

RELATIONAL INTELLIGENCE IS DECLINING

CAN WE SELL WITHOUT IT?

BY JANE GENTRY

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HELPING CEOS AND LEADERS CREATE BUSINESSES THAT WORK

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WHY THIS TOPIC?

A CHALLENGING FUTURE

As business continues to change rapidly, we are converging on three major themes that will impact Sales.

- 1** First of all, the stereotypes and stigmas surrounding Sales seem to still be alive and well in our pop culture. Sales is seen as a job to get if you can't do anything else. And, with the purpose-driven and authentic approach to life that is the calling card of Millennials, Sales is not a job in which they are very interested.¹
- 2** Secondly, HR challenges will impact hiring in Sales. Boomers are quickly moving out of the work-force, but there aren't enough Gen Xer's to fill the gap. Within 10 years the workforce will be 50% Millennials. There will be fewer workers in total which will cause a competition for employees – especially the Rainmakers.
- 3** And finally, the technology with which Millennials have been raised has caused a skill gap with regard to relationship management. By not engaging in the face-to-face relationships that were common in generations past, Millennials have become less comfortable in these situations and sometimes completely avoid them. Studies have also shown a significant drop in their ability to Empathize – an important skill for Sales.

The future looks challenging – a workforce of Millennials who don't want to sell and will have challenges with client engagement if they do take the job. *What can we do?*

TIME TO ADAPT

First, we should revise the traditional approach to Sales and avoid any Sales methodology that teaches control or manipulation of the customer. ABC (always be closing) is not the future of Sales. We must adopt methodologies that are in line with the values of Millennials (and frankly, customers) – **collaboration, authenticity, transparency, insight, purpose.**



Secondly, we need to get serious about training for Relational Intelligence.

I've been asked about the difference between Relational Intelligence and Emotional Intelligence. Emotional Intelligence, popularized by Daniel Goleman, is the ability to be aware of and self-regulate your emotions and your responses to them. Relational Intelligence, as I'll detail later, is the ability to manage social relationships. It is the next logical evolution of Emotional Intelligence. Incidentally, Goleman is a pioneer here too.

Finally, we need to **re-engineer our processes to support Relational Intelligence.** I'm excited to share Relational Intelligence with you, and why the timing is right for Sales Leaders to take it seriously.

THE LANDSCAPE IS CHANGING



of Sales jobs will be eliminated by 2020, but Consultative Sales positions will increase by 10%.

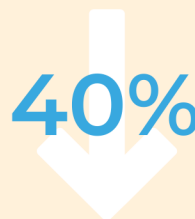
(Forrester²)



of our workforce in ten years will be Millennials.

(Various)

Since 2000, the ability of college students to Empathize has dropped



(U of MI)

Relationship Building Skills and Relational Intelligence Skills will be our Biggest Asset and our Biggest GAP in the next 10 years.

WHAT DOES IT MEAN?



DETERIORATION OF EMPATHY

Anything that can be commoditized will be sold on the web. Everything else will require Sales people with ability to have effective face-to-face interactions with clients.

While in the past you might have assumed this as a standard capability, you can no longer. Empathy, the ability to put yourself in someone else's shoes, is being deteriorated by the increased use of technology by younger generations.

And, they will be half of your Sales force by 2026!

THE ABILITY TO ENGAGE CLIENTS IN FACE-TO-FACE CONVERSATIONS WILL BE A DIFFERENTIATOR FOR YOU.

DEFINING RELATIONAL INTELLIGENCE

Relational Intelligence is the ability to manage relationships and relational interactions with each other.

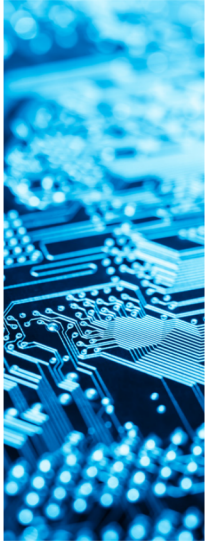
Not online relationships – face-to-face relationships – eye to eye, in the moment, unpredictable, sometimes scary relationships.

More specifically, managing the drivers of Relational Intelligence:

- Situational Awareness
- Situational Response Empathy
- Authenticity in your Relational Interactions



WHY DOES IT MATTER?



RELATIONAL CIRCUITRY

Science has proven that we are fundamentally wired to connect. That we have 'relational circuitry' that allows us to navigate through every encounter we have - with our manager, our teams, our customer.

This system gives the Salesperson:

- the sense that the client is not engaged by the presentation
- the ability to ask hard questions in a soft way
- the flexibility to navigate differing communication styles

THERE'S MORE.

More than that, Relational Intelligence doesn't just impact our workplace. It also impacts our biology. (You can learn more about this in Daniel Goleman's book *Social Intelligence*)

Bad relationships are toxic. And, toxic isn't a word connected with healthy, successful client relationships – or impressive Sales numbers.

Unfortunately, technology is no longer our servant. It seems to have become our master. And, as a result, Relational Intelligence is a diminishing skill that will be an increasing skill gap with younger generations. Here is a great example.

A client shared with me that one of her younger colleagues who works in the office next door put a meeting invitation on her calendar. When it was time for the meeting, the young woman FaceTimed her from her office next door. She couldn't believe it!

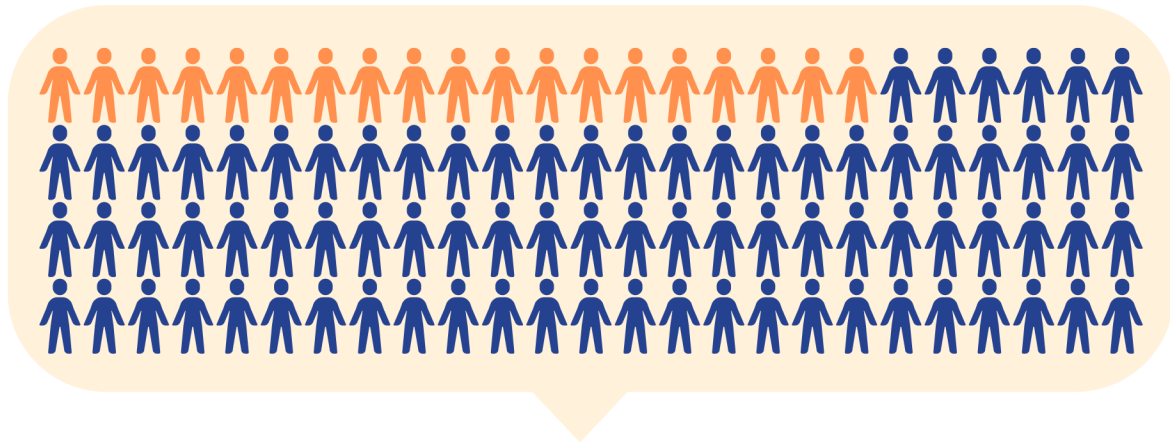
Was it wrong? In the end, it's less about right and wrong and more about understanding what makes sense for a particular interaction. The question is, what did the younger woman want from the interaction? And, what was the expectation of the other person? This is where Situational Awareness and Empathy come in to play. Because of a lack of Awareness and Empathy, the young woman will now have to overcome the negative lens through which her colleague sees her. It doesn't help that the other woman is her boss.

Our ability to navigate complex Relational relationships is deteriorating; and nowhere are relationships more complex and critical than in business.

Daniel Goleman believes that we are in a period of 'Relational Autism'.

CHANGES IN SALES

Sales has changed dramatically. It takes longer and involves multiple stakeholders. And, they know about your company, your products and your competitors before your first conversation. So, the way you engage the customer will be critical.



Only 19% of buyers rate their conversations with sellers as valuable, while 81% consider it a 'waste of time.'

AS A RESULT,
37% OF SALESPEOPLE WILL NOT REACH QUOTA THIS YEAR

How can you be sure that your Sales organization is in the other 63%? Help them get clear on their role in the process and what will truly differentiate you.

From a Relationally Intelligent point of view, a seller has two roles:

- 1 Managing the Conversation
- 2 Managing the Relationship

A SELLER'S ROLES

SECTION 1

MANAGING THE CONVERSATION



MANAGING THE CONVERSATION

BY THE NUMBERS

Nearly 2/3 of B2B Sales professionals rank Sales conversations as the most important factor in creating **competitive differentiation**. And they are right. But they've misdiagnosed the conversation that they need to have.

The tendency is to sell against the competition. But, the majority of deals (60%, in fact) aren't lost to a competitor. **They are lost to the status quo – to the client doing nothing.**²

74% of executives say that although they give competitors an honest shot, they go with the one who can best **articulate the vision** for the future.³

And fMRI⁴ neuro-imagery shows that when evaluating brands, customers primarily use **emotions rather than Information** like brand attributes, features, and facts.

IT'S CRITICAL THAT YOUR SELLERS HAVE
THE RIGHT TYPE OF CONVERSATION.

WHAT DOES GREAT LOOK LIKE?

- 1 Putting context to the things the client already knows about you, your products, your company. Teaching them things they don't know about your company, your industry, or trends.**



Your client expects you to add insight about current trends that will impact their business. Are you up on the latest trends, technology, or mergers in your client's industry? How will those things relate to the choices the client will have to make or the way that they might see you and your company?

A client once shared with me that they were about to fire another provider. He said, 'We are constantly having to drive the train. I've been looking to them to lead – to tell US what the right next step is. They are becoming more work than help or added value.'

2 Sharing information that you have that they don't (maybe access to a study or survey)

Perhaps your company has done proprietary research on something in your industry or developed a short survey or assessment to determine the severity of a client's need. What can you bring to the table that will help them with their decision?

3 Using insight to create a vision of the future that they might not be prepared for

Are you up-to-date on the latest happenings? Can you see a scenario in the future that they aren't prepared for?

Amazon took the world by storm very quickly. Many big box retailers paid the price for not seeing how Amazon could make buying their products easier. How many were a Johnny-Come-Lately to the party and had to rush to keep up? Would you, as a person keeping up with trends in business, have been able to connect the dots for them?

4 Surfacing assumptions that the client has about you, your products, your company

You may know that the client believes you are too small or under-resourced to meet their needs. Don't wait for them to bring it up. Be proactive and have a rebuttal prepared. This also shows that you've done your homework.

5 Spending most of your time asking great questions and listening

You should be listening 70% of the time and talking only 30%. The best way to do this is to have prepared questions that will give you insight into the client's needs and show them that you are fluent in the language of their industry and their company.

6 Aligning your responses to address the client's purpose

Many Sales people use their responses as an opportunity to close. You shouldn't be closing until you understand comprehensively what the client's purpose is, what their needs are and what success will look like to them.

7 Determining what the emotions behind what the client is saying

Can you identify what is behind what the client is saying? Are they excited about the project? Are they opposed to it and angry? Are they not engaged in your conversation?

8

Setting the tone for an authentic relationship

In relationship-based selling, the client wants to know who you are – the real you. They are looking for authenticity. Break the stereotype of Sales by bringing your authentic (albeit professional) self to the engagement.

I called a client by the wrong name in a meeting once. He looked miffed and corrected me. I intentionally called him the wrong name a second and third time. Then he called me Joan rather than Jane and we had a new inside joke. Of course, that doesn't work with all personalities. But, do give the client a glimpse of the real you.

9

Adapting your style to the client's style

Can you read the client well enough to adapt to his personal style? In other words, if he is stiff and formal, you are better off not telling him your latest joke. If he wants to get to know you a bit before digging into business, spend time asking about what interests him. Let your client lead the way you are approaching the meeting.

I attended a meeting once where the client had unexpectedly invited 8 additional people to the meeting. She sat everyone in a U-shape and put a table up front for the Salesperson's presentation. He came into the room, pulled out a chair, put it behind the table and did his entire presentation seated. He missed two big cues. The client had set up the room to be a formal presentation and she had left a large area in the U-shape for him to present to his audience. He missed both cues and his presentation was a failure. He didn't get invited back.



YOU ARE THERE TO BE THE FACE OF THE COMPANY.

It is much like dating.

The client has already been online and knows your stats.
What they want to know is if they like YOU.

Can you bring your authentic transparent self to the table?
Did you do the work to understand their situation?
Do you have empathy for them and their situation?
Can you cast a vision of the future that prepares them for the unexpected?

RELATIONALLY INTELLIGENT BEHAVIOR

What makes these relationally intelligent behaviors? Let's revisit the Drivers of Relational Intelligence in this context.

Situational Awareness

- Being clear on the desired outcomes for you and the client
- Being highly aware of yourself and your responses (EQ)
- Awareness of the non-verbal clues your client is giving
- Understanding the meaning behind the client's language
- Recognizing the differences in style, perception and objectives between you and the client

Rainmakers are experts at adjusting for the curve balls that the client slings their way. The most successful sellers are experts at reading the situation. They are clear on what a great outcome looks like for the client and for them – and they know where those two outcomes might be in opposition. They are great at leaving their ego at the door and managing their own responses to the conversation.

Years ago, I met with the President of a cable TV network. I mentioned something technical, and he bested me with better insight. I didn't want to look uninformed, so I one-upped him. A moment later I realized that I was literally competing with my potential client! It was all in service to my own ego and very counterproductive to getting him as a new client. I didn't leave my ego at the door.

Great sellers know how to read when a client's body language doesn't match his verbal language. And they are more focused on meaning than on conversation. The conversation is of no value unless you can leave knowing what the client wants and how your engagement went – in other words, did you connect with each other, and what is the client really after and why.

Finally, great sellers adjust in the moment to match a client's style of conversation. They don't assume that the client perceives things as they do and so they are intentional in getting clear on what the client means by what he says.



Situational Response

- Seeking honest feedback
- Aligning with the client's purpose
- Adapting to the client's style
- Adjusting your questions to match the flow of the conversation
- Adapting your presentation to meet the needs of the client

If you have a clear sense of the situation, you can be prepared to respond effectively. Unfortunately, many Salespeople don't. They continue on a path that they rehearsed and are not truly present with the client in the conversation. Your clients today are looking for ways to collaborate and co-create with you. They are searching for innovation, but don't want to be told what to do, they want to participate in creating the solution. The most successful sellers are those who are fully prepared and in the moment, listening to the client and adjusting to the situation.

Empathy

- Truly seeing yourself in your client's shoes
- Being an active listener
- Asking questions to learn more about the client and their needs rather than asking to fit your agenda
- Seeing your role as being in service to the client
- Challenging the buyer's thinking without challenging the buyer



The statistics around our loss of empathy are staggering and sad. Successful sellers, however, are masters of empathy. They put aside their personal need to make the sale and truly see the situation from the eyes of the customer. To do this, you must be an intentional and active listener. What do I mean by 'active listener'? Active listeners engage the clients with great questions so that they get valuable information. They let the client do most of the talking while still helping to facilitate the conversation.

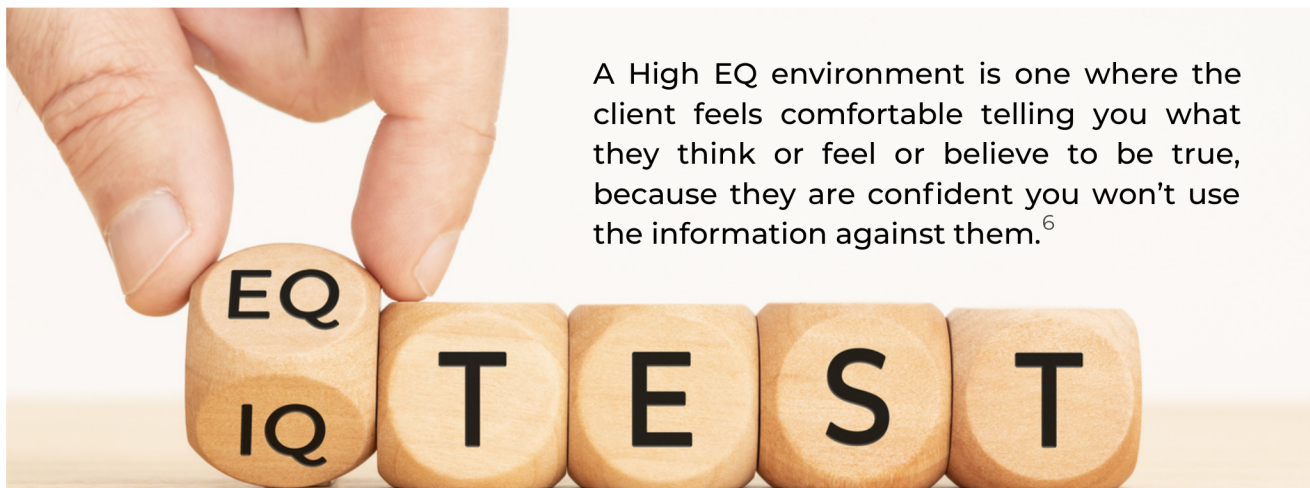
If you want to be great at empathy, begin by seeing yourself as being in service to the client, understanding their needs and obstacles to meeting those needs, and challenging their thinking without challenging them personally.

Authenticity

- Creating an environment where the client feels they can be open with you
- Being teachable
- Increasing your self-awareness for the sake of improving relationships with others
- Being as transparent as is appropriate for the situation
- Leaving your ego at the door
- Being willing to have hard conversations for the sake of improving the relationship

A recent survey of B2B buyers done at Santa Clara University revealed that authenticity is the second most important priority of buyers (behind only co-creation). The same survey done by sellers put this second to last.⁵

Two things pop out of this statistic for me. First, that Salespeople often miss what is important to the client (showing a lack of situational awareness and empathy). Secondly, that we grossly underestimate how important authenticity is to client relationships. Authenticity helps to create what Mahan Khalsa refers to as a 'High EQ' environment.



A High EQ environment is one where the client feels comfortable telling you what they think or feel or believe to be true, because they are confident you won't use the information against them.⁶

Often, we are unable to be authentic because we can't get our ego out of the way. Our ego triggers our own personal need to win, to be right, to look smart— you can fill in your own triggers here.

Assumptions are another barrier to authenticity. We assume that we should have a certain presence. We make assumptions about how the client perceives us. Or we assume that we are entering a contentious environment and so we put our proverbial armor up for protection. The final barrier to authenticity is fear. Are one of these holding you back from a great relationship with a client?

LET'S RE-CAP

Managing the conversation is the first step in showing a client or prospect that:

- You value the relationship enough to meet them face-to-face
- You know their business well enough to have a strategic conversation
- You know their market well enough to add insight to their situation
- You know the client well enough to know their purpose and what they value

You do this by becoming Relationally Intelligent:

- Becoming situationally aware of the environment and the reactions of the people you are speaking with
- Adjusting the conversation or presentation to what you are seeing
- Putting yourself in the client's shoes to envision what is important to them and what concerns them
- Bringing your authentic self to the engagement so that you can begin to build trust

ASK YOURSELF

Are your sellers managing the conversation well?

If not, in which areas do they need to improve?

A SELLER'S ROLES

SECTION 2

MANAGING THE RELATIONSHIP



SALES RELATIONSHIPS

THE INCREASING IMPORTANCE OF RELATIONSHIPS

Economists are predicting that Sales will be flat next year. So, Sales people who are great at managing their existing client relationships will likely outperform those who are searching for net new business.

If your sellers are managing the conversation consistently, they've probably developed relationships where their clients know them, like them and trust them.

If this is the case, what should they be doing to effectively manage the relationship?



HOW TO EFFECTIVELY MANAGE RELATIONSHIPS

1 Creating a consistent method for engaging the client with valuable content

Don't reach out with, "Hey, what's up?" or "I'm just checking in". As you continue to stay up to date on trends in business and in your client's industry, reach out to them with a new piece of information or content so that every interaction with you is valuable.

2 Understanding the client well enough to make professional or personal referrals

One of the best ways to build a relationship with a client is to add value by making great personal referrals. Who do you know that fills a business gap that isn't your expertise? Who do you know who might benefit your client personally? The most successful relationships aren't all about work but show that you really know the person you are doing business with.

3 Asking regularly how you are doing on your performance

Sales people often don't inquire, "How am I doing?"

True professionals ask to be measured. This is an important part of being authentic. It shows that you care about the client's success and that you are teachable – two very attractive qualities.

4 Understanding what is on the client's list of Most Important Things to accomplish in the next year

Do you understand what is most important to your client in the next year? Or, how they will be measured? Knowing this gives you insight into the ways that you can help them be successful and in turn create success for yourself.

5 Collaborating with the client to develop something new together that will benefit you both

Innovation and co-creation are among the top priorities for buyers. What are you contributing with regard to fresh thinking and new ideas to your client's organization?

6 Being a great referral partner for important services that you don't offer

You obviously aren't the solution for every client need. Referring your client to a great new provider positions you as not just a provider, but also a resource. What are you doing to become the 'go-to' resource for your client?

7 Continuing to be a resource for market or industry trends that will impact the client

Do you remember my story about my medical client? Your client doesn't want to have to lead you – they are looking to you to be the leader. How are you helping to keep them up to date on what they need to know and what opportunities or obstacles are ahead?

8 Giving them assets you have that are easy to give, and valuable to them. (reports, white papers, assessments)

Are you looking for ways to help your client for free? This seems counterintuitive. We've all heard the phrase, 'You get what you pay for'. There is a place though, for small, valuable assets you can give the client that won't cost you much but show the client that you are always thinking of their success.



LET'S RE-CAP

The drivers of Relational Intelligence are not only important to Managing the Conversation, they are also part of Managing the Relationship well.

If you are Managing the Relationship well:

- You are looking for content and relationships that will help your client succeed
- You are asking to be measured
- You know what the client's most important goals are and look for ways to help them achieve them
- You find ways to help your client for free
- You are leading the relationship by bringing important insight and innovative ideas to your client

You do this by becoming Relationally Intelligent:

- Becoming situationally aware of the environment your client deals with daily inside their organization and in their market
- Seeing your opportunities to sell through the lens of the customer's most important goals
- Contributing to the relationship for the sake of the relationship rather than always for money
- Referring your personal resources and relationships in service to the client's success

Once you've earned the client's trust and deposited enough into their emotional bank account, you can leverage the great relationship you've developed into organic growth.

ASK YOURSELF

Will your client:

Help you sell the same services to other business units? Other geographies?

Introduce you to sister or parent companies with a warm referral?

Share the value of your solution to partner companies?

Give you warm referrals to outside relationships they have – on LinkedIn, for example?

FINAL THOUGHTS

AN IMPORTANT NOTE

GREAT CLIENT RELATIONSHIPS ARE A COMPANY'S MOST VALUABLE ASSETS.

Don't let your sellers treat a client relationship as a transaction. Even the smallest engagement can create Sales growth if they understand how a great relationship can be a source for referrals, recommendations, and introductions.

FUTURE OUTLOOK ON SALES

As I mentioned early on, Sales must move toward a more authentic and collaborative approach if we are to attract Millennials to the craft. Fortunately, the research is showing that this is also the desired approach of buyers.

The challenge is the skill gap that Millennials have and Gen Yers will continue to have with Relational Intelligence. Fortunately, Millennials are anxious to learn and in fact, have high expectations that they will get this learning from their employer. Employers are realizing that the need to revisit how and what they are providing in terms of learning and development.

If you are an employer, Relational Intelligence should be on your radar and in your curriculum.

If you are a manager, you must put processes in place that clarify when a face to face conversation is the best choice.

Millennials – take the reins of your career.

If this is a skill gap for you, find ways to improve your Relational Intelligence. A great start is to frame your client relationships in terms on the Conversation and the Relationship – where can you add Relationally Intelligent behaviors?

In the end, I'm not suggesting that we toss the phone, the tablet or the computer. I'm encouraging you to create a Sales culture knowledgeable enough to marry the right communication style to the desired outcome. Do you want great client relationships? Technology alone won't get you there.

You'll begin to see the return on relationships when sellers have the skills to effectively manage client conversations and client relationships.

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MEET JANE GENTRY

CEO Advisor | Business Consultant | Sales and Leadership Expert

Jane Gentry has had a successful 30-year career as a CEO, Business Consultant, Executive Coach, Sales Manager, and Keynoter. In 1999, Jane formed her practice where she has partnered with her clients to improve growth, profitability, client retention, employee retention and leadership capabilities.

Jane helps entrepreneurs and senior leaders diagnose and solve gaps and weaknesses enabling profitable growth and improving sales velocity. Even HR leaders bring her in to coach managers on inspirational leadership and using Relational Intelligence to build high-functioning cross generational teams and improve employee engagement.

The world's most successful organizations have brought Jane on board, including Assurant, The Home Depot, Milliken, Philips, Coca-Cola, Leidos Healthcare, Stryker, GSK, Transamerica, BlueCross Blue Shield and Mercedes-Benz.

Jane is considered one of the top voices in leadership and sales. She has been a guest on numerous podcasts and is a prolific speaker at high-profile meetings from Canada to the Czech Republic. She has been tapped to address topics including "Selling Value" to "Social Intelligence and Your Millennial Sellers" and "Inspirational Leadership". Audiences and clients have described her as a woman with a vision, energetic and inspiring.

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SOURCES

1. A recent study from the Harvard Business School's U.S. Competitiveness Project found that employers spend an average of 41 days trying to fill technical Sales roles, versus 33 days for jobs in other professions that call for similar skills. The same study describes a cloud-based software company that lost millions in revenues because it couldn't hire enough Sales reps.
2. Forrester
3. Ibid
4. Functional magnetic resonance imaging or functional MRI (fMRI) is a functional neuro-imaging procedure using MRI technology that measures brain activity by detecting associated changes in bloodflow. This technique relies on the fact that cerebral bloodflow and neuronal activation are coupled. When an area of the brain is in use, blood flow to that region also increases. (Wikipedia)
5. The Leadership Challenge – Santa Clara University – Kuzis and Posner
6. *Let's Get Real or Let's Not Play* – Mahan Khalsa