one, I think she is an awesome leader. Really helpful in providing me with guidance and resources, but not getting in the way. She is available to us directly.
• Peer: She is very focused, smart, and knowledgeable, and her ability to bring in external perspectives and context is very strong. She has a high energy level, good breadth across the business, understands everyone’s motivation, and how they make money. She drives for results.
• Peer: She is very poised and well-spoken. Understands what she’s trying to accomplish and communicates well. She does her homework to understand new markets and surrounds herself with smart, capable people. Partners well. Quick thinker – gets to the essence, how to move people along. Really good outside the company, too. Believes that she CAN inspire people.
• Peer: She is polished, professional, and engaged in problem-solving. She has made great contributions. Brings in energy of other people for problem-solving.

A pretty complete package, don’t you think? Indeed, and up to this point in our Three's career, her strengths have served her well. But as she looks to the next level, there are some specific areas she can focus on to improve. Some specific developmental comments from her 360 follow.

Opportunities for Improvement:
• From her boss: I’m afraid I’ve created a monster. I’ve rewarded her over and over again for being aggressive, focused, and even ruthless in winning new business. But now that she needs to collaborate with other senior leaders, her approach is a disaster. I hope it’s not too late for her to change.
• From a direct report: She can be too competitive internally, and too focused on looking good. She acts like she is the smartest person in the room and she belittles people at times. With her team, she often steals the limelight and doesn’t seem to give us a chance to shine. She always needs to be right – even if it makes her own team members look bad.
• She seems very contained, put together, says the right thing. With other senior leaders, she is diplomatic but not so much with people at lower levels. Would like to see more authenticity and passion for a point of view. She’s trying too hard to get to the next level. She should do her current job really well, and not be so focused on the next job.
• She needs to improve the process of getting to the goals. The HOW we do it. Needs to work on team skills. She likes to say, “I get s*** done, and so should everyone else.” It’s fine to be productive, but she needs to embrace that she can be competent
and caring ... she can leave people intact to get the results she wants. She should coach from her area of competence instead of criticizing from it.

- Consensus building. Our organization focuses on collaboration and consensus ... so challenging the status quo is a good thing, but need to recognize the context which is consensus building. If people don’t think you’re open-minded and doing behind-the-scenes work to ensure alignment, you may not get broad-based support.

Using the Enneagram, along with the 360-degree feedback, the Three was able to get a more objective view of herself. Some of the constructive feedback was new to her, but a lot of it was familiar. At first, she pushed back against it, explaining away each of the situations as something that was someone else’s “fault.” This is often the initial reaction from people who are at a low to moderate level of self-mastery (described in Chapter 8). The coaching could have stalled there, and for a while, it did. But when the Three continued to run up against the same issues, and recognized that they didn’t reflect well on her, she got serious about making a change.

With that in mind, we took another page from Ginger Lapid-Bogda, PhD, who recommends the following development activities for Threes:

- Core Issue: Take time each day to get to know yourself
- Use your Two wing to show more personal warmth and empathy
- Learn genuine humility by accessing your connection to the Mediator (9)
- Push yourself to be completely honest (your connection to the Loyal Skeptic (6))
- Communication: Be authentic
- Teams: Rather than becoming impatient with prolonged discussions, coach teams through the differences.

Where the coaching really got traction was when the Three recognized that while the Enneagram was helping her understand herself, her colleagues and her team members better, it could also help her team be more successful. We recommended Bringing Out the Best in Yourself at Work, by Dr. Lapid-Bogda, which she devoured. She then recommended the book to everyone on her team, and is planning an offsite with FCG to do a deeper dive on using the Enneagram to become a higher-performing team.

An Independent Eight and an Over-functioning Two in a Bind (conflict resolution)

The president of a mid-sized wealth management firm, a Type Two, was well known for her thoughtfulness and insights regarding people, and an uncanny ability to anticipate what clients needed – sometimes even before they themselves did. She was also well liked by the staff and enjoyed spending one-on-one time with the team members. She
felt it was an important part of her job to really understand their needs, as well, and she was committed to providing an environment where everyone could succeed. Although she was a warm and approachable communicator, she also had a reputation for not being direct enough when team disagreements came up. As the firm grew, her unwillingness to deal with problems head-on became more problematic. Over time, she found herself at odds with the head of the operations/technology group, who was an Eight and wanted more autonomy in running his team. The president repeatedly stepped into the middle of operations staff situations because she wanted to be helpful, but her involvement often undermined the team head’s staff decisions.

One area where this was becoming particularly challenging concerned staff compensation and bonuses. The team head technically had authority over his staff budget, including the bonus allocations – but at the end of each year, the president would quietly meet one on one with each of the operations and technology team members, hand them their bonus checks, and give them a hearty “thank you!” without letting the team head know she was doing so. She even adjusted the actual bonuses based on her own perceptions of their performance. Each year, when the team head found out about the meetings, he would angrily confront the president and demand that he be allowed to handle all the bonus distributions going forward. The president would sheepishly apologize and agree that she would stay out of the process. But the following year, the same thing would happen.

**Enneagram insights:** The group head, an Eight, placed a premium on being able to call all the shots with his group, and to be in control of everything that involved them. He also deeply valued honesty and transparency, and prided himself on modeling “What you see is what you get,” with his direct style. When the president went around him to hand out the bonuses, not only was he triggered by the loss of control, he was also pinched by what he perceived as the president’s deceitfulness (another hot button for his type).

In contrast, the president, as a Two, deeply valued personal connections. Her deteriorating relationship with the Eight bothered her a lot, and she felt cut off from the members of that team. The president was also concerned about how the Eight was handling the group, and worried that the Eight’s blunt style was damaging morale on that team. Year-end was particularly stressful for them, so when bonus time came around, the president felt that she needed to do something to show them how appreciated they were. That’s why she would bump up their bonuses and hand the checks out herself.
This case was a textbook example of how Eights and Twos can get sideways with each other. The way out, as Helen Palmer describes, is through building trust. She says,

This pair is capable of almost synchronous action when they trust each other’s intentions. Their shared line on the diagram is commonly acted out in the workplace by Eight as the heavy and Two as the liaison with staff members. The pair can fall into good cop bad cop patterns, with the Boss as enforcer and the Giver offering concessions. It’s a good alliance when Two receives enough attention and when Eight feels safe enough to relinquish some of the control. 33

The two leaders found this to be an interesting revelation, and spent time discussing how to improve the situation. One important step was for the Two to be better at keeping her agreements, particularly around how compensation and bonuses were handled. Another was for the Eight to involve the Two in more of the group activities so she would feel more connected to the team. The changes didn’t happen overnight, of course, and there were plenty of times when the two leaders slipped back into their predictable type-driven behaviors. However, by knowing the Enneagram and being able to understand the situations through each other’s “lenses,” they were able to step back more often and find more productive ways to address the conflicts.

A micro-managing One learns to unwind so others can develop
As we saw in Chapter 8, the ego is influential in how we approach the world and can serve a useful purpose at various times in our lives. In the following example, we see how a One’s approach – having high standards and being good and correct – helped him in leading an investment team. However, it hurt his leadership effectiveness when he was promoted to CEO.

Joe, a Type One, had successfully managed an investment team for over ten years under the leadership of a Type Nine CEO who had created a culture where people felt trusted and empowered. Joe was well respected and his team was effective. Joe was described as a “very involved” leader who was intimately aware of every client, every portfolio, every project. The team and his peers appreciated that Joe would roll up his sleeves, dive deep into the details of a given project and make sure every T was crossed and I dotted. Joe thrived, internal and external clients were happy and Joe was tapped to be the heir apparent. But as CEO, it didn’t take long for the same behaviors that made Joe so successful with a team of analysts to be described as micromanaging, creating distrust and inhibiting his ability to set a strategic direction for the firm. His direct reports -- his peers prior to his CEO title promotion--began to complain to the former CEO. Two threatened to leave if nothing was done. This is when FCG was asked to facilitate a 360 process which incorporates the Enneagram to help Joe understand
how the strategies of the One impacted his leadership both positively and negatively. He was able to see how fear was driving these behaviors, and how his over-involvement made his directs feel untrusted and micromanaged. Joe was also able to see how being in the weeds on everyday matters was not allowing him time to lead the firm and focus on the bigger picture. By working to unwind his ego’s grip through better delegation, he was able to take on the responsibilities that the new role required, which helped him to be a more influential leader.

**In summary:**
These examples illustrate how useful the Enneagram can be in smoothing out the work flow in the office. Remember that personality differences are often at the core of conflict. When workers take the time to understand the natural work pattern of colleagues, they can demonstrate more tolerance and approach the resolution with respect and equanimity. The Enneagram is a tool for doing just that.

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31 Ginger Lapid-Bogda, PhD, *What Type of Leader Are You?* (McGraw-Hill, 2007)
APPENDIX A: The Subtype Variations

The Enneagram also takes into account our preferences among the three basic human instincts: self-preservation (physical safety, security and comfort), social (group belonging) or one-to-one (relationships and bonding). Each of these instincts manifests in a specific way for each type, producing three subtypes which are variations on that type’s primary theme. Exploring the subtypes can be very helpful in determining actual type, and also provides greater insight into the variation of behavior by people of the same type.

Beatrice Chestnut, Ph.D. has done extensive work on the 27 subtypes, drawing on her in-depth studies with Claudio Naranjo, who first introduced the Enneagram in the United States in the 1970s. Subtypes explain how the passion, or emotional pattern, of each type combines with each of the three instincts to produce three distinct variations of behavior. Bea’s book, “The Complete Enneagram: 27 Paths to Greater Self-Knowledge,” explains the subtypes in detail.

Another excellent source for subtype information, including in-depth Enneagram assessments that include subtype, is Integrative Enneagram Solutions. Visit https://www.integrative9.com/GetYourType/ for more information. The Integrative Enneagram summary of the subtypes is provided below.34

Type One: The Perfectionist

Self-preservation (WORRY): The true perfectionist who worries a lot, wants things under control and tries to anticipate risks and problems. SP Ones have a strong inner critic and are hard on themselves, with a heightened sense of responsibility. They are often anxious and like to be prepared, down to the smallest detail. This subtype avoids expressing anger but can feel deeply frustrated when disrupted.

Social (RIGIDITY): SO Ones bring attention to what is good, right and appropriate and set an example of integrity and principled conduct. High self-control and high
standards set them apart from people around them. Motivated by fairness and ‘making things right’ at their best they are systemic thinkers and role models for living one’s beliefs and values.

One-to-one (ZEAL): This One stands out from other Ones because of their intensity and impact on others. They have an idealistic view of how things should be and feel entitled to reform people or society to their way of seeing or doing things. This One may express anger and frustration directly when these efforts to improve others are resisted.

Type Two: The Helper
Self-preservation (PRIVILEGE): This Two may mistype with Enneagram Type Seven or Six. They are “cute”, often child-like in that they are slightly shy but charming and inspire protective instincts in others. The SP Two wants to be taken care of but resists being dependent on others, hesitant and self-protective in taking on long-term commitments and responsibilities. They feel hurt or withdraw when they feel or fear rejection from others.

Social (AMBITION): This Two uses their seductive powers in a more intellectual way to attract and engage groups, communities and broader systems. They stand out from the crowd, often taking a central or leadership role. They enjoy being ‘in the know’ and build their influence on their competence and connections. Giving more than they get may be a strategy to distract them from uncomfortable feelings. Less childlike than other Twos, their ambition and influence can mistype as a type Three or Eight.

One-to-One (SEDUCTION): This Two focuses their talents, seductive abilities and energy on attracting and building strong, intimate relationships. In close relationships they are then able to feel trust and assert their needs more clearly. They are strong-willed, flexible and passionate – even wild at heart – which may cause mistyping with Enneagram Four. Highly devoted in close relationships, they may find it difficult to accept limits or take “no” for an answer.

Type Three: The Achiever
Self-preservation (SECURITY): The self-preservation Three dislikes advertising their strengths and accomplishments overtly, and wants to avoid being seen as image-oriented. In spite of this, it is important to them to be recognized for their hard work and excellence. This subtype is reliable, efficient and productive and aspires to do the right thing. Their pursuit of security and self-sufficiency through hard work may lead to workaholism.
Social (PRESTIGE): The Social Three desires influence above all and tends to skillfully read and adjust to the social norms and requirements of teams or organizations. Highly competitive, they enjoy being in the spotlight and confidently market their ideas and accomplishments. Looking good and successful is very important and they may cut corners or cover up failure, so long as the finished product makes them and their team look good.

One-to-One (CHARISMA): This charismatic and enthusiastic Three focuses their competitiveness on supporting others, seeing success in relational terms. They tend to believe ‘if those around me achieve success, then I am successful’ which may lead them to mistype as a Two. They tend to compete for the attention and affection of those closest to them, and may suppress their own feelings to make themselves more attractive to others.

Type Four: The Individualist
Self-preservation (TENACITY): Where some Fours are dramatic and emotional, this countertype has learned to live with pain, suffering stoically and internalizing negative emotions, and wants to be recognized for being ‘tough’ and not complaining. Even though they are quite sensitive, they may be disconnected from their feelings and prefer not to share their pain with others. They are empathic and look out for and try to support others who suffer.

Social (SHAME): This emotionally sensitive Four is deeply connected to their suffering. They find comfort in suffering and express it to others, often attracting support and admiration from others. They are not competitive, but have a deep desire to be understood for who they really are. They often doubt themselves and focus on what they see as inferiority; they make comparisons to others and blame themselves, triggering strong feelings of envy and shame.

One-to-One (COMPETITION): This Four subtype is intense and vocal about their needs and feelings and are often described as ‘more shameless than shameful’ and mistype with Three and Eight. They tend to be demanding and competitive, escaping suffering by being the best in what they do. Demanding that others appreciate their needs may lead to a cycle of rejection, frustration and anger. Their ability to express these feelings of demand and anger may mask how sad or confused they really feel.

Type Five: The Observer
Self-preservation (CASTLE): Very protective of personal space and privacy, this type sets clear limits and boundaries and is very comfortable living a relatively solitary life with just a few close friends. They would much rather observe social life than participate in
it. Often truly introverted, they prefer not to reveal much of their inner self, finding it
difficult to lower their guard for fear of losing their privacy or sense of safety.

Social (TOTEM): The SO Five searches for the essence or meaning of situations, with
a focus on the big questions as they pursue wisdom and knowledge. They connect
with groups or experts who share their brilliance and high ideals, often disconnected
from everyday issues or emotions. While sharing values and ideals with energy and
enthusiasm, they may resist sharing space, time or inner resources, disconnecting from
the people around them.

One-to-One (CONFIDANT): The typically cool, analytical Five connects to passion in
this subtype, focusing that passion on one or two people in an otherwise reserved life.
They experience strong ‘chemistry’ with another person, enjoying the connection and
trust and openness this permits. They risk depending on this other person to make
them feel vibrant and alive, leading them to ‘test’ their partner’s loyalty or resist sharing
them with others.

**Type Six: The Loyal Skeptic**

Self-preservation (WARMTH): The anxiety of the Six blends with the self-preservation
instinct to make fear and insecurity a theme for this cautious subtype. To feel safe, they
build strong alliances and relationships with others. They are sincerely affectionate and
warm-hearted in their interactions with others. They repress anger and are hesitant to
share opinions, preferring to be cautious than risk mistakes.

Social (DUTY): This Six subtype connects to social ideals, working for a cause or
standing up for the weak. They tend to be more ‘black and white’ than the shades of
grey seen by other Sixes. They may seem like an Ennea One as they are precise and
careful and prefer to follow rules and procedures. Highly rational and dutiful, they work
to encourage compliance to rules or collective norms, and to ensure that everyone
knows what is expected of them.

One-to-One (INTIMIDATION): This Six deals with fear by going directly against it, and
tends to be bold, assertive or even intimidating, which may lead to mistyping as an
Eight. This Six is believes that the best defense is a good offence and reacting against
typical Six fears by running towards any fear or danger. This head-on approach may
appear rebellious or something of a daredevil. Their need to feel strength and safety
makes it difficult to connect to their doubts or feelings of vulnerability.
Type Seven: The Enthusiast
Self-preservation (KEEPERS OF THE CASTLE): This energized Seven is a great networker, gathering a ‘family’ of close supporters and motivated by wanting the best for everyone. They love the good things in life and may risk becoming self-interested and pleasure-seeking. This subtype is generally good at getting what they need to have fun and feel safe, but may also be good at rationalizing and defending whatever they want to do.

Social (SACRIFICE): This Seven acts against the gluttony that characterizes the Seven, tending to mistype with Enneagram 2. They are generous and have a strong desire to be of service, to create a better world. They will sacrifice their own needs to serve the needs of a group or person they support. They can be judgmental regarding selfishness in themselves or others and they hope to be appreciated for their sacrifice.

One-to-One (FASCINATION): The dreamer, the idealist, the romantic … this Seven sees reality through a rose-colored filter, connected to the possibility in everything. Their enthusiasm and optimism may seem unrealistic or naive as they tend to believe in the good in everything and everyone. They want the world to be more than dreary and dull and may embellish reality and dislike relationships that have become boring and predictable.

Type Eight: The Challenger
Self-preservation: (SURVIVAL/SATISFACTION): The SP Eight is strong, direct and productive and appears powerful and effective. Confident in even the most challenging situations, they are survivors and are pillars of strength for many as they take the role of guardian, father or mother figure. When their needs are not satisfied, they become frustrated and intolerant, and tend to take a direct, no-nonsense approach to get what they want, without guilt or apology.

Social (SOLIDARITY): The Social Eight uses their power and influence in the service of others, making them appear Two-ish in their drive to support others rather than asserting their own needs. Sensitive to injustice and unfair social norms, they are loyal and protective and shield ‘their people’ from harm, unjust authority or abuse of power. Even though they prefer not to be too vulnerable, they invite and appreciate tough feedback from close allies.

One-to-One: (POSSESSION): This Eight is the most rebellious Eight, provocatively breaking rules and standing out as a rebel, iconoclast or trail blazer. Their impulsiveness and desire for intensity may seem like Four characteristics, but these are rooted in an unapologetic drive to create change, willing to provoke and disrupt others to accumulate
power and influence. They have a desire to serve a worthy cause, but prefer to do so from a central or leadership position.

**Type Nine: The Mediator**

Self-preservation (APPETITE): The most ‘Eight-ish’ Nine, this subtype is concerned with meeting physical needs, focused on activities such as eating, reading or sleeping for their comfort and well-being. These activities are typically a strategy to escape or comfort themselves through fulfilling their appetites. Peace and time alone are important to them and they may be irritable and stubborn when others upset their balance or create problems.

Social (PARTICIPATION): This friendly, social Nine “leans in” and participates fully, often taking the role of mediator or facilitator in groups. They put their own issues aside, maintain a happy front to avoid burdening others and make sacrifices to meet group needs. They take comfort from feeling part of things in a broader group or community. Working hard to keep the people in their life happy, they may run the risk of becoming a workaholic, hiding their pain or stress.

One-to-One (FUSION): This subtype fuses deeply with significant others in relationships as a strategy to feed their sense of self and sense of comfort. They tend to feel more secure when partnered with others and may find it challenging to be on their own. They are resistant to paying attention to themselves, their passions and desires and tend to go along with the preferences of others, even if this means sacrificing their own plans and needs.

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34 Integrative Enneagram Solution https://www.integrative9.com/?gclid=EAIaIQobChMIz_50I2wIVAgVpCh09vA46EAAYASAAEgLuSfD_BwE
APPENDIX B:

Additional Resources

*Bringing Out the Best in Yourself at Work: How to Use the Enneagram System for Success,* by Ginger Lapid-Bogda, Ph.D., (Marlowe & Company, 1999)

*What Type of Leader Are You?* By Ginger Lapid-Bogda, Ph.D. (McGraw-Hill, 2007)

The Enneagram in Business website: www.theenneagraminbusiness.com

*The Essential Enneagram: The Definitive Personality Test and Self-Discovery Guide* by David Daniels, MD and Virginia Price, Ph.D. (Harper San Francisco, 2000)

*The Wisdom of the Enneagram* by Don Riso and Russ Hudson (Bantam, 1999)

*The Complete Enneagram: 27 Paths to Greater Self-Knowledge* by Beatrice Chestnut, Ph.D. (SheWritePress, 2013)


The Integrative Enneagram website: www.integrative9.com
About the Authors

**Jamie Ziegler** brings more than 35 years of investment experience to her coaching and consulting work, including 17 years as a senior marketing executive at Northern Trust and Stein Roe & Farnham in Chicago. She began her work with Focus Consulting Group in 2004, and co-authored *High Performing Investment Teams* in 2006 with Jim Ware. For the past twelve years, she has been using the Enneagram to help investment firms, teams and individuals achieve breakthrough results. She started her career as a mutual fund analyst and has co-authored numerous books and papers on mutual fund investing. She holds a BA from the University of Notre Dame and an MBA from DePaul University.

**Jim Ware**, CFA, founded the Focus Consulting Group in 1999. He has authored three prior books on investing and numerous articles appearing in *The Financial Analysts Journal*, *The Journal of Portfolio Management*, *Harvard Business Review* and *CFA Magazine*. He is a frequent speaker at industry events, such as the CFA Annual, the Greenwich Roundtable, the U.S. Delegates CIO Roundtable and Financial Analysts Seminar. His academic background is Williams College and the University of Chicago Business School. He lives with his wife and two daughters in Long Grove, Illinois.

**Liz Severyns**, LCSW, is a Partner at FCG and brings over 25 years of working with individuals and groups to the project management and diagnostic work at FCG. As an expert in psychology, she has a genius for reading people and situations. Combined with her training in assessments and specialty in crisis intervention, her expertise allows her to quickly identify developmental areas for leaders and managers at all levels of an organization. Liz has a BA in psychology from the University of Wisconsin-Madison and a MSW from Loyola University-Chicago.
Praise for *Type, Talent and Teams*

As an investment manager operating in a competitive environment, diversity of all forms is critical – especially diversity of thought. The Enneagram plays a key role in helping us build trust and improve communication between colleagues at all levels of our organization. When people understand their own and each other’s personality types – and friction points – they are better able to build trust, resolve conflicts and reduce stress. This leads to richer investment discussions, greater listening skills and better collaboration, which ultimately benefits our clients who look to us for our ideas and solutions.

Christine Hurtsellers, CEO, Voya Investment Management

Jim and Jamie’s work with our team on the Enneagram has been crucial for our firm. Knowing each team member’s type allows you to understand them more deeply as a person, which leads to better communication and a more productive and fun work environment.

Daniel Davidowitz, CFA, Partner, Polen Capital

Smart, sassy and serious – in such a good way – Jamie Ziegler’s and Jim Ware’s newest book, *Type, Talent and Teams: Using the Enneagram for Investment Firm Success*, showcases their decades of deep expertise and experience. It’s smart, using wonderful models and original research; the writing style is sassy, making it a fun and easy read; and the application to investment firms could not be more serious and important. I predict this is the book that will take the Enneagram to investment firms worldwide!

Ginger Lapid-Bogda, PhD, author of 7 Enneagram business books including *Bringing Out the Best in Yourself at Work* and internationally respected Enneagram teacher and organizational consultant

Sixty-eight percent of our staff identify as women or people of color. Using tools like the Enneagram to understand ourselves and our teammates has improved our listening, collaboration, productivity, and overall ability to fulfill the mission of Bridgeway.

Tammira Philippe, CFA, President and CEO, Bridgeway Capital Management