

Optimism = Sales Success

Metropolitan Life Case Study

Corporate Snapshot

Metropolitan Life is a leading provider of insurance and other financial services to millions of individual and institutional customers, now operating across the United States, Asia Pacific, Latin America and Europe.

The Challenge

In the mid 1980s, Metropolitan Life was hiring 5,000 salespeople a year and training them at a cost of more than US\$30,000 each (over two years). Of these salespeople, half quit the first year and four out of five within four years.

The Objectives

In light of such high turnover and equivalent costs to the organisation, MetLife wanted to identify people who would:

- Be better at handling frustration
- Take each refusal as a challenge rather than a setback
- Be resilient, courageous, and would not give up
- Find solutions, follow through and succeed

The Solution

The C.E.O. of MetLife approached psychologist Doctor Martin Seligman at the University of Pennsylvania and invited him to test his processes on the importance of optimism in people's success. Dr. Seligman has found that when optimists fail, they attribute the failure to something they can change, not to some innate weakness that they are helpless to overcome.

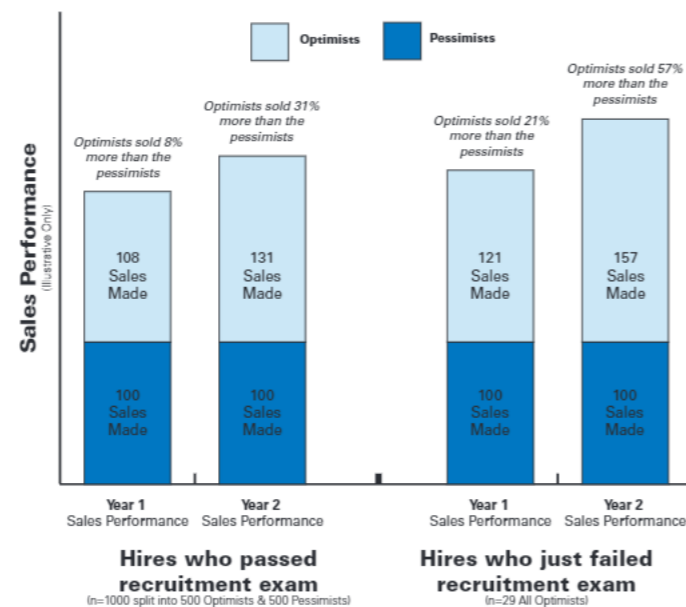
Dr. Seligman tracked 15,000 new MetLife consultants who had taken two tests. One was the company's regular screening exam, the other Dr. Seligman's profile measuring their levels of optimism. Among the new hires was a group who flunked the screening test but scored as "super-optimists" on Dr. Seligman's exam. And sure enough, they did the best of all; they outsold the pessimists in the regular group by 21% in the first year and 57% in the second.

The Results

Dr. Seligman suggested that they hire only people with high levels of optimism. When scores were matched to actual sales records, it turned out that consultants who scored in the top half for optimism sold 37 per cent more insurance over two years than those in the pessimistic bottom half.

Even more interesting, consultants who scored in the top 10 per cent for optimism sold 88 per cent more than those ranked in the most pessimistic 10 per cent. (MetLife no longer employ the bottom 25% of applicants because of sales results, training costs and ROI).

MetLife Sales Hires and Sales Performance



"This test could save insurance companies millions of dollars in training costs alone."

(Psychology Today)

Conclusion

In a 1995 study, Dr. Seligman went on to compare optimism scores to performance of salespeople across several industries, including insurance, office products, real estate, banking, and car sales. The results across all studies indicated that optimists outsold pessimists by 20 to 40 per cent.

(One extreme example was estate agents. The extremely optimistic sold over treble the amount of the extreme pessimists.)

Mind Resources and Synergy Success Strategies use Dr. Seligman's profiling system and other tools and processes as a recruitment and coaching tool for businesses across a wide spectrum of industries. From 1999 to now, it has helped find peak performing C.E.O.'s and Sales consultants through to top Client Service Managers, with 96% success rate.

The good news is that optimism can be learned. Coaching programs on learned optimism can help people break through any challenge; allowing them to become more productive, confident, happier and ultimately resulting in taking the business to new levels of productivity and profitability.

Inside Stories

"Met Life then changed its hiring practices to include screening candidates for optimism. **In less than two years, the company had more success hiring agents, expanded its sales force to more than 12,000, and increased its market share of the personal insurance market by 50%.**"

(HR Magazine)

"Applicants who were optimists, but failed to meet MET LIFE's other standard test criteria, were hired anyway. This group outsold its pessimistic counterparts by 21% its first year and by 57% the next."

(Fortune)

Want to replicate this success and build an optimistic organisation?

Find out more about Learned Optimism by attending an information session held by Mind Resources and Synergy Success Strategies. Contact our Australian office on +61 2 9291 4222 to request a session outline or to book your place today.

