
Applying Learned Optimism to Increase Sales Productivity

Peter Schulman

Why is it that individuals with the most talent are not always the most successful? Why are others over-achievers? Based on 30 years of research with over 1 million participants, Dr. Martin Seligman and his colleagues have uncovered a significant new predictor of achievement—optimistic expectations. Ability and motivation are not always enough in the absence of optimistic expectations, particularly in situations that require persistence to overcome adversity, such as sales. In other words, research has finally turned common sense wisdom into scientific fact: Expectations of success or failure are often self-fulfilling prophecies. Moreover, this fact has been taken a step further—expectations can now be measured quantitatively and training programs can transform pessimism into optimism. The benefits of optimism have been proven—increased motivation, superior achievement in various domains (including greater sales productivity), and better physical health. These findings have important implications for salesperson selection, training, and organization design.

Why is it that individuals with the most talent are not always the most successful? Why are others over-achievers? Why does the best 20 percent of a sales force typically bring in about 80 percent of the sales? One important clue to the answers is how the individual handles adversity.

The traditional view is that there are two personality traits that determine achievement—ability and motivation. In over thirty years of research involving more than 1 million participants, a crucial third factor has been uncovered—the expectation that one will succeed, ranging from optimistic to pessimistic. In other words, the ability to succeed and the desire to succeed are not always enough without the belief that one will succeed. Someone with the talent of a Mozart can come to nothing in the absence of that belief. This is particularly true when the task at hand is challenging and requires persistence to overcome obstacles and setbacks.

It is the nature of selling that even the best salesperson will fail far more often than succeed, so optimistic expectations are critical to success by helping the salesperson overcome the inevitable adversity. Resistance, rejection, and hostility all come with the territory and typically lead to high turnover and burnout rates.

Research has finally turned common sense wisdom into scientific fact: Expectations of success or failure are often self-fulfilling prophecies. The belief that one will succeed is the engine that inspires the efforts needed to overcome obstacles and achieve goals. Research has shown that the belief that one will succeed produces over-achievement and the belief that one will fail produces under-achievement. This scientific fact has been taken a step further—expectations can now be measured quantitatively and training programs can transform pessimism into optimism. More on these practical applications later.

Learned Helplessness: Theory and Implications

This new paradigm of achievement grew out of Learned Helplessness research. The Learned Helplessness theory states that an individual who believes he has no control over a desired objective will be unlikely to make the effort necessary to achieve that objective (Seligman 1975). There are three psy-

Peter Schulman has a B.S. in Economics from The Wharton School and is Research Manager of Dr. Martin E.P. Seligman's Learned Helplessness Research Lab at the University of Pennsylvania's Department of Psychology. He is also president of Foresight, Inc., a human resources consulting firm. His primary research interests include stress management training programs, the factors that impact sales productivity and the relationship between explanatory style and various areas of achievement. His articles have been published in several journals of the American Psychological Association.

The author gratefully acknowledges Dr. Martin E.P. Seligman and Andrew Shatte for their valuable support and contribution to this article. The theories and research presented in this article are based largely on the work of Dr. Seligman.

Journal of Personal Selling & Sales Management,
Volume XIX, Number 1 (Winter 1999, Pages 31-37).

. . . optimistic expectations are critical to success by helping the salesperson overcome . . . adversity.

chological consequences of this belief. One, there is a loss of motivation. Two, the individual feels anxious and has lower self-confidence. Three, the individual has difficulty learning that he or she has control, even when there is evidence that an objective is achievable. These three symptoms, by the way, characterize clinical depression when they appear in an extreme form, which is why effective treatments for depression have been based, in part, on Learned Helplessness research.

This raises the question: Why do some people develop the belief that they are helpless to achieve their objectives? We all experience uncontrollable bad events, large and small—airline flights are delayed, the weather does not cooperate with outdoor plans, loved ones pass away—yet we do not all develop Learned Helplessness.

What divides those who learn helplessness from those who do not? Why are some people beaten down by life's adversities while others become captains of their destiny? The answer is complex—genes, environment, upbringing, and willpower all figure into the equation. Learned Helplessness also provides a major part of the answer: expectations.

Learned Optimism and Great Expectations

To explain why some people tend to give up under adversity while others persist and overcome, it is necessary to introduce the concept of "explanatory style." Explanatory style is the habitual way that an individual explains setbacks and failures (Abramson, Seligman and Teasdale 1978; Seligman et al. 1979).

There are three dimensions of an explanation—stable/unstable, global/specific, and internal/external. These three dimensions address the following questions, respectively: How long-lasting is the cause of the bad event? How much is harmed by the cause of the bad event? Did I cause the bad event or did external circumstances cause it? There can be very different causes of the bad event "I didn't make the sale." Here are some examples of explanations for this bad event:

"I'm stupid." This is internal, stable and global.

"I'm a lousy salesperson." This is internal, but not as stable and not as global as "I'm stupid."

"I'm not good under pressure." This is internal, moderately stable and moderately global.

"I couldn't sleep last night." This is external, unstable and fairly specific.

Individuals who reflexively make stable (the cause is going to last a long time), global (it is going to undermine many areas of my life), and internal (it is my fault) explanations for bad events are more likely to give up and suffer Learned Helplessness than those who offer the opposite explanations for bad events—unstable (it is temporary), specific (it is isolated to this one situation) and external (I'm not to blame).

It is important to note here that we are not advocating that people should avoid taking responsibility for their actions. The internal versus external dimension is addressing a different issue: sometimes people automatically and excessively blame themselves without justification. When the cause of a setback is unclear, or if there are many causes, habitually blaming oneself can undermine confidence and impair performance.

An example will help flesh out what I mean by an explanatory style. Let's say a recently hired salesperson has just made 20 cold calls and been rejected every time. When something unpleasant happens, it is natural to ask the question, "Why?" so action can be taken to remedy the situation. The answer to this question will determine how the individual subsequently feels and acts. Different people will answer this question very differently, even if they experience the same bad event.

Let's start with an example of a pessimistic interpretation of this bad event. A pessimist might think: "I made 20 calls without a hint of a sale. What's wrong with me? I'm just not cut out for this (internal). I guess I'm not good with people or not very persuasive (stable and global)."

An optimist, on the other hand, might say: "That was a tough stretch, but that can happen to the best of them (external). Maybe they don't need what

. . . optimism predicts sales productivity among salespeople in various industries and companies.

I'm selling or were too busy (external). Also, I'm new at this and it takes time and practice to learn the ropes and sharpen my sales pitch (unstable and specific). As my boss said, this is a numbers game—you have to make lots of calls to find those few customers who are interested enough to buy."

There will be very different consequences for these different interpretations. The pessimist will be more likely to feel overwhelmed by cold calling, find any other work to do around the office besides cold calling, dwell on defeats, procrastinate future cold calling and lose self-confidence. Expectations of failure might lead to excessive aggressiveness or passivity in future cold calling, increasing the odds of failing again. Cold calling that ends in failure will be used as evidence to confirm feelings of inadequacy, continuing the cycle of pessimism and avoidance that might eventually lead to quitting.

The optimist, though, is more likely to see adversity as a challenge, transform problems into opportunities, put in the hours to refine skills, persevere in finding solutions to difficult problems, maintain confidence, rebound quickly after setbacks and persist. In both cases, each person's prophecy will be fulfilled.

As this example illustrates, pessimistic explanations are the bridge between experiencing a bad situation and developing Learned Helplessness. Pessimists are most susceptible to the ravages of Learned Helplessness, whereas optimists are most resistant to it. In the words of Shakespeare, "There is nothing either good or bad, but thinking makes it so." This quote is certainly an overstatement, as there are events that just about anyone would consider bad. The key point here is that a bad situation can be greatly minimized or greatly aggravated, depending on how it is interpreted. The expectation that one failure will multiply far into the future and into many different situations can turn an isolated bad event into sustained feelings of helplessness and even hopelessness.

Can expectations be measured? Can they be changed? More than thirty years of research in the large and growing field of cognitive psychology has determined that the answer to both of these questions is "yes." Cognitive training techniques can

turn pessimism into optimism and reduce the self-defeating beliefs that afflict many of us at one time or another (Beck 1964, 1967, 1976; Beck et al. 1979).

Benefits and Applications

One of the fruits of cognitive psychology is a user-friendly technology for measuring an individual's expectations and beliefs. This is a revolutionary advance in the field of psychology. In the case of assessing expectations, Learned Helplessness research has led to the development of the Attributional Style Questionnaire (ASQ; Peterson et al. 1982; Seligman et al. 1979). The ASQ measures optimism by presenting the test-taker with a series of hypothetical failures. The test-taker is then asked to write down the major cause of each hypothetical failure and to assess the cause on each of the three explanatory dimensions—stable/unstable, global/specific, and internal/external—rating each dimension on a scale from 1 to 7.

In the last two decades, over 500 studies conducted around the world using the ASQ have revealed the benefits of optimism—increased motivation, superior achievement in various settings (at work, in school, and in sports), and elevated mood and well-being. Research on physical health has found that pessimists have more infectious illnesses than optimists, make more visits to the doctor, and are more likely to die from coronary heart disease (Buchanan 1989; Peterson 1988; Peterson and Seligman 1987).

The ASQ measure of optimism has been able to distinguish the high performers from the low performers in various domains of achievement. In sports, optimism predicts performance among nationally ranked college swimmers (Seligman et al. 1990). In academia, optimism predicts college grades and dropping out (Kamen and Seligman 1986; Peterson and Barrett 1987).

In the business world, optimism predicts sales productivity among salespeople in various industries and companies. Studies conducted with two insurance companies, for example, found that salespeople with optimistic explanations went on to sell

significantly more insurance and were less likely to quit than those with pessimistic explanations. The optimistic salespeople sold 35 percent more insurance than the pessimists. Also, the pessimists were twice as likely as the optimists to quit by the end of their first year (Seligman and Schulman 1986). Weiner (1985) and Badovick (1990) have also found a relationship between attributions and sales performance.

Pilot research with salespeople in various industries—telecommunications, real estate, office products, auto sales, banking, and others—has found results similar to the insurance research. Optimists outsold the pessimists by 20 to 40 percent (Schulman 1995). Optimism has an impact on sales productivity regardless of the industry, whenever persistence is required to overcome adversity.

The ability to bounce back from frequent failure appears to be the exception rather than the rule, which is one of the reasons why the best 20 percent of a sales force typically bring in about 80 percent of a company's revenue. Salespeople have higher optimism (on the average) than any other group we have tested—higher than managers and higher even than world class athletes. Optimistic expectations appear to be an important part of what it takes to succeed in high stress positions like sales.

How to Change

Can optimism be learned? The good news is that cognitive styles like pessimism can be changed through cognitive training techniques and individuals can learn ways to overcome self-defeating beliefs (Beck et al. 1979; Seligman 1991). Even the diehard optimist will occasionally have pessimistic beliefs when exposed to extreme or prolonged stress and can benefit from the use of these proven techniques.

There are many types of self-defeating beliefs that cognitive training seeks to change, of which pessimistic beliefs is only one type. Two other kinds of self-defeating beliefs are irrational assumptions and errors in logic. Examples of irrational assumptions are: "I should be liked by everyone" or "To be successful, I have to do everything perfectly."

One type of error in logic is "personalization," for instance: "My boss just passed me in the hall and did not even look at me. He must be mad at me about something." (There are other reasonable interpretations of this.) Another type of error in logic is "magnification" and "minimization," in which someone exaggerates the negatives in a situation and discounts the positives. Imagine, for example, that a salesperson submits a report for review by

management and the feedback he or she receives is that the report is good but one of the sections needs some work. The salesperson becomes upset, focusing primarily on the negative. These are just a few examples of the many kinds of self-defeating thinking.

Here's a review of the cognitive training, in a nutshell. The first step is to identify self-defeating beliefs which the individual may not be initially aware of, as well as identify the events that trigger these beliefs. Most of us have to perform some activities that cause us to "hit the wall," activities that slow us down or even stop us dead in our tracks. For some, it is giving a presentation, or it could be making cold calls, asking the boss for a raise, writing a report, trying to motivate employees, or trying to resolve an interpersonal conflict.

The second step is to gather evidence to evaluate the accuracy of the self-defeating beliefs that are triggered by these activities. The goal in this step is to learn how to be more scientific in one's thinking—to be a detective and collect evidence to determine whether the evidence supports or refutes the negative belief. Often, such beliefs are just bad habits picked up in our distant past. Like any bad habit they can be changed with practice. In the third step, these maladaptive thoughts are replaced with more constructive and accurate beliefs.

To illustrate these techniques, let's carry forward the example of the pessimist's explanations in the previous example, using the ABC model, developed by Dr. Albert Ellis (1977):

"A" stands for *adversity*: "I was rejected in 20 straight cold calls."

"B" stands for *beliefs*: "What's wrong with me? I'm just not cut out for this (internal). I guess I'm not good with people or not very persuasive (stable and global)."

"C" represents the *consequences* of those beliefs, both emotional and behavioral: "I feel overwhelmed, dwell on my past defeats, procrastinate future cold calling, lose self-confidence and motivation, and eventually give up."

We have added a "D" to the ABC model:

"D" stands for *dispute and de-catastrophize* and is the all-important intervention to turn things around. Once the self-defeating beliefs have been identified, as well as the adversity that triggers them, it is useful to write down the ABCD sequence. Here are examples of disputing and de-catastrophizing:

"OK, so I got 20 rejections in a row. Sales is not always fun and games but that doesn't necessarily say anything about me and I'm sure not get-

***If a sales position requires a high degree of persistence . . .
select individuals with a higher degree of optimism.***

ting anywhere feeling sorry for myself. My boss told me that to get one sale, I have to get 5 prospects interested and in order to get 5 prospects interested, I have to make 50 calls. So I have to make 50 calls to make 1 sale and no matter what I do, I'll get turned down a lot more than I'll get the sale. And if someone hangs up before hearing my sales pitch, that obviously has nothing to do with me."

"Even if I'm not doing a good job, I'm new at this. My boss said he struggled for his first couple years, learning the tools of the trade, building his network and client base. A couple friends who went through the training with me said they're having similar experiences. It takes lots of hard work and practice to get good at any skill and sales is no exception. I'll start taping my sales calls, get feedback from the pros, role-play with friends, and fine tune my pitch. With enough practice, I'll be able to handle prospect's objections more confidently and maybe I could make a sale every 25 calls, instead of every 50."

"What's the worst case scenario? Even if I'm not the best salesperson around, that doesn't mean I'm a failure. If I'm not cut out to be a salesperson, that doesn't mean I'm not good at other things. Selling is a tough job and not for everyone. I've heard that the average worker changes jobs several times over a lifetime. If sales doesn't work out, I'll have an opportunity to find out what I'm really good at."

When using disputation techniques, it is useful to ask the following questions. We sometimes get stuck in certain habits of thinking that can cause trouble and these questions can help us break out of the self-imposed box. What is the *evidence* that supports this explanation? Most events have more than one cause, so what are the *alternative explanations* that could fit the evidence? It is more useful to focus on the causes that can be controlled rather than wasting energy on the causes that cannot be controlled. Even if a pessimistic explanation is correct, what are the *implications* of this? That is, what is the worst case consequence of the explanation? Many people automatically imagine the worst case scenario and catastrophize; but asking the following question is useful to lend perspective: What is

the best or most likely consequence? If the evidence is unclear, what is a more *constructive* way to explain this event? Whether or not the belief is accurate, how *useful* is it to dwell on this belief right now?

In certain situations, it is not constructive to take the time to examine a belief. If, for instance, someone is about to give a sales presentation and is flooded by fears and anxieties about the presentation, it would not be constructive to focus on these negative beliefs just prior to the presentation. There are various distraction techniques that help to temporarily steer attention away from negative beliefs. These techniques include: use a thought stopping technique that breaks the train of pessimistic thoughts (such as focusing on the surroundings or snapping a rubber band on one's wrist), schedule a time to think things over later, write down the troublesome thoughts (if there is time for this), engage in mental games such as counting backwards from 100 by increments of 7, and use positive imagery such as vividly imagining a pleasurable experience from the past or recalling a success.

These cognitive techniques teach individuals how to tune in to and change the internal dialogue that goes on within us all but that often goes unquestioned and unchallenged. Disputation is a skill we have a lot of practice using—with friends, parents, siblings, and colleagues. We use disputation skills to help our friends overcome their own pessimistic beliefs or to defend ourselves against criticisms and accusations made by others. But when these same pessimistic beliefs or criticisms emanate from within, they are usually taken as fact and go unchallenged, even though we would vigorously defend ourselves against the very same criticisms made against us by someone else, and present plenty of evidence to prove our case. We believe the criticisms of inadequacy that we launch at ourselves, criticisms that we would never just swallow from others. The training teaches people how to treat these internal criticisms as if they had been uttered by an external rival, whose mission in life is to make you miserable, and to dispute that rival.

Cognitive training has been administered to people in many walks of life—business people, athletes, di-

forced individuals, people suffering from depression or anxiety, elementary and middle school children, and college students. It has shown positive results in improving motivation, psychological well-being, physical health and performance (Gillham et al. 1995; Jaycox et al. 1994; Seligman et al. 1998).

Flexible Optimism

Does this all sound too much like a pie-in-the-sky Pollyanna? We do not advocate blind optimism or dismissing the reality in a situation. We advocate a "flexible optimism"—optimism with eyes wide open—that considers the costs as well as the benefits of pursuing a goal. Research suggests that there is also a time and a place for pessimism, or at least realism. When the costs or risks of certain actions are high, pessimists are often better able than optimists to appraise the situation in a way that can best minimize the costs and risks.

If someone has been drinking alcohol, for instance, it does not make sense to be optimistic about his or her ability to drive home safely. Military leaders need to anticipate and prepare for worst case contingencies. For a financial officer, it would not be a good idea to be overly optimistic about cash flow estimates if there are large payroll and debt obligations. If a prospect clearly expresses disinterest and is getting angry at a salesperson's persistence, it probably does not make sense to continue the pitch. Lawyers need to evaluate the legal risks of management decisions and business executives must flexibly play the role of a pessimist as well as an optimist, readying their organization for threats as well as opportunities.

Optimism is not a panacea and people cannot live by optimism alone. There is evidence that the pessimist in some ways sees reality more accurately than the rosy-eyed, overconfident optimist. Excessive optimism at the wrong time and in the wrong situation can blind us to the costly consequences of certain actions. Every successful life and every successful company needs both an accurate appreciation of reality and an ability to optimistically dream beyond the present reality.

Many of life's experiences fall into that gray area between totally controllable and totally uncontrollable. This is where optimism counts most. Since it is not always clear how much control we really have, it is often better to err on the side of optimism—assume the best and act on the belief that success is achievable. A crucial part of what we call "reality" does not exist independently of our ac-

tions. By inspiring action, our optimistic beliefs can create a better reality and our expectations can be self-fulfilling prophecies.

Recommendations

The research findings discussed above have implications for selection, training and organization design. There are three recommendations for organizations:

1) *Selection Testing*¹. If a sales position requires a high degree of persistence to overcome adversity, select individuals with a higher degree of optimism. Improving the person-environment fit by selecting more optimists for the high stress positions will not only lead to financial benefits, by increasing productivity and job satisfaction, but will also reduce the needless human suffering that comes from having individuals in environments where they are less likely to thrive and be successful. Optimism testing should certainly not be the sole basis for a hiring decision, but should be used in conjunction with other valid assessments, such as measures of job-related abilities and interviews.

2) *Training*². Every company has employees who are not optimistic enough for certain tasks. These individuals might have all the right abilities and lots of desire, so in many cases it would not make sense to transfer them to other positions. Also, even the diehard optimist will occasionally have pessimistic beliefs when exposed to extreme or prolonged stress. These individuals can learn optimism through training programs designed to teach them how to cope with and overcome adversity.

3) *Organization Design*. The participative management movement has ushered in numerous methods that management can implement to increase sales productivity and innovation in organizations. It is beyond the scope of this article to review these methods in detail, but these include: set clear and achievable goals, provide the necessary skills training and management support, increase decentralized and participative decision-making and quality control, open lines of communication, measure performance and progress toward goals, provide accurate and immediate feedback on performance and progress toward goals, and make compensation contingent on performance. All of these techniques have a common theme—increasing a salesperson's sense of control over meaningful objectives—thereby unleashing vast human potential and linking the satisfaction of the individual's needs with the achievement of the organization's goals.

References

- Abramson, L.Y., M.E.P. Seligman and J. Teasdale (1978), "Learned Helplessness in Humans: Critique and Reformulation," *Journal of Abnormal Psychology*, 87, 32-48.
- Badovick, G.J. (1990), "Emotional Reactions and Salesperson Motivation: An Attributional Approach Following Inadequate Sales Performance," *Journal of the Academy of Marketing Science*, 18 (2), 123-130.
- Beck, A.T. (1964), "Thinking and Depression: II. Theory and Therapy," *Archives of General Psychiatry*, 10, 561-571.
- Beck, A.T. (1967), *Depression: Clinical, Experimental, and Theoretical Aspects*, New York: Harper and Row.
- _____ (1976), *Cognitive Therapy and the Emotional Disorders*, New York: International Universities Press.
- _____, A.J. Rush, B.F. Shaw and G. Emery (1979), *Cognitive Therapy of Depression: A Treatment Manual*, New York: Guilford Press.
- Buchanan, G.M. (1989), "Pessimism Predicts Death from Coronary Heart Disease," unpublished master's thesis, University of Pennsylvania.
- Ellis, A. (1977), "The Basic Clinical Theory of Rational-Emotive Therapy," in A. Ellis and R. Grieger (Eds.), *Handbook of Rational-Emotive Therapy*, New York: Springer.
- Gillham, J., K. Reivich, L. Jaycox and M.E.P. Seligman (1995), "Prevention of Depressive Symptoms in School Children: Two Year Follow Up," *Psychological Science*, 6(6), 343-351.
- Jaycox, L., K. Reivich, J. Gillham and M.E.P. Seligman (1994), "Prevention of Depressive Symptoms in School Children," *Behaviour Research and Therapy*, 32, 801-816.
- Kamen, L.P. and M.E.P. Seligman (1986), "Explanatory Style Predicts College Grade Point Average," unpublished manuscript.
- Peterson, C. (1988), "Explanatory Style as a Risk Factor for Illness," *Cognitive Therapy and Research*, 12, 117-130.
- _____ and L. Barrett (1987), "Explanatory Style and Academic Performance Among University Freshmen," *Journal of Personality and Social Psychology*, 53, 603-607.
- _____ and M.E.P. Seligman (1987), "Explanatory Style and Illness," *Journal of Personality*, 55, 237-265.
- _____, A. Semmel, C. von Baeyer, L.T. Abramson, G.I. Metalsky and M.E.P. Seligman (1982), "The Attributional Style Questionnaire," *Cognitive Therapy and Research*, 6, 287-300.
- Schulman, P. (1996), "Explanatory Style as a Predictor of Sales Productivity in Various Industries," unpublished manuscripts.
- Seligman, M.E.P. (1975), *Helplessness: On Depression, development and death*, San Francisco: Freeman.
- _____ (1991), *Learned Optimism*, New York: Knopf.
- _____, L.Y. Abramson, A. Semmel and C. von Baeyer (1979), - "Depressive Attributional Style," *Journal of Abnormal Psychology*, 88, 242-247.
- _____, S. Nolen-Hoeksema, K.M. Thornton and M. Thornton (1990), "Explanatory Style as a Mechanism of Disappointing Athletic Performance," *Psychological Science*, 1, 143-146.
- _____ and P. Schulman (1986), "Explanatory Style as a Predictor of Productivity and Quitting Among Life Insurance Sales Agents," *Journal of Personality and Social Psychology*, 50, 832-838.
- _____, P. Schulman, R.J. DeRubeis and S.D. Hollon (1998), "The Prevention of Depression and Anxiety," submitted for publication.
- Weiner, B. (1985), "An Attributional Theory of Achievement Motivation and Emotion," *Psychological Review*, 92, 548-573.

Endnotes

¹For more information on assessing optimism, contact:

Foresight, Inc.
P.O. Box 13448
Philadelphia, PA 19101-3448
Phone: 800-646-6535 or 215-573-3056
Fax: 215-573-2188
E-Mail: info@foresightonline.com
Website: www.foresightonline.com

²For more information on Learned Optimism training, contact:

Adaptiv Learning Systems
900 E. Eighth Avenue
Suite 300
King of Prussia, PA 19406
Phone: 800-220-6575 or 610-768-2880
Fax: 610-768-2881
E-Mail: info@adaptivlearning.com
Website: www.adaptivlearning.com

³Please send reprint requests to:

Peter Schulman
University of Pennsylvania
Department of Psychology
3815 Walnut Street
Philadelphia, PA 19104
Email: schulman@psych.upenn.edu
Phone: 215-898-2748