

Get Smart

How to create a sales edge by using the six competencies of emotional intelligence

By Julie Sturgeon

Sometimes the simplest solution lies at the core of the most daunting problem. Take the case of monetary hemorrhaging at American Express Financial Advisors (AEFA). In 1992, number crunching at the company revealed that only 28 percent of customers who needed life insurance actually purchased it from AEFA's salespeople. But why?

The company explored the normal failure routes: Perhaps products lacked competitiveness. Maybe the advisors couldn't explain the product adequately. But none of the standard areas revealed an answer. Instead, focus feedback groups indicated a need for better client relationships. Poor customer service swept substantial profits off the table like crumbs at a banquet.

"The problem was a lack of coping skills, relationship-building habits and empathetic listening among our sales force," explains Pam Smith, program manager for the emotional competence program at American Express Financial Advisors University in Minnesota. "Our team scratched their heads – this was more than any one item we could hang our hats on."

Yet they all had to admit that something was needed. That something was called "emotional intelligence," a phrase coined three years later by Harvard visiting faculty member, psychologist and author Daniel Goleman, whose book *Emotional Intelligence* shot to the top of *The New York Times* best-seller list that year and stuck around for 18 months. According to AEFA's Smith, "Our response [to the book] was: 'So that's what you call our program!'"

Yes, emotional intelligence, a high falutin' term that's really quite simple, means "The ability to monitor one's own and others' emotions, to discriminate among them and to use the information to guide one's thinking and actions."

Once you know what it means and how to apply it, you can jump from average performer to sales superstar. AEFA did.

By investing one year, five psychologists and millions of dollars in developing an internal training program, then rolling it out to field leaders in 1994, the company achieved impressive results. Participating

regions enjoyed 11 percent greater sales. Advisors under managers who took the program grew their businesses by 18.1 percent compared to the 16.2 percent under the untrained managers. And in a company with more than 10,000 personal financial advisors, who manage more than \$232 billion in assets, every iota magnified to a pretty payoff.

Second That Emotion

Thanks to publicity after the book appeared, information on emotional intelligence has exploded among business leaders, so your company doesn't need to spend big bucks to follow AEFA's lead. In fact, AEFA now takes its training program on the road to interested companies.

One reason for the interest in emotional intelligence is the changing marketplace. The New Economy is exploding with emerging companies that have unknown track records. Consequently, first impressions – primarily made through salespeople – are more important than ever. “Billboards tout hundreds of dot-com companies whose names are unfamiliar. Customers don't remember logos or catch phrases – the New Economy is built on relationships,” says Esther Orioli, CEO of San Francisco-based Q-Metrics, which offers EI mapping and consulting services. “People don't bring us in because they want employees to feel better. They're losing clients, they can't attract the best talent or there's a low level of trust among the main players in the organization. So they don't have new products in the pipeline. Relationships dictate who owns the future.”

Orioli keeps good company. When the U.S. Air Force relied on emotional intelligence to predict recruiter success, it saved \$3 million

a year by avoiding poor hires. Salespeople selected for emotional competencies at L'Oreal outsold their colleagues by \$91,370 each, for a net revenue increase of \$2,558,360. Met Life proudly proclaims that new salespeople who scored high on its learned-optimism test sell 37 percent more life insurance in their first two years. The Consortium for Research on Emotional Intelligence in Organizations cites 15 such startling examples. Even Enterprise Car Rental posts emotional intelligence information and self-tests at its Website for wannabe sales players.

Defining EI

Like Hydra's head, however, the surplus of data about emotional intelligence also spawns a tangle of myths. According to experts, here are some of the things emotional intelligence is not:

1. Touchy-feely New Age babble about crying and being demonstrative in public.
2. Something women automatically excel at more than men.
3. A brand-spanking new concept never before introduced or used in the business world.
4. A single trait – which is why EI fathers Goleman and Dr. Richard Boyatzis, chair of the organizational department in the Weatherhead School of Management at Cleveland's Case Western Reserve University, say they now refuse to refer to this concept with the popular one-size-fits-all EI acronym.

“People most commonly mistake emotional intelligence for being nice,” says Goleman. “Emotionally intelligent leaders can be very firm, very directive when necessary. Or empathic when that makes sense. The key

lies in having a repertoire of relating styles and knowing when to use which.”

The secret also lies in the ability to manage your own reactions as well as others’ emotions. So when emotionally savvy sales stars feel pressure about their quotas, they continue to keep lunch appointments, refuse to snap at interruptions and focus their office time on the strategy to meet their goals. In other words, they manage performance anxiety, according to Mary Fontaine, senior vice president and general manager at Hay/McBer in Boston. “An emotionally poor salesperson who freezes at conflict procrastinates about calling irate customers because the idea is too painful – and the business link deteriorates with each passing hour,” she explains. The emotionally gifted person sucks it up, phones the client and de-escalates the anger.

You can spot the highs and lows by simple observation: Stars aren’t afraid to express their feelings, yet they don’t let such negative emotions as guilt, embarrassment or obligation rule them. They read nonverbal cues well, express optimism and act independently with confidence. On the other hand, employees needing work refuse responsibility for their feelings, blaming others instead. Often they can’t explain why they feel as they do without finger pointing. They let things build up until they explode over a minor technicality. And they cling tightly to their beliefs even in light of new facts.

“Emotional intelligence is what we used to call character,” Fontaine says. “Think of it as a two-by-two table: top left is ‘Self,’ top right is ‘Others,’ row one is ‘Awareness’ and row two is ‘Management.’ This trait is about covering all the combinations in the square.” When seeking role models,

President Bill Clinton shows what to avoid: He rocks one-on-one in persuasion and empathy but flounders at impulse control.

That’s one reason why Goleman insists that salespeople need strengths in at least six specific competencies:

1. Persuasion and influence: Establish credibility, address the customer’s issues and concerns, listen well and understand how a customer sees the situation before matching product to need.
2. Drive to achieve: Continually try to do things better to meet an internal standard of excellence.
3. Initiative: Refuse to give up easily, and seize opportunity.
4. Empathy: Sense other people’s attitudes and feelings, and know how they react to your message.
5. Customer service: Make the extra effort to meet customer needs, and follow up on contacts.
6. Self-confidence: Know strengths and remain optimistic about abilities.

In statistical weight, number one, persuasion/influence, is twice as important as numbers two and three, says Goleman, while drive to achieve and initiative rank equally. Both carry more importance than the remaining three traits.

Know Yourself

“We all know you can do sales tasks up the wazoo and it won’t make you great,” says Boyatzis. “Typical sales training topics only bring you up to mediocre.” So after dispensing product knowledge, spin techniques and objection-handling skills, savvy sales leaders introduce an ongoing awareness of emotional intelligence

components. “Inner motivation is essential – you can send them to a workshop and they still won’t get it,” he adds. “Unless the employee shows enthusiasm for the possibilities, don’t waste your time or the company’s money on any developmental activity.”

Start with the best practice guidelines Goleman and Dr. Cary Cherniss of Rutgers University developed for the Consortium: Formally assess individuals, preferably using a 360-degree feedback system. Goleman himself created one that Hay/McBer applies to its clients. Dr. Rich Handley, founder of EQ University in Texas, offers the Bar-On test to match participants against norms in their gender and age groups across North America. Q-Metrics provides a validated mapping program. At the least, provide feedback through a videotaped session of employees’ interactions.

“There’s a glaring problem when you ask employees to figure out where they stand on their own,” Goleman points out. “The first component of emotional intelligence is self-awareness. If you lack that, you’re blind to the main things you need to work on.” In fact, his research shows that star performers in any field tend to overestimate their abilities versus how others rate them on only one of 20 competencies. Average performers overrate themselves on four or more competencies.

AEFA devotes two days to self-awareness, with a strong emphasis on self-talk. “Messages rattle around in our brains all day and most of them are restrictive,” Smith says. Your mission: Tag and bag that negative self-talk, replacing it with more upbeat conversation. AEFA leans on sensory walks to open these subconscious channels.

Often the participants stroll through an ordinary parking lot, describing the different things they pick up with their senses. Other experts swear by journalizing, mapping and yoga. No matter the method, focus on pinning down words that complete such phrases as “I am afraid...” “I appreciate...” and “I feel confused about ...”

Warning: Understand the difference between feelings and thoughts disguised as feelings. The disguised thoughts will finish the sentence “I feel like...” with a label (a moron, a doormat, a million bucks), a judgment (you were wrong, I should win) or a behavior (slapping someone, crawling under the covers) rather than an honest-to-God emotion. You’re on the right track when you express emotions with such adjectives as comfortable, free, independent, worthy, resentful, pessimistic, nervous or empty.

Fontaine advocates setting aside time each day for quiet reflection. “It’s hard to manage yourself if you don’t know what’s happening to you. You don’t need to be 100 percent accurate, but do make an effort to name your thoughts,” she explains. You want to head off a brain hijack, where emotions overtake you. “Emotionally intelligent doesn’t mean people never get angry. But they use strategies to manage it,” she says.

Follow this exercise with interpersonal effectiveness training. In Smith’s world, this breaks down into building relationships through skillful self-disclosure and learning how to respect boundaries. AEFA shows the comedic scene from the film *Planes, Trains and Automobiles* in which John Candy removes his sock near Steve Martin. Half the group watches to log the ways Candy violates his partner’s personal space; the

other half studies Martin's cues that this behavior pushes his buttons.

Finally, effective emotional intelligence programs touch on how to achieve optimal performance. For instance, EI neophytes often immediately jump to problem-solving or selling mode when a customer demands satisfaction. Emotionally intelligent salespeople validate the customers' feelings, distract them and then move on to selling when the customers can join them on the journey. "The rule should be to practice sharing a person's feelings before you present. You get much farther if the person feels heard and empathized with," Fontaine assures.

Here's where deep breaths, paraphrasing and such intensity-breaking speeches as "Boy, it sounds like you're having a terrible day" and "Could you hold one second? I really want to get something for you" do the most good. But without the self-awareness base, these sentences ring hollow. "You'll find pieces of EI in many sales training programs. But a formal EI program integrates it so that you're not just learning stock answers," Fontaine says. "Without the EI emphasis, oftentimes people can't sustain the rote behavior; under stress, they can't manage themselves and they revert to old habits. Then the self-talk chimes in, 'See, that was useless. I'm not a good listener.'"

That's not to suggest you can't rely on standard training programs to teach interpersonal skills, Boyatzis says. Even churches and temples offer great awareness exercises in marriage encounter sessions. The key lies in identifying in advance why employees attend and what emotional gain they can expect.

"No doubt readers are saying, 'So what's new here?'" Boyatzis acknowledges. Referring to Goleman's six competencies, he explains, "We're saying instead of worrying about every cognitive capability – including initiative, empathy and networking – we now know which of them add value, so you can focus on the high-leverage ones." Just-in-time delivery of that training on an individual basis demonstrates the sales leader's own emotional intelligence growth.

As for AEFA, leaders there expect emotional intelligence recognition to ensure their future. "We're all going through substantial changes in the way we do business," Smith admits. "It's critical for us to better manage change and to minimize the depth and duration of down time. And EI encompasses just that: Can you and will you do what you need to do to meet your objectives? You can have the best and brightest in technology and academics, but if they can't martial those skills through their emotions, you have nothing."