

Metropolitan Life – Case Study

Client

Metropolitan Life, in the mid-'80s was hiring 5,000 salespeople a year and training them at a cost (over two years) of more than \$30,000 each; half quit the first year and four out of five within four years.

Requirement

Was it possible to identify which people would be better at handling frustration and take each refusal as a challenge rather than a setback? Was it possible to find people who were resilient, courageous, would not give up, find solutions, follow through and succeed?

Challenges

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. When optimists fail, he has found, they attribute the failure to something they can change, not some innate weakness that they are helpless to overcome. And that confidence in their power to effect change is self-reinforcing.

Solution

Dr. Seligman tracked 15,000 new 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. Passing Dr. Seligman's test was one way to get hired as a MetLife salesperson.

MetLife Sales Hires and Sales Performance



Results

Dr. Seligman suggested that they hire 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. (They no longer employ the bottom 25% of applicants because of sales results, training costs and ROI).

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. The average is a less impressive 20-40% improvement in sales, but still very significant).

Synergy Success Strategies use Dr. Seligman's profiling system as a valid recruitment and coaching tool for businesses across a wide spectrum of industries. It has been employed to 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. Synergy "Breakthrough to Excellence" coaching programs (including Dr. Seligman's ABCDE model) helps key people in the business break through any challenges, allowing them to become more productive, confident, happier and ultimately resulting in taking the business to new levels of productivity and profitability.

"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%**". **H R Magazine**

"Seligman has shown that a person's optimistic or pessimistic way of explaining events foretells what may happen to him in the future." – **Newsweek**

"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**

"This test could **save insurance companies millions of dollars** in training costs alone." - **Psychology Today**

"How people respond to setbacks - optimistically or pessimistically - is a fairly accurate indicator of how well they will succeed in school, in sports and in certain kinds of work. People with an optimistic view of life tend to treat obstacles and setbacks as temporary and therefore surmountable. Pessimists take them personally; what others see as fleeting, localized impediments, they view as pervasive and permanent." - **Time**