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ROLE OF EMOTIONAL INTELLIGENCE IN PERFORMANCE OF A SALESPERSON

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ABSTRACT

Around the end of 20th century, sales professionals began to focus their attention on "satisfying the customers' needs" than "mere trading goods for money". Understanding the perspective of the potential buyer and creating a potential need to buy the product started gaining importance. This in turn made good sales "being educating, consulting, solving problems, providing answers and helping", the pre-requisites of a successful sales person. Emotional Intelligence which is based on these competencies, plays a very crucial role in performance of a sales person. This paper aims to understand if the successful performance of a sales person is related to his/her Emotional Intelligence.

Keywords: Emotional Intelligence (EI), Sales Person, Performance in Sales

1. INTRODUCTION

A book by Daniel Goleman on "Emotional Intelligence" was published in 1995. It made the experts in various fields realize the importance of Emotional Intelligence as opposed to Intellectual Quotient in various walks of life. The concept of E.I. has very strong natural link to the field of sales, besides the areas of general management and leadership. Many research studies have proven that the emotions of a sale person are strongly related to the success in sales industry. Since sales positions demand that the sales professionals are required to interact with their clients, it is many times assumed that sales persons can communicate well with their customers, empathize with them and respect their needs. The importance of employing emotionally intelligent salespeople becomes apparent today's ever changing sales environment. (Sojka J.Z. 2002) This research paper aims to study if one's emotional intelligence is responsible for one's success in sales positions.

2. WHAT IS EMOTIONAL INTELLIGENCE

Goleman (2001) defines emotional intelligence (E.I.) as the ability to recognize and regulate emotions in ourselves and others. According to Peter Salovey and John Mayer who originally introduced the term "emotional intelligence" in 1990, EI is "a form of intelligence that involves the ability to monitor one's own and others' feelings and emotions, to discriminate among them and to use this information to guide one's thinking and actions". In 1997, Mayer and Salovey developed four aspects of EI:

Self Awareness: It is the cognitive ability to accurately appraise one's own emotions, feelings and behaviors. It also pertains to expressing one's feelings. In short, this dimension relates to an individual's ability to reflect self and understand his/her emotions.

Empathy: It refers to appraising the emotions of others. This interpersonal skill is critical to the salesperson's ability to establish a type of interpersonal relationship with clients.

Social Awareness: It is the ability to perceive and understand the emotions and behaviors of others and to modify one's own emotional response to such an understanding.

Emotion Management: It refers to the ability to regulate emotions and behaviors according to their situational appropriateness. This requires cognitive reflection on the potential way in which an emotional behavior will affect and be affected within a specific situation.

They also formed positive correlation between the emotional intelligence of salesperson and profits.

In 2005, Boyless and Bellamy found out in their work, *Emotional Intelligence: Today's Sales and Hiring Advantage* that need for EI is especially growing in sales industry. According to them, "Self-awareness, empathy, social awareness and emotion management, the key elements of emotional intelligence are critical skills for executives and sales professionals in the emerging service oriented firm of the 21st century". Boyless and Bellamy believe that not all people in sales consider EI to be important as it is difficult to measure one's EI and it also needs introspection by the management and sales executives.

In 1999, Boyatzis and Goleman created a comprehensive framework of Emotional Intelligence and defined it as: "emotional intelligence is observed when a person demonstrates the competencies that constitute self-awareness, social awareness, and social skills at appropriate times and ways in sufficient frequency to be

effective in the situation". Model of EI developed by Daniel Goleman (1998) is based on competency framework with focus on five specific groups that are related to EI:

- **Self-awareness** – encompasses the emotional awareness, correct self-assessment as well as self-confidence;
- **Self-regulation** - covers one's control over oneself, winning trust of others, conscientiousness, flexibility as well as innovation;
- **Motivation** – is about one's drive for achievement, commitment, initiative and positive attitude;
- **Empathy** - means putting yourself into other's shoe, developing them, desire to serve, leveraging diversity, and being aware of external environment;
- **Social skills** – include interpersonal skills including capability to influence others, communicate effectively, handling conflict well, being a good leader, help people cope with change, help and support each other and work effectively as a team.

It is an established fact that relationships at work greatly influence one's performance at workplace.

3. EMPLOYEE PERFORMANCE

For achieving organizational goals, one of the key factors that an organization needs to manage is the performance of its employees. Competency assessment of the employee and measuring his/her productivity plays a vital role in the overall plan of the organization. Employee's performance is mainly managed by using various formal performance management techniques such as self appraisal, supervisor's rating, MBO, 360 degree appraisals, peer evaluations, etc. This helps in ensuring employees' contribution towards their own and organization's growth & development. Emotional competence which is "a learned capability based on emotional intelligence" is quite essential, if one wishes to achieve extra ordinary results.

Before we discuss the relationship between EI and how it affects the performance of salesperson, we need to understand what are the different sales positions that organizations offer and a brief discussion of each of these positions.

4. CHARACTERISTICS OF A GOOD SALESPERSON

Around the end of 20th century, sales professionals began to focus their attention on "satisfying the customers' needs" than "mere trading goods for money". Franke wrote in 1998, "Relationship selling is a vast improvement over product selling: that which we would normally call 'traditional' selling". Relationship selling is about satisfying the customers' requirements and is not much about "trading goods" for money. According to him, efficient sales people are "educating, consulting, solving problems, providing answers and helping".

Bryan Tracy, who authored "*Advanced Selling Strategies: The Proven System of Sales Ideas, Methods and Techniques Used by Top Sales People Everywhere*" in 1995 said that a successful sales person must have 3 characteristics, i) an ability to "work hard" because sales is a demanding profession., ii) being more of an "action" person and iii) commitment to personal and professional development. "Selling is more psychological than anything else", Tracy observed.

5. SALES PERFORMANCE & EMOTIONAL INTELLIGENCE

Bryant (2005) found a positive correlation between the components of EI and performance of a sales person. According to him, adaptive selling is about altering the behavior by a sales person during an interaction with the customer based on perceived information about the nature of the situation. He opined that such kind of selling is related to EI and that a sales person with high levels of EI will perform better in the profession than someone who with lower EI.

According to Churchill, Ford, & Hartley (1997), selling is a multifaceted process and needs multiple skill-sets. In 2003 Anthony said "emotional intelligence in selling begins with the recognition that one must meet emotional agenda beyond the buy-and-sell transaction for a buyer to be satisfied with the transaction". He said that there are two important criteria which a sales person shall meet with respect to emotional intelligence in order to convert a sales call into a sales order: a) knowing your customer and b) knowing how to approach him/her? Awareness on many levels, is a crucial component for meeting customer's agenda. Anthony described three basic rules related to the awareness of sales process in 2003:

1. Prove and re-prove yourself: Customers have a tendency to be cautious and do not trust the sales process easily, therefore constantly proving to them the value of your product/service and trustworthiness of the salesman is essential.

2. Customers want their needs to be understood: They have “a hidden emotional agenda” and they expect the sales person to understand their agenda and approach them accordingly.
3. This is not about you: People need solution, they wish to have their needs and wants satisfied. It is the responsibility of the salesperson to assure these expectations are met.

A study by Manna and Smith (2004) focused on finding out if: a) salespersons should undergo a training on EI and b) should EI and awareness training be included in the training programs for salespersons. Sales professionals were required to go through a battery of related to sales training and its impact on sales experience. It revealed an obvious relation between various skills like communication skills, negotiating skills, EI, presentation skills, as well as the capacity to differentiate among personality type and the success of sales people. In 2003, Deeter-Schmelz and Sojka studied a relationship between sales performance and EI. When combined with the work by Cooper in 1997 and Goleman in 1998, their studies indicate a strong correlation between EI and success of salesperson.

In today's world, there is a dramatic shift in customer requirements. This coupled with intense competition has made sales people realize that they must approach diverse groups of decision-makers and buyers, if they want to succeed in their roles. However, the needs and perspectives of the new about the products and services to be purchased, often make sales representatives confused, sometimes leading them to feel inadequate and at their worst moments, get annoyed with prospective buyers.

Managing their emotions can't be really taught in the sales training programs. It needs learning to cope with stress and tension as well as enhancing one's personal capacity to adapt to challenging circumstances. Traditional training methods are not designed to suit these requirements. It needs trainers who are capable of modifying their instructional methodology to cover an “inside-out” process which equips sales persons with:

1. Making sales persons aware of their emotions “in the moment”.
2. Managing emotions and developing the “emotional muscle” to augment effectiveness.
3. Understanding and responding to the subtle non-verbal signals by the consumers.
4. Making emotional awareness a part of one's genuine behavior. (Mehnert, 2011)

A study by the Hay/McBer firm in Boston of Fortune 500 companies including AT&T, IBM and PepsiCo showed that top sales people of these organizations had higher emotional intelligence than average salesmen. It revealed that the following five EI competencies were crucial in predicting the success among salespersons:

1. **Intuition & Empathy:** It refers to the salesman's awareness of the prospect's feelings, needs and concern. It helps a salesperson to look at the prospective clients with positivity and objectivity. Intuition helps in showing active interest in customer's needs. It helps to understand and meet the customer's expectations.
2. **Result Orientation & Decisiveness:** This shows how adept a salesperson is at inducing desirable responses from the prospective customer. This include effective communication skills, ability to influence others and also an ability to motivate the customer/prospect to buy your product/service.
3. **Self-View:** This is the salesperson's courage and self-esteem which provides thick enough skin to persevere through various obstacles he/she encounters throughout the sales cycle. This competency is important to a salesperson as it includes one's ability to handle rejections. Also higher self-esteem, greater passion and more courage, are the requirements for being successful in sales profession.
4. **Self Awareness:** This is knowing your own self, including your strengths, weaknesses, opportunities and challenges (SWOC).
5. **Self Expectations:** It refers to the salesperson's emotional tendencies which direct or facilitate them to reach goals and their sense of personal commitment to responsibilities. It includes a drive to improve continuously and meet your own standard of expectations, eagerness to take initiative and optimistic attitude.

It is evident that these are the essential EI competencies for successful sales career. The salesperson however well he knows the product or services, would not be successful in the long term, if he/she does not possess the required emotional intelligence..

6. CONCLUSION

Emotional Intelligence is an important skill that has the potential to improve the performance of the salespersons. Though people do not possess EI competencies at birth always, they do learn them in the course of life.

Salespersons possess the ability and capability to enhance their EI as well as their salesmanship skills for themselves and their organizations as a whole.

An importance of Emotional Intelligence in the success of sales careers must be realized by sales professionals which will enable them to improve their career prospects..

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