A Study On The Impact Of Emotional Intelligence And Personality On The Performance Of Life Insurance Advisors

Abstract

Performance of employees in the services sector has a unique perspective: intangibility of the transaction. One of the key competencies required for employees for executing a sale are social skills and personal abilities. A gap in the literature was identified in studying the combined effect of social skills (as expressed through emotional intelligence) and personal abilities (personality) on performance, with special reference to insurance advisors. The objective of the study is diagnosing the performance of life insurance advisors (sales personnel) with reference to their emotional intelligence and personality traits. A questionnaire-based survey was conducted on 200 (109 public and 91 private sector) life insurance advisors of the Kolkata region. The EQ Map Questionnaire (Cooper & Sawaf, 1997) and the Big Five Model of Personality questionnaire (Hellriegel, Slocum and Woodman, South-Western, 2001) have been administered to collect data.

The results show that there is a significant association between tenure of service, gender, work pressure, personal pressure, emotional self-awareness, creativity, personal power and agreeableness with that of performance. This was followed by regression tests (binary logistic regression and multinomial logistic regression) to predict the impact of more than one independent variable on the categorical dependent variable, performance. At first the sample was sub-divided into three sub-sets and binary logistic regression resulted in identification of work pressure and general health as the significant variables that influenced the transition of an advisor from the needs improvement to fair level of performance. Alongside, tenure of service in the current organization and creativity were identified as the significant influencers in the transition of an advisor from fair to good level of performance. Next, gender (necessarily male)
was identified as a significant influencer from the good to the highest level of performance. This identification of predictor variables was significant in moving an advisor from one grade of performance to the next higher grade. This was followed by the multinomial logistic regression test on the pooled sample to predict the transition from the first level of performance to any of the higher levels of performance. Results showed that amongst four significant variables only general health conditions positively influenced the move from needs improvement to fair level; tenure of service, creativity and general health are the influencers to good and very good level and finally creativity and general health were the significant factors influencing the jump from the basic level to the highest level.

Finally, the comparative analysis of the insurance advisors of the public and private sectors showed that in the public sector, tenure of service, creativity and general health positively impact performance whereas in the private sector, none of the predictor variables were found to impact performance. The private sector advisors are mostly young more so the companies are also comparatively new. Thus it may be presumed that no major influencer could be identified to have any impact on performance in private sector companies.

Thus the research work may influence selection process of insurance advisors. Following the data analysis, the findings revealed the combined impact of emotional intelligence and personality, which yielded that creativity (as a component of emotional intelligence) and openness (as a component of personality) had a positive impact on performance. HR managers responsible for hiring may screen for presence of these traits in a prospective candidate. They may also design suitable training and developmental programs to nurture these traits in a potential advisor. Thus the research may be meaningful in a way as it may find its applicability in the life insurance industry where advisors with strong product knowledge but lacking in social skills and personal abilities may be recognized and trained in these areas to accomplish higher levels of performance in the future.