



Basic Instinct

About half of surveyed US CEOs claim **“gut feeling”** as an important criterion for decision-making. What studies over the years have found when that happens:



▶ Leaders allocate male managers **\$13 million to \$19 million more funds per year** than women, controlling for variables including education, age, and experience.

▶ Overconfident CEOs are **seven times more likely** than those who have more measured egos to appoint overconfident CFOs.

▶ Heads of firms who started their careers during recessions tend to be **more financially conservative**.

▶ Newly appointed execs are **more likely to hand out resources** to divisions that they don't have preexisting ties with, likely in an effort to build relationships.