

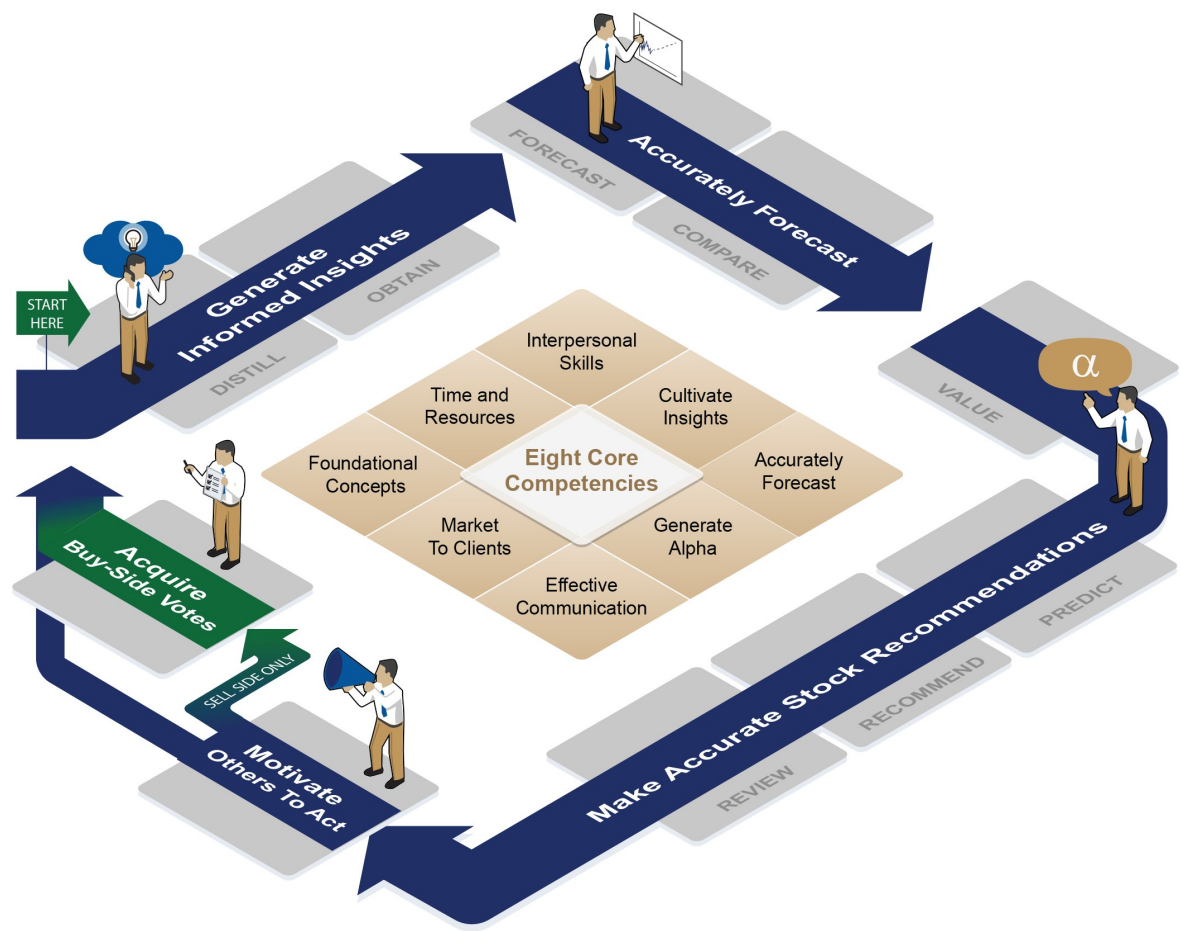
Assessment Results

Email info@analystsolutions.com
 Role [Sell-side Equity Research Analyst](#)
 Date [11-25-2013](#)

About the GAMMA PI™ Assessment

The GAMMA PI™ assessment is intended to help sector-specific buy-side and sell-side equity research analysts self-evaluate their performance across seven areas, specifically, the five primary activities of an analyst (blue arrows in diagram below), productivity and individual characteristics. The next two pages provide a summary, followed by more detailed analysis and feedback.

We strive to continuously improve all that we do at AnalystSolutions. Please send your valued feedback to info@analystsolutions.com.



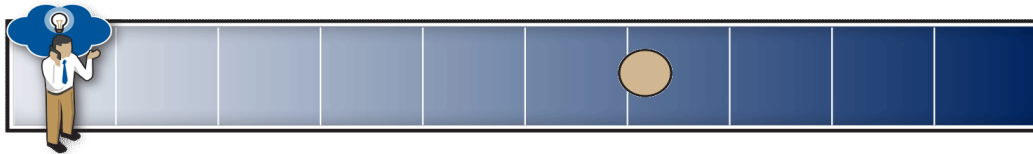
GAMMA SUMMARY

GAMMA PI™

The five elements of "GAMMA" (found on this page) represent the key activities of successful analysts, which can be achieved only by mastering the eight core competencies found on page 1. Your summary for GAMMA is found below, followed by more details starting on page 4. (The area "Acquire Client Votes" will be blank below if you did not state you are a sell-side analyst.)

Generate Informed Insights

Score



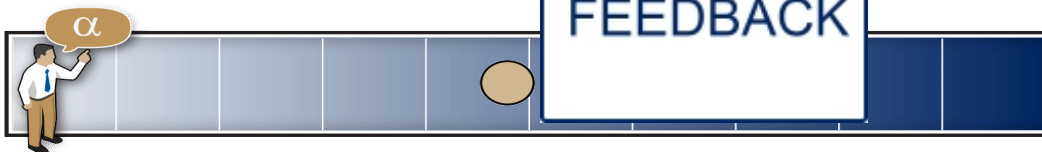
22/36

Accurately Forecast



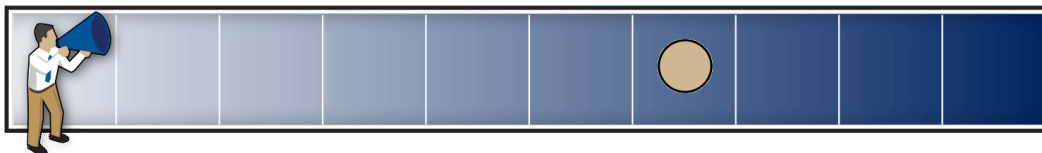
19/24

Make Accurate Stock Recommendations



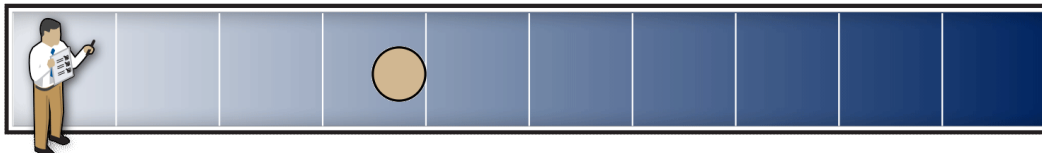
36/76

Motivate Others to Act



29/44

Acquire Client Votes



13/36

"PI" represents "Productivity" and "Individual Characteristics", two measures that shape your overall success as an analyst. "Productivity" measures an analyst's ability to work efficiently, prioritize and be a good time manager. "Individual Characteristics" measures personal behavior and management style, which are inherent qualities that influence performance.

Productivity

Efficiency

Score



26/36

Prioritization



10/16

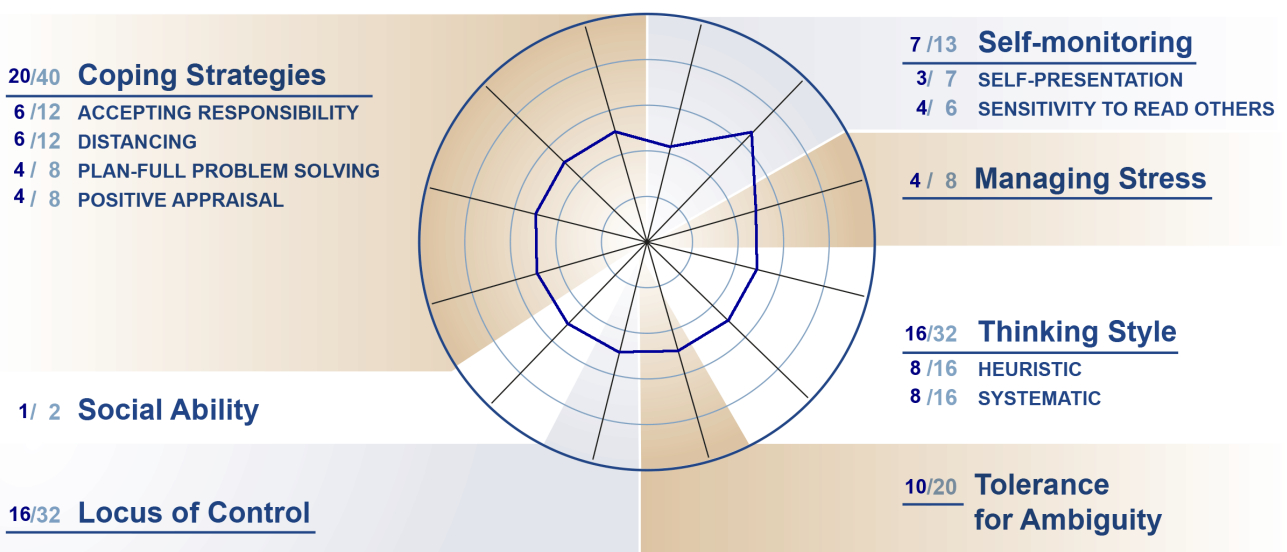
Scheduling



11/16

SAMPLE
FEEDBACK

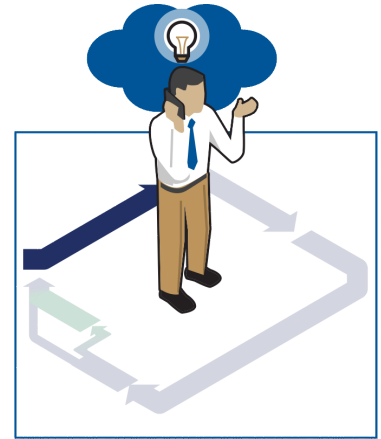
Individual Characteristics



GAMMA Details

Generate Informed Insights

Using the analogy that the quality of a meal starts with its ingredients, successful stock picking starts with generating informed insights. The best stock calls come from analysts who cultivate a wide network of information sources beyond company management, including those that can help the analyst derive an accurate view of the future.

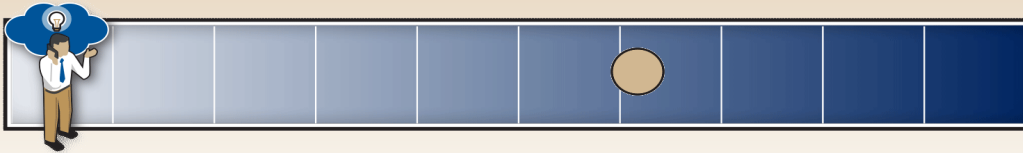


INDIVIDUAL FEEDBACK

Your score was in the mid-range for this category, which suggests you have good instincts for generating insights but you may need to make further improvements.

Generate Informed Insights

Score

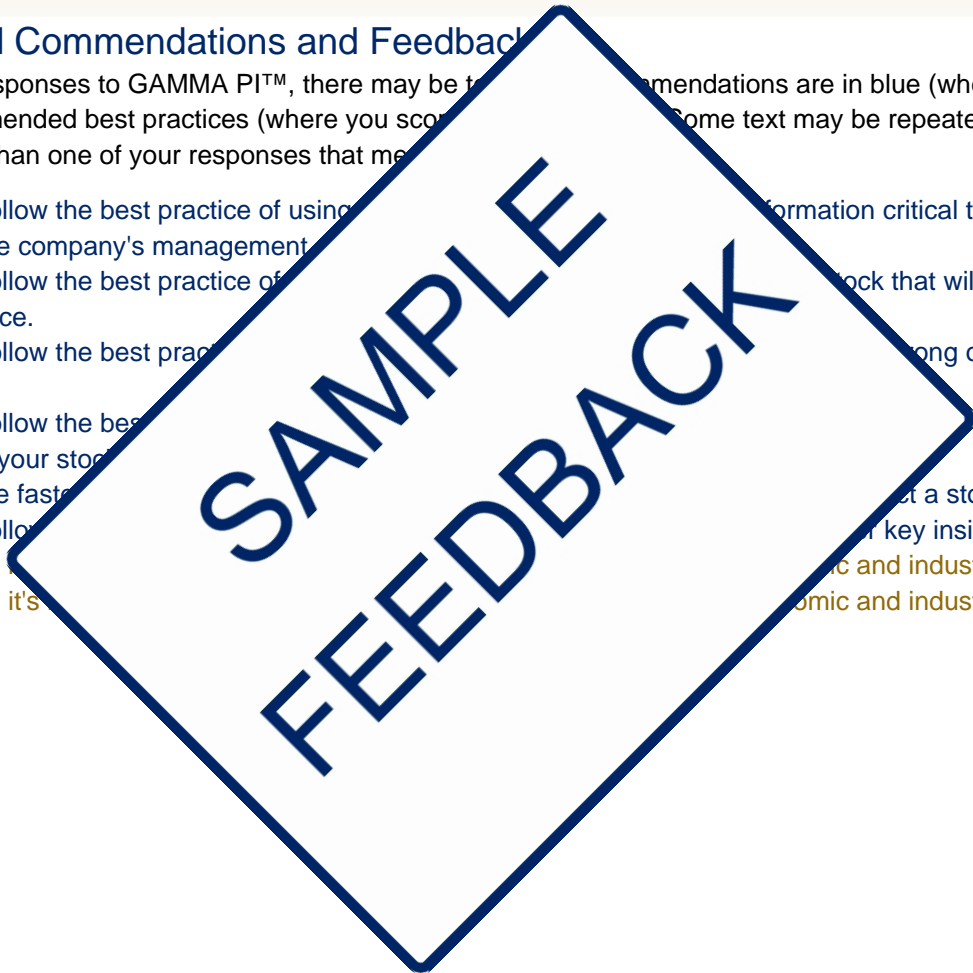


22/36

Personalized Commendations and Feedback

Based on your responses to GAMMA PI™, there may be some recommendations in blue (where you scored high) and recommended best practices (where you scored low). Some text may be repeated because it pertains to more than one of your responses that measured the same factor.

- You appear to follow the best practice of using information critical to your valuation rather than just the company's management.
- You appear to follow the best practice of identifying a stock that will likely be critical to their performance.
- You appear to follow the best practice of identifying a stock that is long or has a distorted view.
- You appear to follow the best practice of identifying a critical factor that is likely to impact your stock.
- You appear to be fast to identify a stock.
- You appear to follow the best practice of identifying key insights.
- For most stocks, it's important to consider economic and industry factors.
- For most stocks, it's important to consider economic and industry factors.

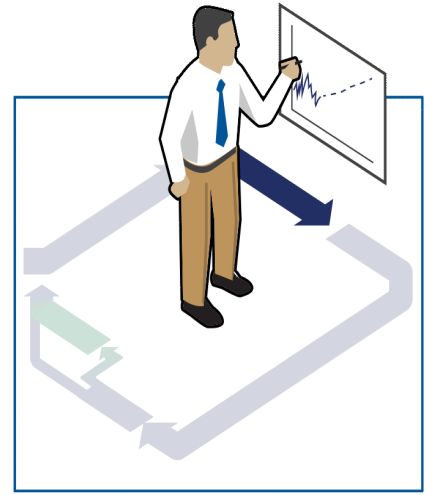


GAMMA Details

Accurately Forecast

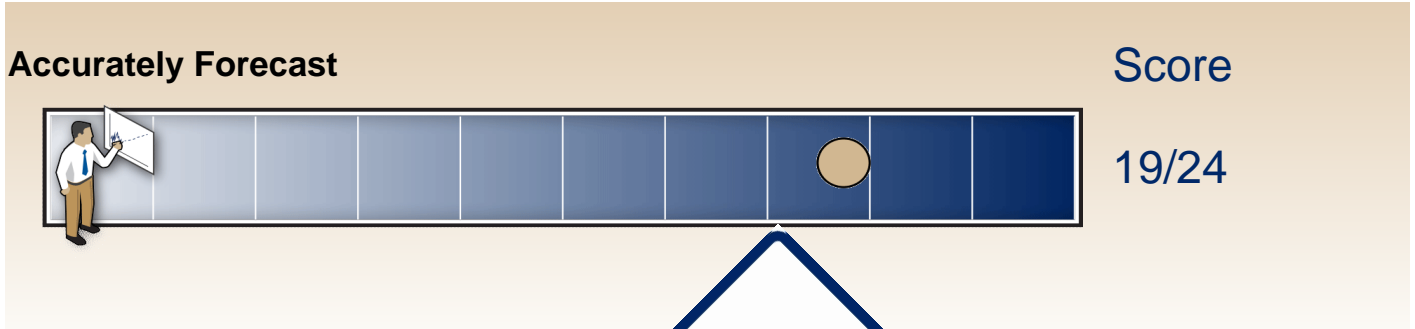
Most of the best stock calls are the result of an analyst's out-of-consensus financial forecast which comes from a combination of great insights (from the first step, "Generate Informed Insights") and thorough, accurate forecasting. Among the best analysts, we find that they:

- Have their own forecast (not relying on consensus or third parties)
- Understand all of the key elements of their company's financial model
- Periodically check the key assumptions in their financial forecasts
- Know where their forecast is most likely to be incorrect
- Proactively monitor how their forecasts compare to consensus
- Utilize integrated financial statements



INDIVIDUAL FEEDBACK

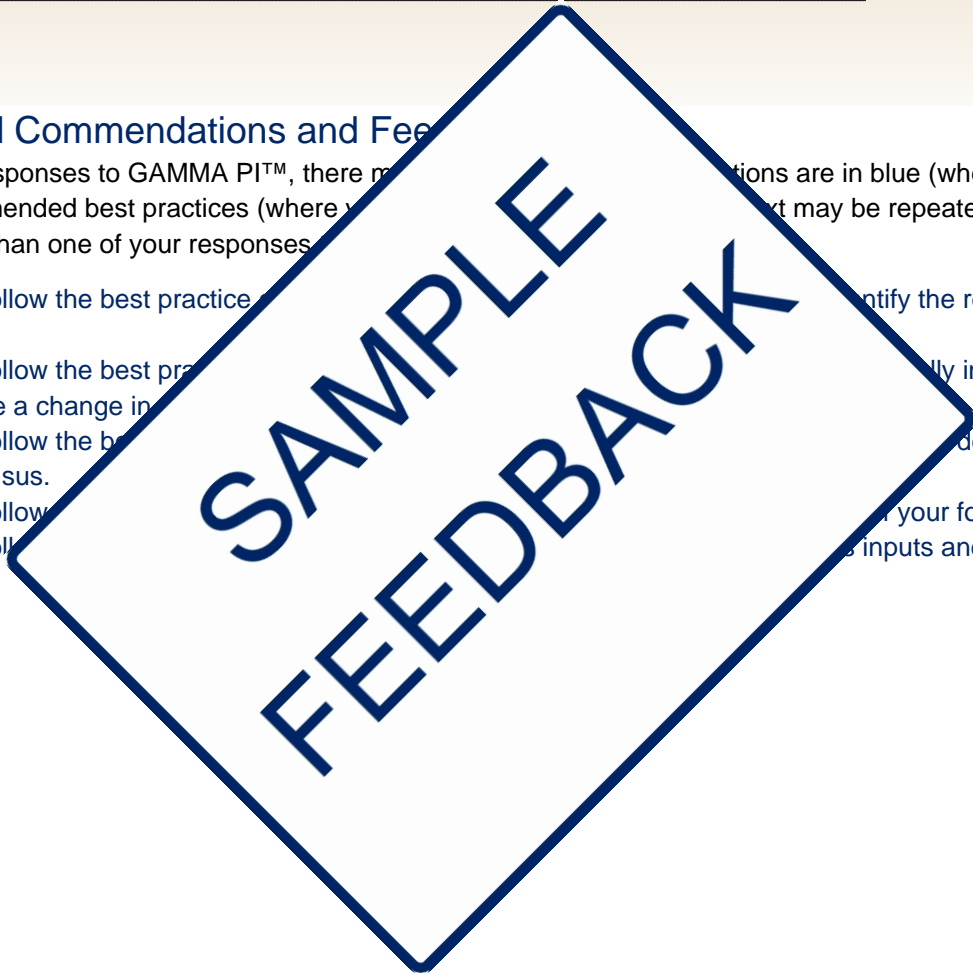
Your score was high in this area, which suggests you follow best practices for forecasting.



Personalized Commendations and Feedback

Based on your responses to GAMMA PI™, there are several items that are in blue (where you scored high) and recommended best practices (where you scored low). This text may be repeated because it pertains to more than one of your responses.

- You appear to follow the best practice of identifying the relative accuracy of your estimate.
- You appear to follow the best practice of utilizing integrated financial statements, where a change in assumptions is considered to avoid always being with consensus.
- You appear to follow the best practice of proactively monitoring your forecast.
- You appear to follow the best practice of utilizing unique selling propositions.

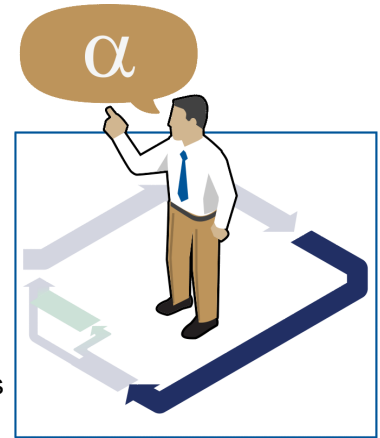


GAMMA Details

Make Accurate Stock Recommendations

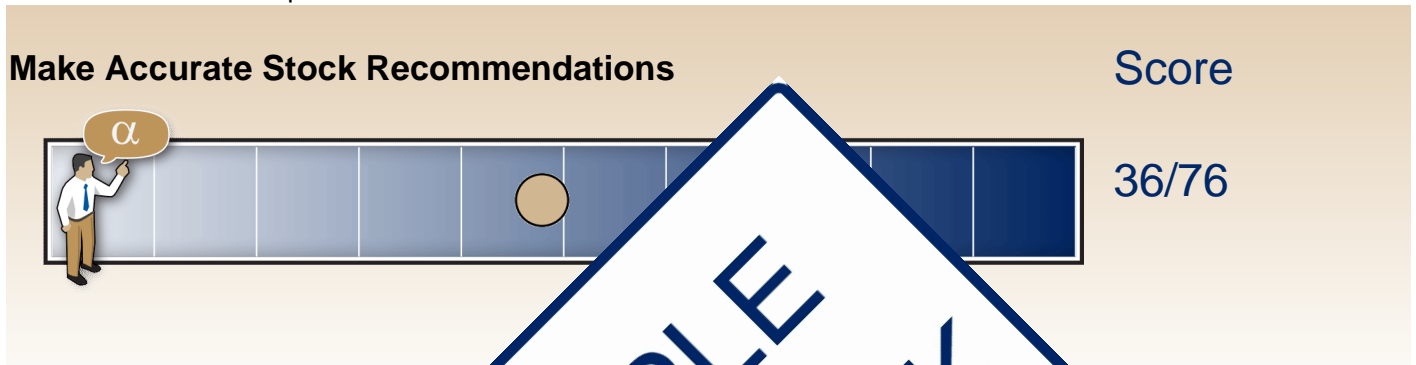
This is arguably the most important element of equity research, which is highly dependent on generating informed insights and accurate forecasting (the two prior stages of GAMMA). Analysts who make great stock calls tend to:

- Have a view towards just 1 or 2 of the company's critical factors that is uniquely differentiated, as evidenced by either an out-of-consensus 1) financial forecast; or 2) valuation method/multiple
- Be correct with their uniquely differentiated view
- Identify and forecast a catalyst that will bring the market around to the analyst's way of thinking within a typical investment time horizon
- Know where they are most likely to be wrong (with the forecast, valuation or in making a psychological mistake)
- Understand market psychology, including from those on the other side of the trade (i.e. those selling the stock when the analyst is recommending to buy)



INDIVIDUAL FEEDBACK

Your score was in the mid-range for this category, which suggests you have some stock picking skills, but you may need to make further improvements.



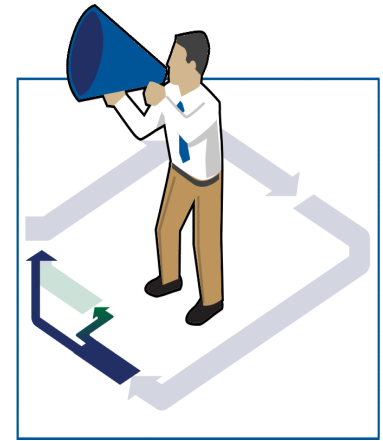
Personalized Commendation

Based on your responses to GAMMA, you appear to have a materially differentiated view (where you scored high) and recommended best price target (where you scored low) for a stock that is not consistent with the consensus estimates for the stock. This suggests that your view is differentiated because it pertains to more than one of the following:

- You appear to follow the best price target for a stock that is not consistent with the consensus estimates for the stock.
- You appear to follow the best price target for a stock that is not consistent with the consensus estimates for the stock.
- You appear to follow the best price target for a stock that is not consistent with the consensus estimates for the stock.
- You appear to follow the best price target for a stock that is not consistent with the consensus estimates for the stock.
- To stress test a stock call, it is important to consider the opposite side of the trade.
- Great stock pickers know the factors that must reverse for the call to work.
- Knowing the most common psychological traps that impact stock picking creates awareness to avoid them.
- Great stock pickers know the extreme view that exists in the financial markets before making a recommendation.
- Understanding the style (and consequent psychology) of the largest investors can help in stock picking.
- Great stock calls start by being differentiated from the consensus. The best stock pickers know why they differ.



GAMMA Details



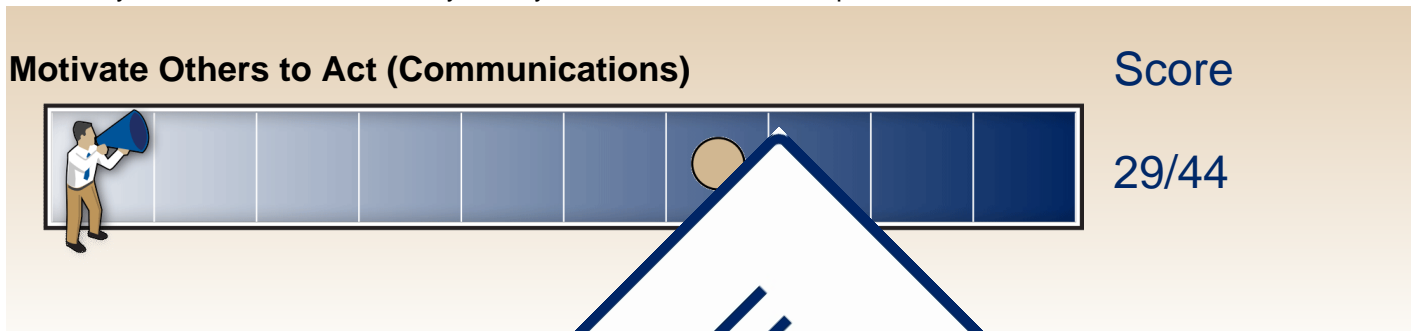
Motivate Others to Act (Communications)

Some analysts might conclude that the prior stage (make accurate stock recommendations) is the end of the process, because, in their view, getting the stock call right is all that matters. While making great stock calls is the most important skill to master, analysts won't receive credit unless their message has been constructed and delivered in an effective manner. It's for this reason that we also assess "Motivate Others to Act on Recommendations."

Unless you own your own firm, you'll need to communicate your ideas to get recognized, and eventually rewarded, for your efforts. Don't assume this element is just for sell-side analysts because, in addition to buy-side analysts being evaluated on their stock-picking ability, it's important for their ideas to get into the portfolio.

INDIVIDUAL FEEDBACK

Your score was in the mid-range for this category, which suggests you follow some best practices for motivating others to act on your recommendations, but you may need to make further improvements.

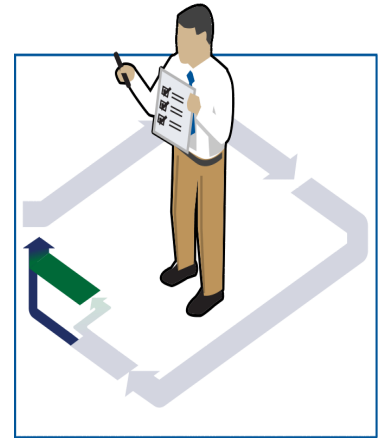


Personalized Commendations are

Based on your responses to GAMMA PI™, we identified your strengths in blue (where you scored high) and recommended best practices in orange (where you scored low). A best practice is repeated because it pertains to more than one of your responses.

- You appear to follow a best practice for **starting what you are going to say.**
- You appear to follow a best practice for **stating your conviction.**
- You appear to follow a best practice for **stating important dates/events that will be the catalyst for your recommendation.**
- You appear to follow a best practice for **clearly separating your opinion or forecast from 1) views of consensus and 2) your own research.**
- You appear to follow a best practice for **providing upside, downside, and base-case scenarios.**
- You appear to follow a best practice for **providing foundations by starting with a conclusion (e.g. add or reduce exposure to a stock).**
- You appear to follow a best practice for **providing recommendations by explaining where you could be wrong.**
- You appear to follow a best practice for **providing stock recommendations by explaining how you arrive at your price targets.**
- **Great stock calls start by being differentiated from consensus. The best stock pickers know why they differ.**

GAMMA Details

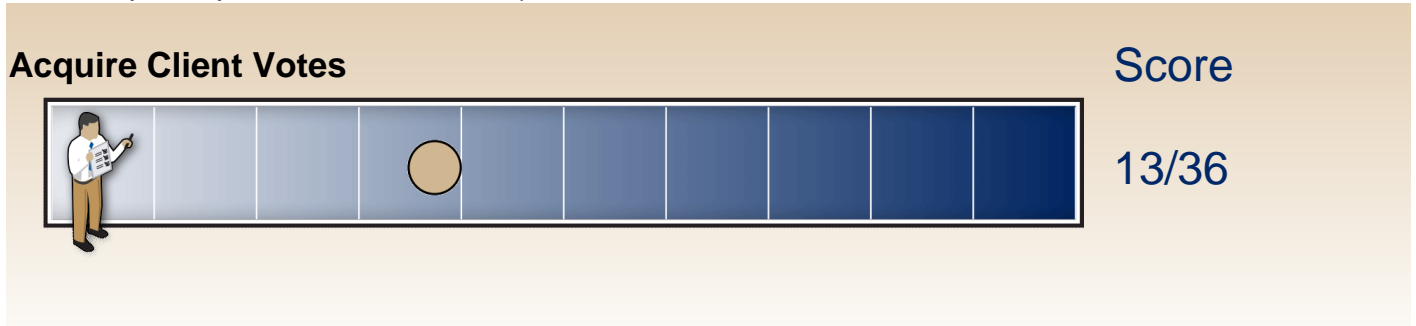


Acquire Client Votes

Being a great stock picker is important to almost every equity research analyst, but getting client votes is even more important to those working on the sell-side. This doesn't just happen on its own. Instead, it requires the analyst to proactively create unique client-centric research and then market that research.

INDIVIDUAL FEEDBACK

Your score was in the mid-range for this category, which suggests you follow some best practices for acquiring client votes, but you may need to make further improvements.



Personalized Commendations and Feedback

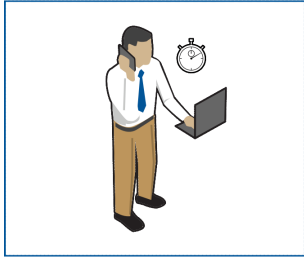
Based on your responses to GAMMA PI™, there may be text recommendations are in blue (where you scored high) and recommended best practices (where you scored low). Some text may be repeated because it pertains to more than one of your responses that merit

- You appear to follow the best practice of leveraging your message heard by the largest audience.
- You appear to enjoy speaking with clients. You are a great sell-side analyst.
- You appear to not be bothered when clients are a great analyst.
- You appear to have an outstanding research reports (which is indicative of high quality research).
- Your response suggests you have a large number of top analysts tend to be larger.
- You appear to be spending more time with clients, although top-tiered analysts tend to spend less time with clients.
- Clients find the most valuable research reports are not likely being published by others.
- Winning public awards.
- The best sell-side analysts usually find little value or interest in publishing quarterly reviews.
- Clients are looking for out-of-the-box reports that highlight the past are of little value.
- Top sell-side analysts usually have a large number of clients to ensure they always have new ideas to share with clients.
- Your response suggests you need to develop relationships with clients (through producing better research or marketing).
- Your response suggests you need to improve your research or client relationships which should yield more incoming calls from your firm's top-tiered clients.



PI Details

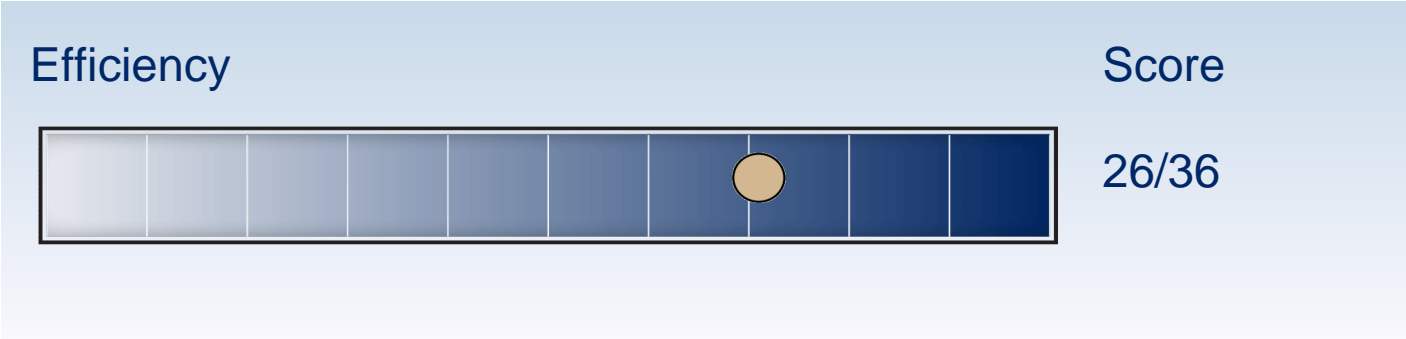
Productivity



For most, the role of equity research analysts is unstructured, because analysts can choose how to spend their time. We have found the best analysts are those who work efficiently, correctly prioritize and optimize their schedules. The feedback below is separated into 1) efficiency 2) prioritization and 3) scheduling.

INDIVIDUAL FEEDBACK

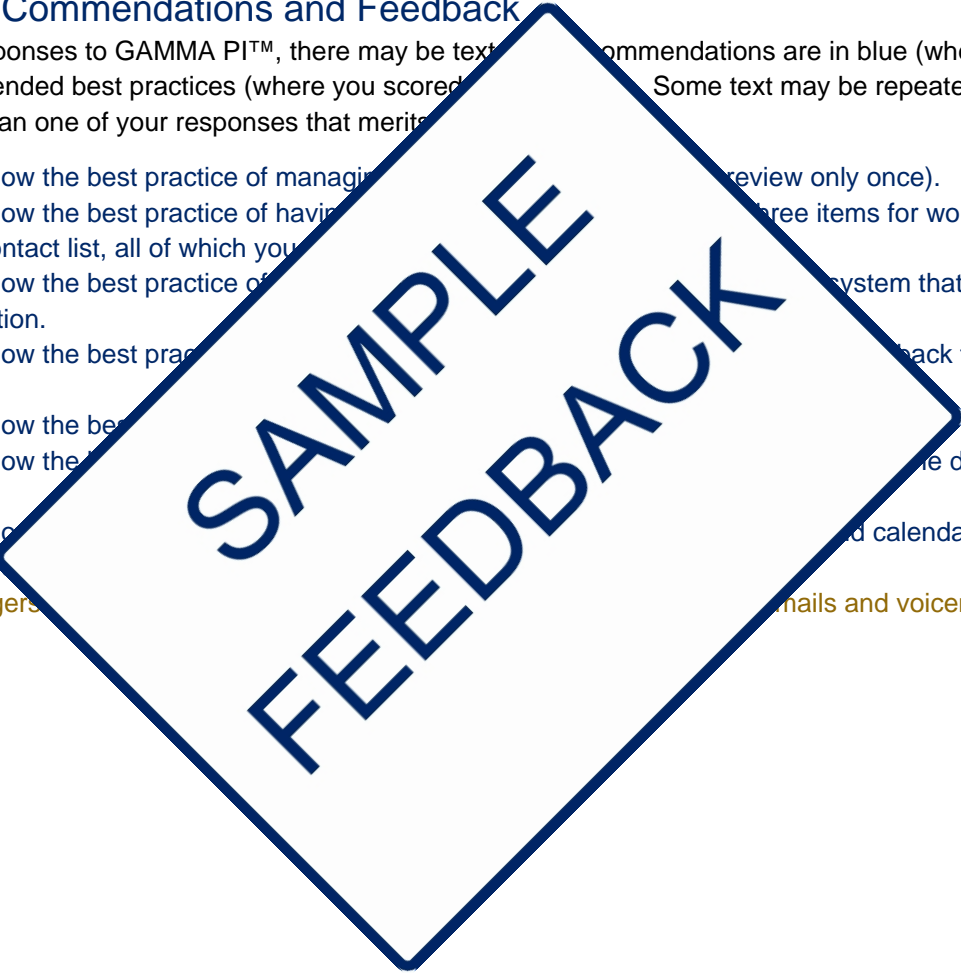
Your score was in the mid-range for this sub-category, which suggests you follow some best practices for efficiently organizing and managing information flow, but there is potentially room for improvement.



Personalized Commendations and Feedback

Based on your responses to GAMMA PITM, there may be text recommendations are in blue (where you scored high) and recommended best practices (where you scored low). Some text may be repeated because it pertains to more than one of your responses that merit

- You appear to follow the best practice of managing your calendar (review only once).
- You appear to follow the best practice of having three items for work: 1) calendar, 2) to-do list, and 3) contact list, all of which you
- You appear to follow the best practice of using a system that allows for quick retrieval of information.
- You appear to follow the best practice of returning back to your work quickly.
- You appear to follow the best practice of returning to work the day (rather than as they come in).
- You appear to follow the best practice of using a calendar.
- You appear to follow the best practice of using emails and voicemails.
- Good time managers



PI Details

INDIVIDUAL FEEDBACK

Your score was in the mid-range for this sub-category, which suggests you prioritize your time to match your professional goals, but there is potentially room for improvement.

Prioritization

Score



10/16

Personalized Commendations and Feedback

Based on your responses to GAMMA PI™, there may be text below: commendations are in blue (where you scored high) and recommended best practices (where you scored low) are in tan. Some text may be repeated because it pertains to more than one of your responses that merit similar feedback.

- You appear to follow the best practice of avoiding multitasking.
- You appear to follow the best practice of prioritizing tasks.

INDIVIDUAL FEEDBACK

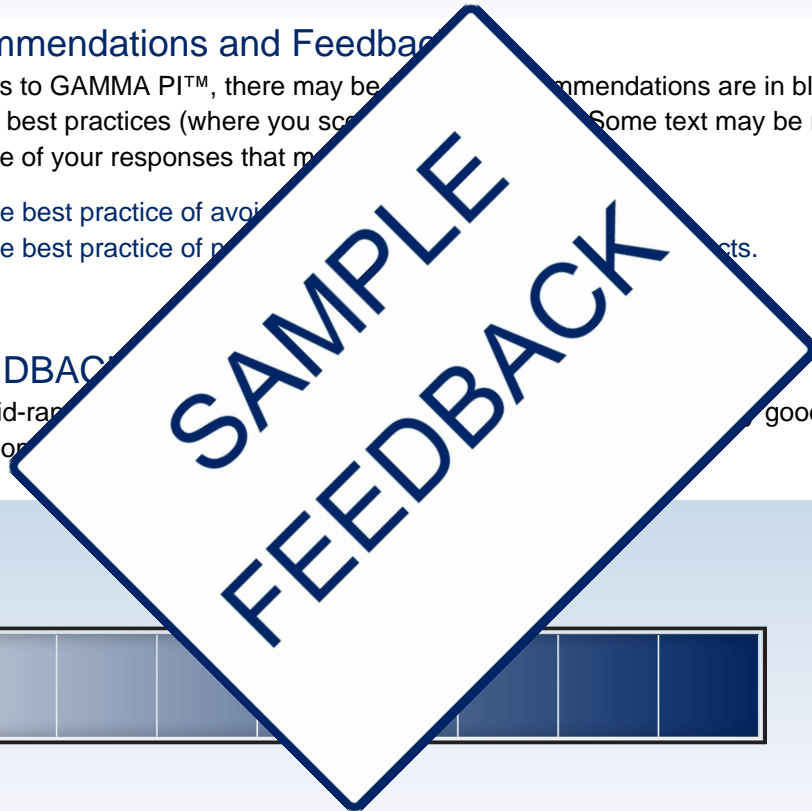
Your score was in the mid-range for this sub-category, which suggests you are good at scheduling your time, but there is potentially room for improvement.

Scheduling

Score



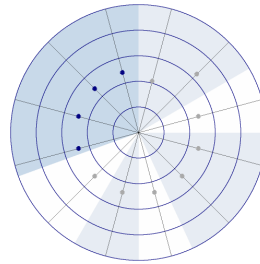
11/16



Personalized Commendations and Feedback

Based on your responses to GAMMA PI™, there may be text below: commendations are in blue (where you scored high) and recommended best practices (where you scored low) are in tan. Some text may be repeated because it pertains to more than one of your responses that merits similar feedback.

- You appear to follow the best practice of knowing exactly where your time goes every day.
- You appear to follow the best practice of using the first 5–10 minutes of the day to plan.
- You appear to follow the best practice of accurately estimating how long tasks will take.



Individual Characteristics

Coping Strategies

Coping strategies are conscious efforts used by individuals to reduce stress, such as the response an analyst might have after a stock call goes in the wrong direction. Many coping strategies are helpful for good mental health, although some can be counterproductive in the workplace.

Accepting Responsibly simply means taking responsibility for one's outcome or actions (such as succeeding or failing at generating alpha). Based on our observations, analysts who accept responsibility are more likely to learn from their mistakes, which in turn should improve their stock picking performance.

Distancing is a coping method used to detach from the outcome (such as succeeding or failing at generating alpha). It tends to divert attention away from the stress event. Based on our observations, analysts who do not take responsibility for their mistakes. Not using this strategy can also be problematic because it can lead to becoming paralyzed from making decisions due to anxiety from prior bad stock calls.

Plan-Full Problem Solving is a coping method that involves cognitive strategies such as information gathering in an effort to reduce the stress from an event (e.g. "work the problem"). Based on our observations, analysts who use plan-full problem solving as a coping strategy are more likely to learn from their mistakes and thus make improvements to their research process.

INDIVIDUAL FEEDBACK:

Accepting Responsibility

6/12

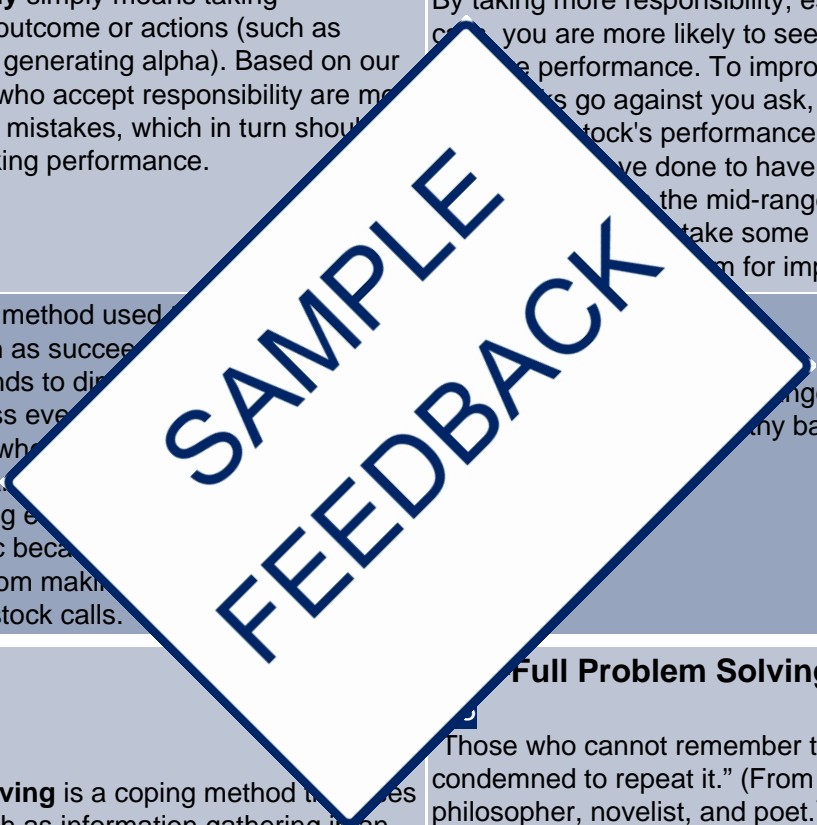
By taking more responsibility, especially for poor stock calls, you are more likely to seek better methods to improve your performance. To improve this skill, when your stock picks go against you ask, "Did anyone else pick the stock's performance correctly and if so, what have you done to have made a better call?" Your score was in the mid-range for this category, which suggests you take some responsibility for your mistakes in order to improve.

Your score was in the mid-range for this category, which suggests you maintain a healthy balance for stock pickers.

Full Problem Solving

Those who cannot remember the past are condemned to repeat it." (From George Santayana, philosopher, novelist, and poet.) When a stock call does not play out as expected, dedicate time to determine what went wrong, but also to identify steps that can be taken in the future to avoid the mistake again.

Your score was in the mid-range for this category, which suggests you use some problem solving strategies when your stock recommendations do not play out as planned, but there is room for improvement.



Positive Reappraisal is a coping method used to reframe the situation. A problem may be reframed as a challenge, such as a bad outcome reframed as an opportunity to improve one's analysis. Based on our observations, analysts who use positive reappraisal as a coping strategy are more likely to use a bad stock call as a learning opportunity than analysts who do not use positive reappraisal.

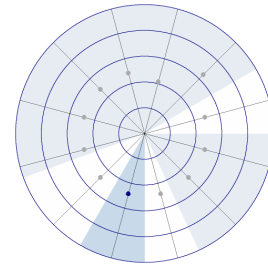
Positive Reappraisal

4/8

Your score was in the mid-range for this category, which suggests you use some positive reappraisal when your stock recommendations do not play out as planned, but there is room for improvement.



PI Details



Individual Characteristics

Locus of Control

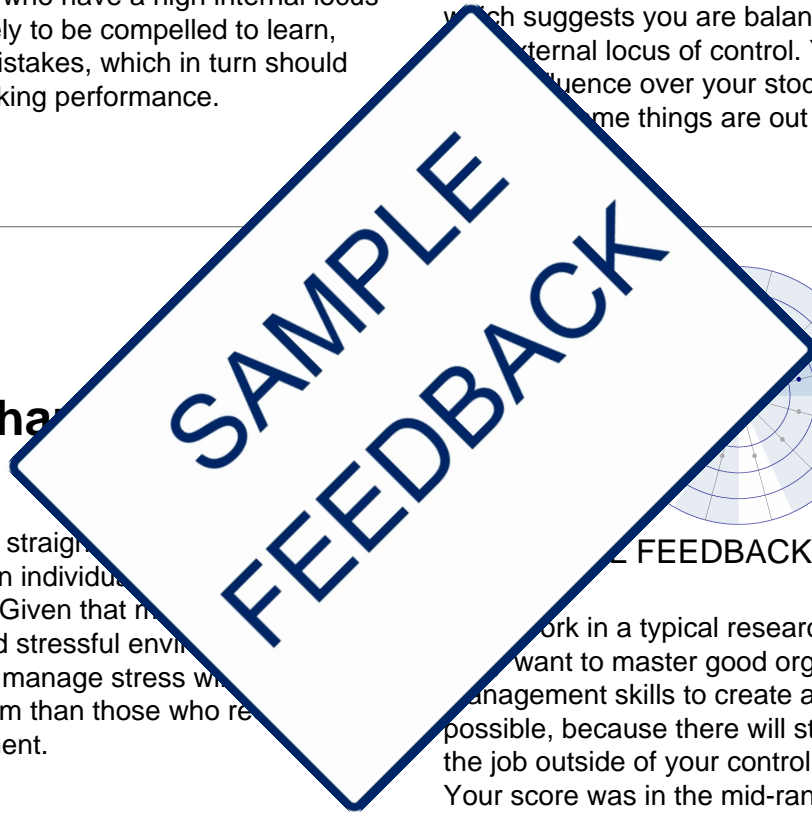
"Locus of Control" is the degree to which individuals believe they can control the events in their lives. Individuals with high internal locus of control believe they are responsible for their own actions and ultimately their performance. A high external locus of control indicates a belief that one's own performance is largely outside of his or her control. Based on our observations, analysts who have a high internal locus of control are more likely to be compelled to learn, especially from their mistakes, which in turn should improve their stock picking performance.

INDIVIDUAL FEEDBACK: Locus of Control

16/32

When a stock call goes the wrong way, you may need to be especially self-reflective and ask how you could have prevented it. Your tendency may be to characterize a problem stock recommendation as something nobody could have forecast, even when some analysts did call it accurately.

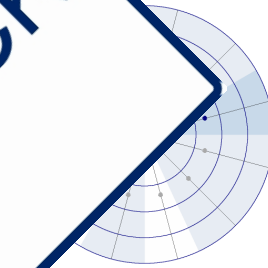
Your score was in the mid-range for this category, which suggests you are balanced between internal and external locus of control. You believe you have influence over your stock picking, while also recognizing that some things are out of control.



Individual Characteristics

Managing Stress

"Managing Stress" is a straightforward concept, namely the ability for an individual to thrive in a stressful environment. Given that most work environments are unpredictable and stressful environments, we believe those who can manage stress will perform better over the long term than those who require a less stressful environment.



INDIVIDUAL FEEDBACK: Managing Stress

If you work in a typical research department, you will want to master good organization and time management skills to create as much predictability as possible, because there will still be many aspects of the job outside of your control.

Your score was in the mid-range for this category, which suggests you can handle a moderate level of stress in the work environment.

PI Details

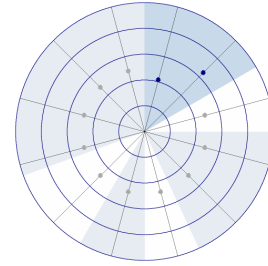
Individual Characteristics

Self-Monitoring

A person who is sensitive to cues from others and who has the ability to adapt behavior is considered to have high self-monitoring skills. That is, they can perceive the situation and adapt to it.

"Self-monitoring" is an important area when working with others, such as when an analyst contacts an information source for new insights, or a sell-side analyst contacts a buy-side client to pitch an idea. High scores indicate an ability to read and modify behavior based on the situation. Based on what we know about influencing skills, having a high score allows analysts to better extract information from others (the "G" in the GAMMA framework), lead to improved forecasting. Higher scores also may indicate an ability to influence others to act on stock recommendations (the second "M" in the GAMMA framework). There are 13 items in this assessment that cover self-monitoring, divided into these two areas:

- Self-presentation: manage how you present yourself to others
- Sensitivity to Read Others: ability to read others expressing themselves



INDIVIDUAL FEEDBACK:

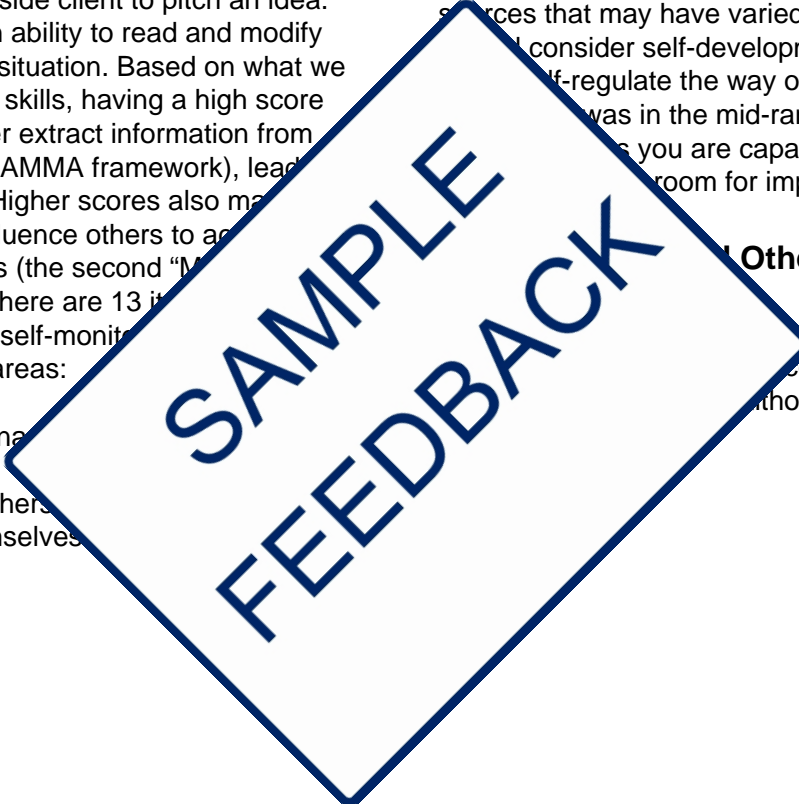
Self-presentation

3/7

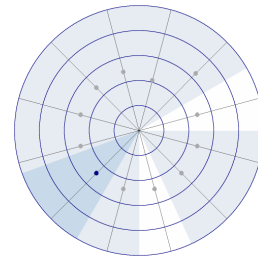
If you are in a typical equity research analyst role, in that you need to obtain insights from information sources that may have varied backgrounds, you should consider self-development that will help you self-regulate the way others perceive you. You were in the mid-range for this category, which means you are capable of self-presenting, but there is room for improvement.

Read Others

You were in the mid-range for this category, which means you are capable of perceiving how others are expressing themselves, but there is room for improvement.



PI Details



Individual Characteristics

Social Ability

"Social Ability" is a straight-forward concept, namely the preference or desire to be in social situations. Given that the best analysts have a wide network of information sources, we believe those who are more social will perform better than those who dislike social situations.

INDIVIDUAL FEEDBACK: Social Ability

1/2

The best proprietary alpha-generating insights come from information that is not widely disseminated by the financial media, which is often found via one-on-one conversations with industry and company contacts. Based on your score, you may not be reaching out to these potential contacts as much as analysts with higher scores.

Your score was in the mid-range for this category, which suggests you are comfortable in social situations, but there is room for improvement.

Individual Characteristics

Tolerance for Ambiguity

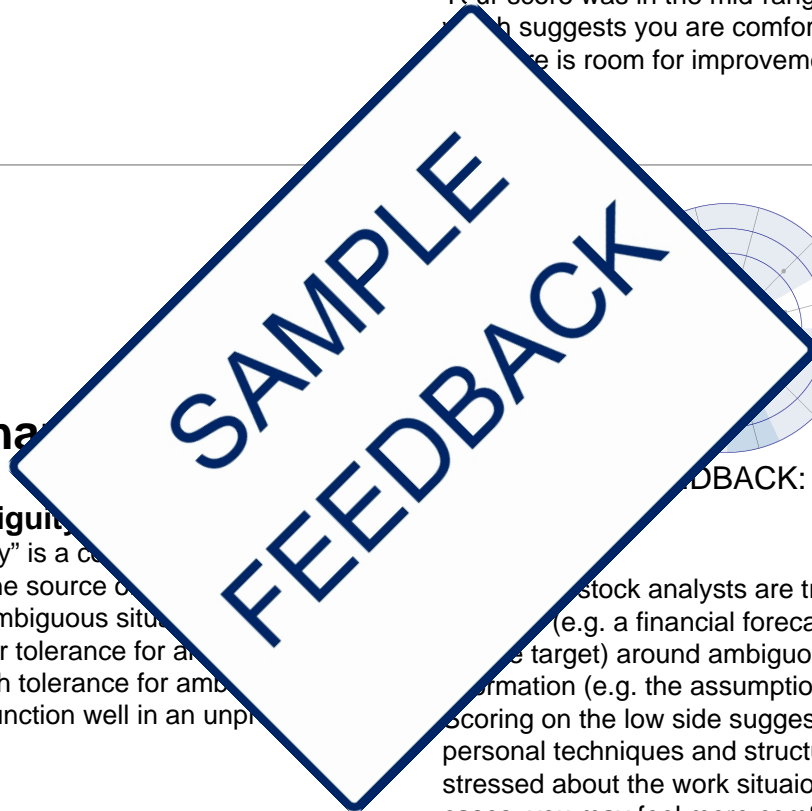
"Tolerance for Ambiguity" is a concept that describes the ability to manage one source of information in an unpredictable and ambiguous situation. A higher score equates to higher tolerance for ambiguous situations. Having a high tolerance for ambiguity, you are more likely to function well in an unpredictable environment.

INDIVIDUAL FEEDBACK: Tolerance for

Stock analysts are trying to develop forecasts (e.g. a financial forecast used as the basis for a price target) around ambiguous and uncertain information (e.g. the assumptions in the forecast).

Scoring on the low side suggests you need to develop personal techniques and structure to mitigate feeling stressed about the work situation. In more extreme cases, you may feel more comfortable in a more predictable work environment.

You have a moderate level of tolerance for ambiguity. Depending on the work environment, it may or may not be an issue.



PI Details

Individual Characteristics

Thinking Style

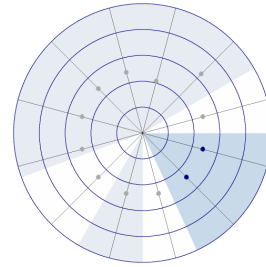
The theory behind “Thinking Styles” is that an individual will tend to prefer one of the following:

- Heuristic (intuitive-experiential)
- Systematic (analytical-rational)

This isn't to say that an individual uses only one style, but research suggests individuals develop a preference for one over the other. The heuristic style is fast and emotional whereas the systematic style is slower and more logical. Heuristic is not the opposite of systematic and it is likely a systematic person will develop heuristics (i.e. rules of thumb) over time as they are more experienced with their environment. Equity research analysts need to process information quickly while also being logical in their conclusions, which suggests both are required for better analysts. (See the table below for a comparison of the two.)

Experimental System (“Heuristic”)

- Holistic
- Automatic, effortless
- Affective: Pleasure-pain oriented
- Associationistic connections
- Behavior mediated by “vibes” from others
- Encodes reality in concrete images, pictures, and narratives
- More rapid processing: oriented toward immediate action
- Slower and more resistant to change: Change with repetitive or intense experience
- More crudely differentiated: Broad generalization gradient; stereotypical thinking
- More crudely integrated: Dissociative, emotional complexes; context-specific processing
- Experienced passively and preconsciously: we are seized by our emotions
- Self-evidently valid: “Experiencing is believing”



INDIVIDUAL FEEDBACK:

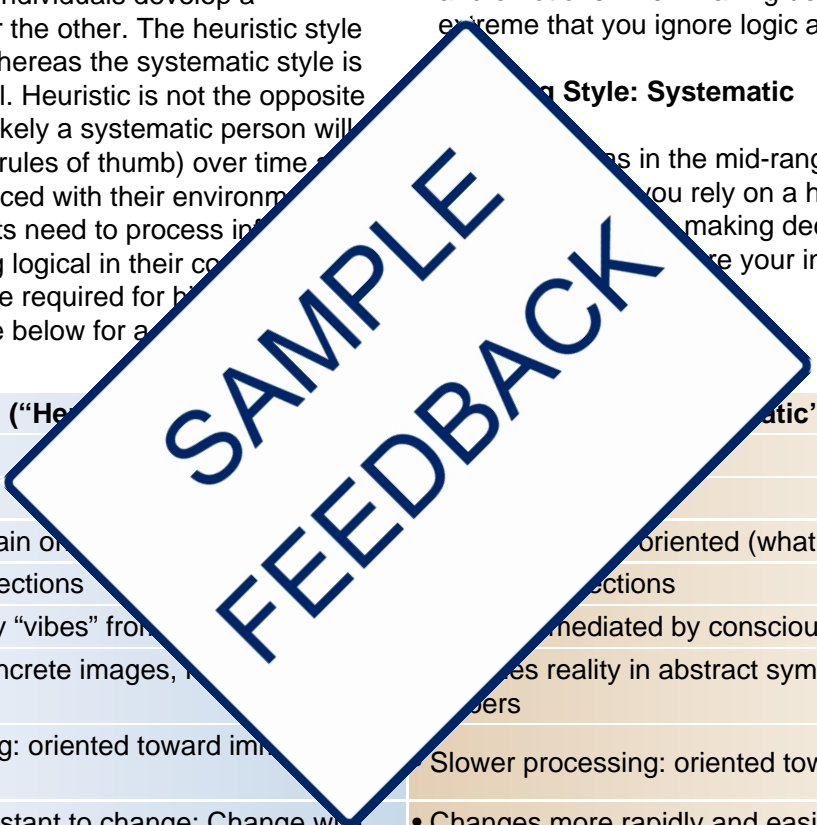
Thinking Style: Heuristic

8/16

Your score was in the mid-range for this category, which suggests you rely on a healthy level of intuition and emotions when making decisions but not so extreme that you ignore logic and analytics.

Thinking Style: Systematic

Your score was in the mid-range for this category, which suggests you rely on a healthy level of logic and analysis when making decisions, but not so extreme that you ignore your intuition.



Experimental System (“Heuristic”)	Experimental System (“Systematic”)
• Holistic	• Analytical
• Automatic, effortless	• Deliberate
• Affective: Pleasure-pain oriented	• Reason-oriented (what is rational)
• Associationistic connections	• Logical connections
• Behavior mediated by “vibes” from others	• Behavior mediated by conscious appraisal of events
• Encodes reality in concrete images, pictures, and narratives	• Encodes reality in abstract symbols, words, and numbers
• More rapid processing: oriented toward immediate action	• Slower processing: oriented toward delayed action
• Slower and more resistant to change: Change with repetitive or intense experience	• Changes more rapidly and easily: changes with strength of argument and new evidence
• More crudely differentiated: Broad generalization gradient; stereotypical thinking	• More highly differentiated
• More crudely integrated: Dissociative, emotional complexes; context-specific processing	• More highly integrated: Context-general principles
• Experienced passively and preconsciously: we are seized by our emotions	• Experienced actively and consciously
• Self-evidently valid: “Experiencing is believing”	• Requires justification via logic and evidence

Note. From “Cognitive-Experiential Self-Theory: An Integrative Theory of Personality” by S. Epstein, 1991, in R. C. Curtis, Editor, The Relational Self: Theoretical Convergences in Psychoanalysis and Social Psychology, New York: Guilford Press.

Congratulations on completing the GAMMA PI™ Assessment - a tool used by equity research analysts to improve their skills.

If you have questions or feedback, please email us at Info@AnalystSolutions.com

