The Emotional Intelligence of the Sales Sector

Where people meet potential

Executive summary

As both organisations and markets have become more competitive and complex, the demands on salespeople have changed.

The Sales sector has moved away from transactional sales to longer-term relationships with customers,[1] actual selling time has dropped to just 36% of the average working week[2] and customers expect salespeople to be more knowledgeable and provide thought leadership.[3] In essence, today's salespeople need both cognitive intelligence (IQ) to act as 'knowledge brokers' and Emotional Intelligence (EI) to understand and connect with the needs of their customers.

To investigate further, this paper presents data on the Emotional Intelligence (EI) of 2,868 individuals working in the Sales sector who completed the Emotional Intelligence Profile (EIP), an online self-report questionnaire.*

Compared to the general working population of over 28,000 people across nine job sectors, the Sales sector scored higher than average in EI. However, this gradually declined from 2009 to around average in 2016. Despite an improvement in 2017, which may indicate green shoots of recovery, this paper identifies key areas of focus in terms of relative EI strengths and development areas.

To elaborate, results showed that the Sales sector score significantly** higher in five scales of the EIP*** than the comparison group. They tended to be more task focused (**Goal Directedness** and **Personal Power**), tough minded (**Self Regard**, **Emotional Resilience**, and **Assertive**), and able to form close connections (**Connecting with Others**). However, the Sales sector also scores significantly lower than the comparison group on six scales suggesting they can be more rigid (low **Flexibility**), guarded (**Mistrusting**), have unrealistic expectations (**Over Optimistic**), are potentially volatile (Emotionally **Under Controlled**), confrontational (**Aggressive**), and less team oriented (**Over Independent**).

Overall, they tended to be stronger in **Self Management** scales, associated with more Transactional sales, and lower in **Relationship Management** scales, associated with Enterprise sales *(Figure 1 and Table 5)*.

** The sample consisted of 2,868 individuals from the Sales sector who completed the questionnaire between 2007 and 2017. Their composition being; 80% male, average age 35-40, mostly sales consultants or sales managers, 70% of UK origin, working largely in the private sector. The comparison group were 28,882 individuals from various job sectors typically at middle to senior managerial level.*

***Although the reported scales are all statistically significant, the size of this difference (the effect size) varies between scales. Very low effect sizes are not reported unless they add greatly to the interpretation.*

****Refer to the Appendix for scale definitions.*

Further research conducted showed that ten of these scales are significantly correlated with sales performance *(Table 5)*, suggesting that all of these aspects of EI warrant attention and are important for recruitment and development within the Sales sector.

As well as exploring how EI in the Sales sector measures up against other job sectors, this paper also looks at differences within the Sales sector itself. For instance, a contributing factor to the apparent decline of EI in this sector may be a lack of managerial and leadership development. Unlike other job sectors where EI improves with age and job seniority,[4] the Sales sector tended to plateau after the age of 39 and at Senior Manager and Director levels *(Tables 2 and 3)*. There is also a significant leap in EI between non-managerial and managerial sales roles, suggesting that many salespeople may have struggled to make this transition without developing their EI. Furthermore, EIP scores indicate the Sales sector is stronger at forming close connections (essential to sales) but less effective at teamwork and collaboration (essential to leadership).

With increased competition for hiring talent,[5] sales leaders may need to become better at developing and leading their existing staff. Doing so could arguably help the Sales sector to adapt to market demands and move towards longer-term relationship-focused sales.

There were also four times more male than female participants in this sample. It is noticeable that males have some different strengths and development areas from females, with males scoring higher in aspects of **Personal Intelligence** and females scoring higher in aspects of **Interpersonal Intelligence** *(Figure 3)*. With the Sales sector being dominated by males, who also appear to hold the majority of Senior Manager and Director roles, their strengths and corresponding weaknesses are likely to be perpetuated.

To summarise, the findings have suggested a worrying pattern of decline in EI in the Sales sector. Further analysis suggested the Sales sector would benefit from developing a broader span of EI strengths that enable them to respond to present day customer expectations and to nurture and progress talent into managerial and leadership roles.

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> **"Emotional Intelligence is how somebody manages their personality to be both personally and interpersonally effective."[15]**

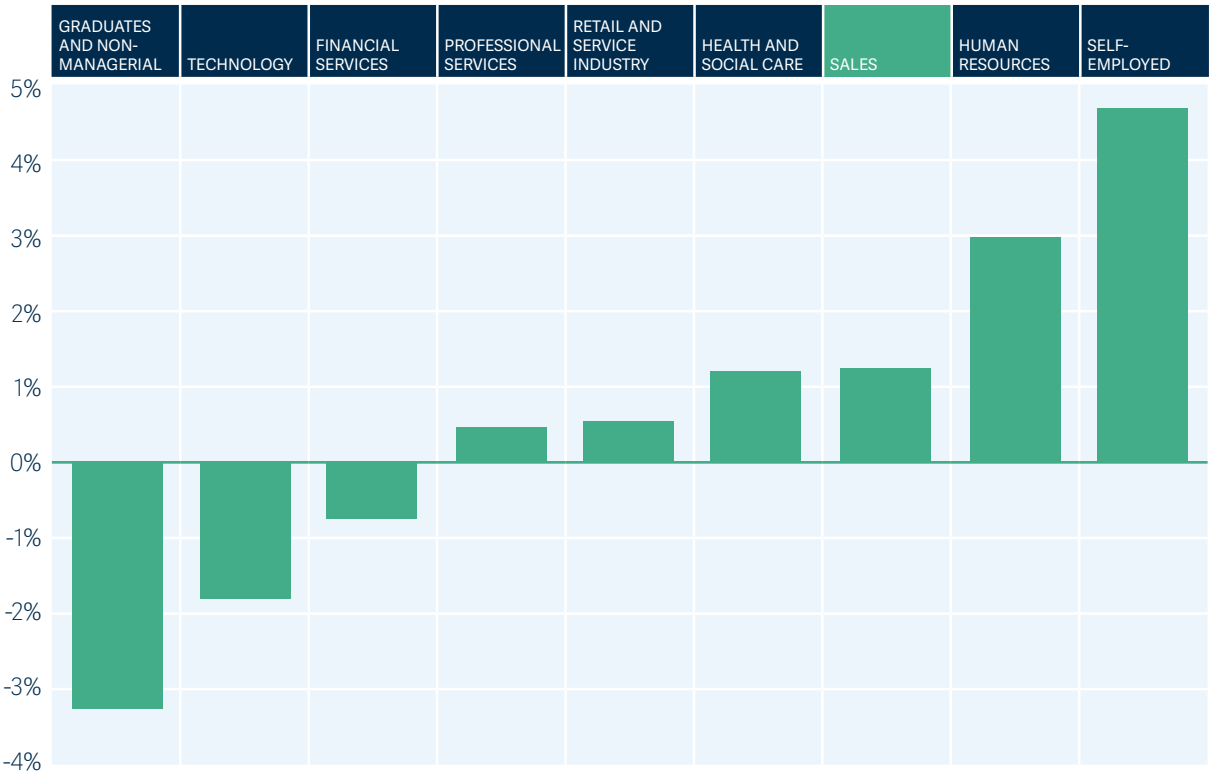
How emotionally intelligent is the Sales sector?

In comparison with over 28,000 respondents from nine job sectors, the Sales sector scored slightly higher than average on Emotional Intelligence (EI) (Table 1) as measured by the Emotional Intelligence Profile (EIP).

Despite this higher-ranking position in EI, the Sales sector fell somewhat below the Self-Employed and HR sectors, tending to be on par with the much-beleaguered Health and Social Care sector. Sales maintained their third position 'ranking' in overall EI from 2010 to 2017,[4] however, their overall EI score has reduced while all but the lowest two performing sectors (Technology and Students) have increased in EI. This indicated an overall decline in EI for the Sales sector.

TABLE 1: **Overall EI differences by job sector**

The midline represents the mean average for all job sectors



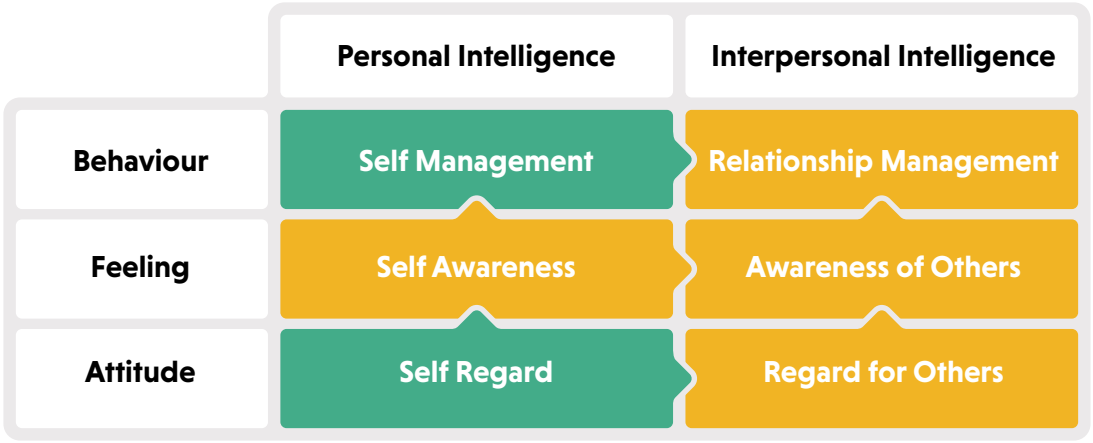
Compared to the comparison group, the Sales sector scored relatively higher in six EIP scales (**Self Regard**, **Emotional Resilience**, **Personal Power**, **Goal Directedness**, **Connecting with Others**, and **Assertive**), indicating that they tended to be more task focused, tough minded, and able to form close relationships. However, scores suggested they were also less **Flexible**, more **Mistrusting**, **Over Optimistic**, Emotionally **Under Controlled**, **Aggressive**, and **Over Independent** reinforcing certain stereotypes of salespeople; such as being more guarded (in negotiation), having unrealistic expectations (ambitious target setting), potentially volatile (pressure and stress of targets), confrontational, and self-sufficient (competitive).

These results may be summarised by referring to Figure 1, which displays the six main parts of EI contained within an organising framework. Compared to other job sectors, the Sales sector scored relatively higher (green) on the left column (**Personal Intelligence**) and average (amber) on the right column (**Interpersonal Intelligence**). Personal Intelligence includes aspects such as self-motivation, dealing effectively with setbacks, and making confident decisions.

Interpersonal Intelligence relates to behaviours such as placing trust in others, team working, and managing confrontation constructively. Surprisingly, the Sales sector scored below average on several Interpersonal aspects of EI. Exploring this more closely, a higher score on **Connecting with Others** (forming close relationships) but a lower score on **Trust** and **Interdependence** (collaboration and teamwork), suggested the typical salesperson may be more individualistic and less team oriented. This could therefore be an area for development, particularly when salespeople progress to become team leaders.

FIGURE 1: **Relative EI strengths and development areas within the Sales sector**

Green represents a higher score than other job sectors and amber the same score as other job sectors

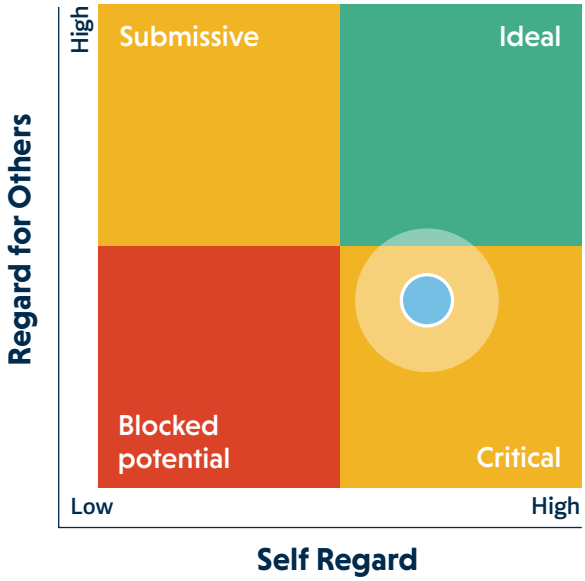


Two scales that underpin EI are the underlying core attitudes of **Self Regard** and **Regard for Others**. When placed in a two-by-two matrix these represent four distinct 'life positions'[6] that greatly influence individual behaviour and performance. As shown by the blue ball *(Figure 2)*, the Sales sector fell slightly into the 'Critical' position (high **Self Regard** and lower **Regard for Others**), which is characterised by being critical and blaming of others. This suggested that under times of stress (which may be quite frequent within this job role) salespeople may become more rigid and inflexible in their behaviour, possibly aggressive, arrogant, and insensitive to others.

Incidentally, this critical and bullying behaviour often masks feelings of lower self-esteem.

FIGURE 2: **'Core attitudes' in the Sales sector**

The blue ball indicates the position for the Sales sector compared to other job sectors



What EI differences are there within the Sales sector?

Further analysis was conducted to examine differences in age, gender, and job level within the Sales sector.

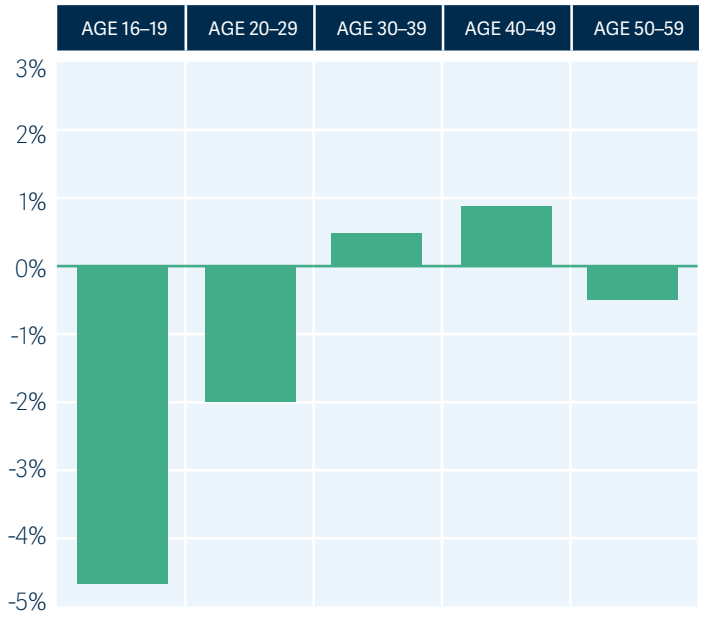
In relation to age, Table 2 shows overall EI increased significantly in the 30-39 group, then plateaued for the next 20 years, and dropped off slightly in the 50 and over group. This reduction in overall EI for the older age groups contrasts with other job sectors, which show a steady and continuous increase in EI with age. The youngest two age groups (16-20 and 21-29) scored significantly lower in most of the EIP scales, indicating that alongside age and experience, basic EI skills such as building rapport and **Emotional Resilience** are prerequisite to developing a career in sales. There may be a critical threshold of experience where salespeople either 'make it' or drop out, deciding that sales is not for them.

Those that continued to work in sales into their forties and fifties showed no significant improvement in EI except for greater **Authenticity** and being less **Pessimistic**, indicating a more consistent, realistic, and balanced perspective. In the 50 and over age group there was a slight drop, particularly in **Awareness of Others** and **Connecting with Others** (suggesting less overt effort to build relationships), and **Personal Power** (indicating less drive or feelings of control and influence).

This may in part be attributable to this age group being represented by more senior job levels, as discussed below.

TABLE 2: **Overall EI differences by age range within the Sales sector**

The midline represents the mean average for the Sales sector



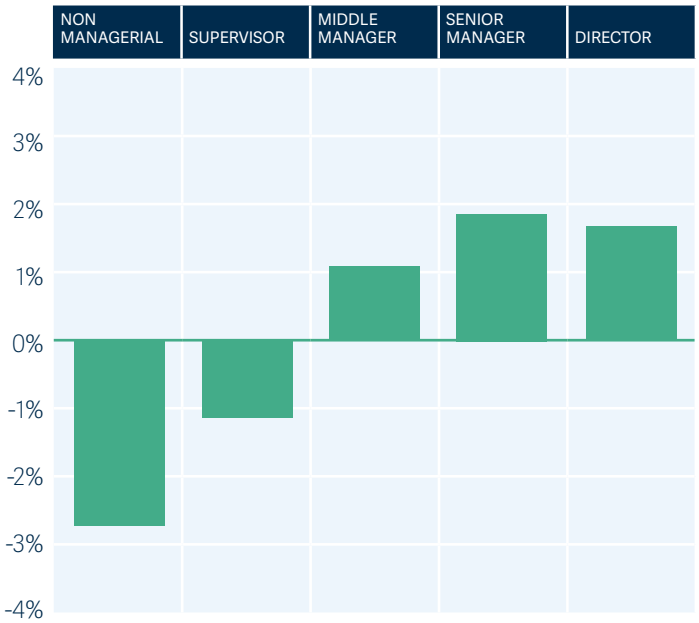
In relation to job levels within the Sales sector, EI increased significantly between Non-Managerial and Managerial levels, which then plateaued at more senior job levels *(Table 3)*. This contrasts with most other job sectors where EI tends to increase consistently with job role seniority[4].

However, at the top level, Senior Managers and Directors score higher on many aspects of **Personal Intelligence** (**Self Regard**, **Self Awareness**, **Emotional Resilience**, **Goal Directedness**, **Authenticity**, and **Balanced Outlook** – **Realistically Optimistic**) suggesting they have developed some elements of EI that are important for effective leadership.[7] Although, this did seem to be counteracted by lower scores in **Interpersonal Intelligence**. For example, Directors scored lower on **Regard for Others** and were more **Aggressive**, suggesting that at this level they are tougher and more demanding.

At the bottom Non-Managerial level, they scored somewhat lower on most aspects of EI indicating a lack of experience, lower confidence, and emotional immaturity. As identified from the 20-29 age group, there was a significant leap in EI to be made for salespeople to advance to a managerial level. This could be due to insufficient investment in developing salespeople at a Non-Managerial level or, adopting the wrong approach to developing them.[8] Given the increasing demand for relationship-focused salespeople,[9] it is perhaps more important than ever that EI is developed and capitalised within the Sales sector. Without adequate training and support in developing their EI it is likely that many of those with the potential to succeed will either take far longer to get there or drop out from sales as a profession. This is particularly relevant in-light of research that shows 'hiring the right people' and 'motivating sales reps' have been rated as two of the top three challenges facing sales managers in recent years.[10]

TABLE 3: **Overall EI differences by job level within the Sales sector**

The midline represents the mean average for the Sales sector

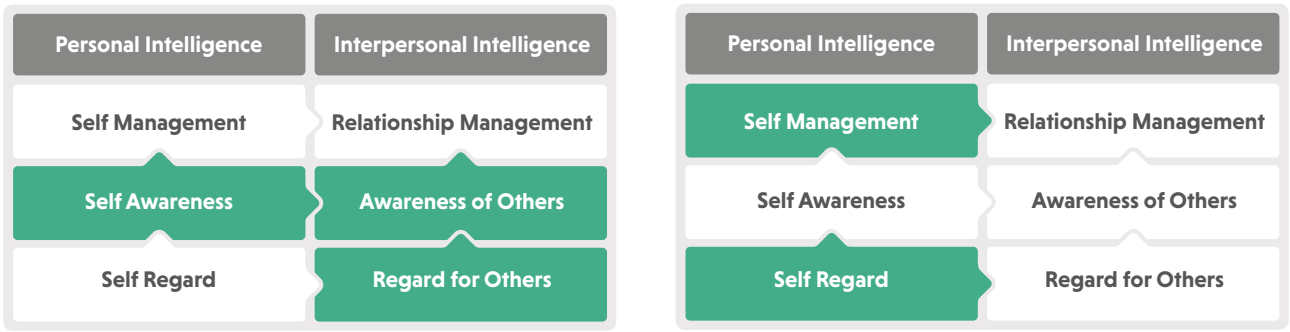


There were four times more male than female participants in this sample demonstrating sales to be a male dominated sector. There were some clear gender differences in EI *(Figure 3)*, showing males were more self-assured (**Self Regard**, **Emotional Resilience**, and **Goal Directedness**) but less personable (**Aggressive**, **Mistrusting**, and Emotionally **Over Controlled**), and females were more people oriented (**Regard for Others**, **Self Awareness**, **Awareness of Others**, and **Connecting with Others**) but less **Assertive** (**Passive** and **Dependent**).

This pattern is not dissimilar to other male dominated job sectors such as Finance, which have been criticised for perpetuating a culture that is overly aggressive and therefore missing out on many of the typical female EI strengths. This culture may be further perpetuated from the top down given that Senior Manager and Director job roles are mostly held by men. However, it is important to note that while males made up 80% of the Senior Managers and Directors within the sample population of the Sales sector, the number of males and females in these roles appeared to be proportionate to their sample size at 38% and 32% respectively, therefore suggesting there is no gender bias when transitioning to senior management.

FIGURE 3: **Female *(left)* versus Male *(right)* relative EI strengths within the Sales sector**

Green represents a relative strength



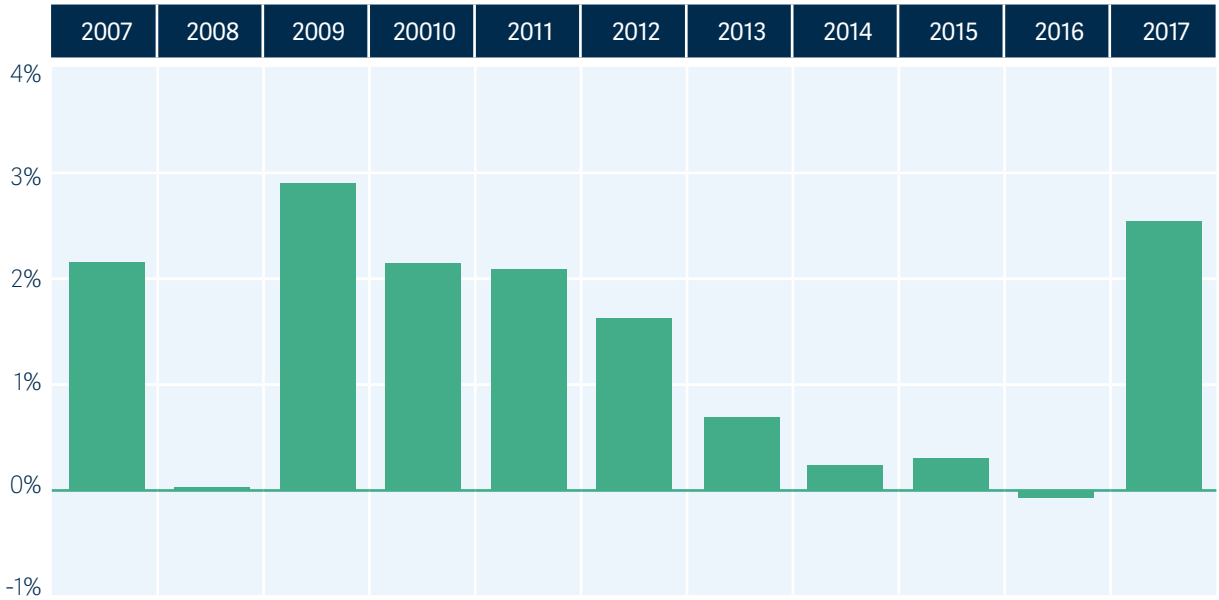
How EI changed in the Sales sector between 2007 and 2017?

It is perhaps worrying to have seen an overall decline in EI in the Sales sector since 2009, except for an improvement in 2017 *(Table 4)*.

Between 2009 and 2016, there was a reduction in nearly all of the 16 EIP scales, which may represent a broader negative shift in mindset and morale within the sector. One reason for this may be what Accenture describe as the 'age of distraction' (information overload from digital solutions) which they claim has led to a 5% drop in sales productivity and reduced sellers' performance by 14%.[2] Other reasons may include a lack of talent development from Non-Managerial to Managerial level *(as discussed previously within Table 3)* and the Sales sector struggling to adapt to market demands in moving from Transactional to Enterprise sales *(as discussed later with Table 5)*.

TABLE 4: **Overall EI for years 2007-2017 for the Sales sector**

The midline represents the mean average for all job sectors



It is interesting to note the drop in EI in the Sales sector in 2008, which may have been a result of the economic recession. However, the bounce back in 2009 supports findings that the Sales sector has higher **Emotional Resilience**. It is possible that the impact of the recession may have been delayed until 2010, when EI began to decline. It could further be argued that a similar pattern of resilience is emerging in 2017 in light of significant economic and political changes such as Brexit. While this may indeed indicate green shoots of recovery and a more optimistic outlook for the future, it is strongly suggested that EI interventions are put in place in the Sales sector to avoid repeating the decline seen after the 2009 spike.

Which EIP scales predict higher sales performance?

The data described so far provides a useful indicator of the typical EI strengths and development areas within the Sales sector.

The next part of our analysis examined which EI scales may differentiate higher from lower sales performance.

Evidence for the relationship between EI and sales performance ranges from strong[11,12] to unconvincing.[11,13] One reason for this may be that different sales roles require different attributes.

Research by PSI Talent Management examined the relationship between the 16 EIP scales and sales performance (target sales achieved and supervisor ratings) in two distinctly different sales groups:

- A **'Transactional'** sales group (recruitment consultants), i.e. low 'touch', higher volume, lower yield, features based selling.
- An **'Enterprise'** sales group (telecoms sales consultants), i.e. high 'touch', lower volume, higher yield, client account relationship management selling.

The results *(Table 5)* showed broad differentiation between the two sales groups, Transactional sales correlated with many **Self Management** EIP scales and Enterprise sales correlated with some **Relationship Management** EIP scales.

The six EIP scales that correlate significantly with **Transactional** sales indicate that high-performing recruitment consultants are self-confident, self-determined, realistic, cope well with set-backs, and have a drive to make things happen.

The four EIP scales that correlate significantly with **Enterprise** sales indicate that high-performing telecom sales consultants are more likely to act assertively, collaborate well, cope with pressure, and adapt easily to people and changing demands.

TABLE 5: **EIP scale correlations with sales performance**

Transactional sales[a]	Correlation	Enterprise sales[b]	Correlation
Self Regard	.20**	**Flexibility**	.39**
Goal Directedness	.19*	**Emotional Resilience**	.25*
Emotional Resilience	.16*	**Interdependence**	.25*
Personal Power	.15*	**Conflict Handling**	.23*
Trust	.15*		
Balanced Outlook	.15*		

It is encouraging that the Sales sector scored higher than average (compared to other sectors) on four of these performance related scales (**Self Regard**, **Goal Directedness**, **Emotional Resilience**, and **Personal Power**). However, it is of note that the Sales sector experienced a general decline in each of these scales. It is also less encouraging that the Sales sector scored lower than average on five of the performance related scales (**Flexibility**, **Trust** – **Mistrusting**, **Balanced Outlook** – **Over Optimistic**, **Conflict Handling** – **Aggressive**, and **Interdependence** – **Over Independent**).

These differences broadly indicated that the Sales sector scored higher in EIP scales related to **Transactional** sales but lower in EIP scales related to **Enterprise** sales. Considering that customer expectations and the demand for longer-term relationship sales continue to rise, this indicates a need for the Sales sector to develop some of the more sophisticated EI attributes associated with **Enterprise** sales.

It is also noticeable that males score higher than females on all of these performance related EIP scales except for those where females score at the opposite end of the scales to males (that are also negative), i.e. **Over Trusting** rather than **Mistrusting**, **Pessimistic** rather than **Over Optimistic**, **Passive** rather than **Aggressive**, **Dependent** rather than **Over Independent**. This may partly be due to the large male presence in the sample group at senior levels, and that males are more inclined to over-rate and females to under-rate themselves when self-evaluating.[14] However, it may also indicate different development needs exist between males and females in the Sales sector.

Overall, this analysis highlights some significant differences in performance related EI attributes between two sales groups. Further research examining EI within specific sales groups is recommended.

[a] Sample of 254 sales consultants employed by an international recruitment consultancy based in the UK
[b] Sample of 79 sales consultants employed by a UK based global telecoms organisation
** Statistically significant*
** = p < .05*
*** = p < .01*

Conclusion

Based on this research there were two main areas where developing EI could provide most support to the Sales sector and prevent the potential decline in EI within this industry: firstly by improving sales performance and secondly by improving sales leadership.

To improve sales performance, the Sales sector could focus on developing the EIP scales that are shown to be predictive of performance, by both building on their strengths that are mainly in **Self Management**, and by developing their weaker areas that are mainly in **Relationship Management**. Furthermore, several of the lower scoring Relationship Management scales are found to be particularly relevant for longer-term Enterprise sales, which is being increasingly demanded from the Sales sector.[1]

Improving the relationship aspect of EI, will also help the Sales sector to develop effective leadership skills, such as valuing others, team working, building trust, and flexibility, as well as helping to create positive change in the sector more widely. Sales leaders have a significant impact in shaping the emotional tone and motivation of those they lead.[9] They are also pivotal in nurturing existing talent and helping individuals make the difficult transition (and step change in EI) from salesperson to sales manager. This highlights the need for sales leaders to become more effective at developing and getting the best out of their existing sales staff as the 'war talent'[5] becomes ever more competitive.

Appendix 1

What is Emotional Intelligence?

Emotional Intelligence (EI) is a combination of attitudes and behaviours that distinguish outstanding performance from average performance. Individuals with higher EI will be better able to manage themselves and their relationships to be both personally and interpersonally effective. The framework shown below provides an organising structure for the different facets of EI and how they are related. The two main streams of EI are:

Personal Intelligence

Being effective at picking up what is going on inside of you (**Self Awareness**) and taking appropriate actions to manage yourself (**Self Management**).

Interpersonal Intelligence

Being effective in picking up what is going on for other people (**Awareness of Others**) and taking appropriate action to manage them (**Relationship Management**).

Your Emotional Intelligence is influenced by your attitudes. In particular, your attitude towards yourself (**Self Regard**) and your attitude towards other people (**Regard for Others**). To make developmental changes stick, it is important to develop the right attitudes along with your behaviours. The relationship between the various parts of Emotional Intelligence is shown in the diagram below.

The EI framework

	Personal Intelligence	Interpersonal Intelligence
Behaviour	Self Management	Relationship Management
Feeling	Self Awareness	Awareness of Others
Attitude	Self Regard	Regard for Others

For a comprehensive description of EI and its development refer to *Emotional Intelligence at Work*.[15]

Appendix 2

Scale definitions for the EIP

Attitude

1 Self Regard

The degree to which you accept and value yourself.

2 Regard for Others

The degree to which you accept and value others as people, as distinct from liking or approving of what they may do.

Feeling

3 Self Awareness

The degree to which you are in touch with your physiology, feelings, and intuitions.

4 Awareness of Others

The degree to which you are in touch with the feelings of others.

Self Management

5 Emotional Resilience

The degree to which you are able to pick yourself up and bounce back when things go badly for you.

6 Personal Power

The degree to which you believe that you are in charge of and take sole responsibility for your outcomes.

7 Goal Directedness

The degree to which you relate your behaviour to long-term goals.

8 Flexibility

The degree to which you feel free to adapt your thinking and your behaviour to changing situations.

9 Connecting with Others

The extent and ease with which you are able to make significant connections with other people.

10 Authenticity

The degree to which you invite the trust of others by being principled, reliable, consistent, and known.

Relationship Management

11 Trust

Your tendency to trust others.

Mistrusting

Carefully Trusting

Over Trusting

12 Balanced Outlook

How well you manage to balance optimism with realism.

Pessimistic

Realistically Optimistic

Over Optimistic

13 Emotional Expression and Control

The degree to which you are emotionally controlled.

Under Controlled

Free and in Charge

Over Controlled

14 Conflict Handling

How well you handle conflict.

Passive

Assertive

Aggressive

15 Interdependence

How well you manage to balance taking yourself and taking others into account.

Dependent

Interdependent

Over Independent

Developing your Emotional Intelligence

16 Reflective Learning

The degree to which you enhance your Emotional Intelligence by reflecting on what you and others feel, think, and do.

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