



2004 FPA Queensland State Conference
March 11-12, 2004, Carlton Crest Hotel, Brisbane, Queensland

“Good Vibrations”

Creating Sustainable Client Relationships through High Performance Rapport

Peter J. Webb*

“Talking about My Generation”

It's the fault of those self-indulgent baby boomers! Driving up real estate prices and spending like there's no tomorrow. But what about the Generation X-ers? Those inhabitants of the world of virtual reality and Dot com fantasy. How are they ever going to afford a place of their own? Yes, it's the Generation Y's who will inherit the earth. They're at least more savvy to the illusion of marketing hype and awake to a world of imminent threat, almost like their Great Depression, WW2 grandparents, the Veterans.

How do we talk to each other? The Veterans (roughly age 59 and older) are only interested in their medical procedures. Gen X-ers (approximately age 24 to 40) are busy crashing each other on the tech autobahn. The baby boomers (around age 41 to 58) are busy with their lawyers defending against corporate fraud and the First Wives Club, while the Gen Y's (about 23 and younger) are trying to show the rest of us the true meaning of Christmas.

And what about Gen Z's? Will they be living on Mars in off-the-plan, out-of-this-world investment units with their children attending under-funded public schools? And what about the generation after that? What do we call *them*? Whose crazy idea was it to start naming the generations at the end of the alphabet anyway?

Sociologists, marketers and business commentators say that each generation has distinct characteristics. People of like age have lived through a shared set of historical events and conditions so they will tend to carry similar influences throughout their lives. The implications, according to management consultants Carolyn Martin and Bruce Tulgan, are that the better you understand what motivates each generation, the better you can provide for their needs.

Peter Webb is Principal of Sydney-based consultancy ITC Pty Ltd., showing leaders how to build *High Performance Rapport* (HiPeR[®]) and *connect* more fully with clients at any time, resulting in significant gains in business outcomes.

Intentional Training Concepts Pty Ltd. P.O. Box 148 Camperdown NSW 1450.
<mailto:intentional@bigpond.com>

To appeal to Veterans for example, choose formality over informality. Explain the logic of any action and avoid communicating through voicemail, fax or email; For baby boomers, lay out a clear series of steps towards desired results; Tell Gen X-ers what needs to get done but not how to do it, and frequently ask for their reaction and opinions; For Gen Y's, emphasize the positive, look on the bright side, and provide opportunities for their continuous learning.

The *worst* thing you can do, says consultant Lynne Lancaster, is think back to what you wanted when you were that age.

There may be some truth to these generational "personalities" from a demographic and historical perspective, but there is also a danger of oversimplification. Categorising people by the year they were born seems no different to making distinctions on the basis of race, gender or hair colour. According to psychologist and researcher Dr Peter Hart, you are simply yourself. For example, a 2002 Australian survey of the commitment individuals have to their place of employment showed no significant differences between Gen X and baby boomer participants working in five different organisations across a range of industries. Dr Hart suggests that generational stereotypes may themselves cause divisions and misunderstandings.

Ultimately, as human beings on this planet at this particular historical epoch, we all have similar experiences and challenges. It's just part of growing up and becoming cynical. You are not alone. So, it might make more sense to categorise people by *where they are* in their journey through life, rather than on their assumed membership of some demographic club.

"Hooked on a Feeling"

One thing is certain. No matter what generation we belong to, we need to *connect* with each other if we are to sustain relationships, make money, build enterprises, or decide who takes out the garbage. Why, then do we connect better with some people than with others? Why do some connections last while others fade? And is it possible to influence connections in the direction of our desired success?

These questions are particularly important if you're in the business of financial advice. You need to be able to attract clients in the first place but charisma alone won't keep them around long. Nor will technical competence, product knowledge, or expertise of themselves. There are plenty of clever advisers who have failed their clients' trust. Yet, there are also examples of reasonably competent advisers who have thriving practices.

Research shows that the right combination of "smarts" (IQ) plus the ability to build emotional rapport (Emotional Intelligence, 'EI' or 'EQ') is most likely to lead to sustainable and profitable connections with clients. This derives from the idea that there are probably many kinds of *intelligences* as distinct from just IQ, which focuses exclusively on *general mental abilities* like memory and problem solving.



Psychology Professor Howard Gardner originally came up with 9 intelligences including linguistic, logical-mathematical, musical, spatial, bodily-kinesthetic, naturalist, and existential. Gardner's two "personal intelligences" are now the basis for EQ expert, Daniel Goleman's *Emotional Intelligence Competencies*:

Self-Awareness

- *Emotional self-awareness*: Reading one's own emotions and recognizing their impact.
- *Accurate self-assessment*: Knowing one's strengths and limits.
- *Self-confidence*: A sound sense of one's self-worth and capabilities.

Self-Management

- *Emotional self-control*: Keeping disruptive emotions and impulses under control.
- *Transparency*: Displaying honesty and integrity, trustworthiness.
- *Adaptability*: Flexibility in adapting to changing situations or overcoming obstacles.
- *Achievement*: The drive to improve performance to meet inner standards of excellence.
- *Initiative*: Readiness to act and seize opportunities.
- *Optimism*: Seeing the upside in events.

Social Awareness

- *Empathy*: Sensing others' emotions, understanding their perspective and taking an active interest in their concerns.
- *Organizational awareness*: Reading the currents, decision networks, and politics at the organizational level.
- *Service*: Recognizing and meeting client needs.

Relationship Management

- *Inspirational leadership*: Guiding and motivating with a compelling vision.
- *Influence*: Wielding a range of tactics for persuasion.
- *Developing others*: Bolstering others' abilities through feedback and guidance.
- *Change catalyst*: Initiating, managing, and leading in a new direction.
- *Conflict management*: Resolving disagreements.
- *Building bonds*: Cultivating and maintaining a web of relationships.
- *Teamwork and collaboration*: Cooperation and team building.

Professor Richard Boyatzis found that partners at a large U.S. financial services firm who showed measurable strengths in these emotional intelligence competencies added between 78% and 390% more incremental profit. In other words, partners with a higher degree of emotional intelligence added more profit than those partners who exhibited lower EQ, despite the fact that high IQ was a common denominator for all partners. In short, you need to add your EQ to your IQ to stay out of the far queue!

There was probably a strong survival element to emotions. Anger leads to fight. Fear leads to flight. Disgust leads to avoidance of poisonous foods. But that doesn't explain the wide range of emotions we experience. Babies are hard-wired for 7 or 8 emotions

including Interest, joy, excitement, anger, shame, withdrawal, fear, and contempt. What does shame have to do with survival?

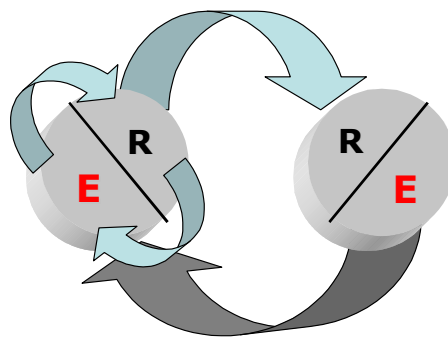
The wiring of the brain is such that connections from the emotional systems to the cognitive (thinking) systems are stronger than the connections from the cognitive systems to the emotional systems. This is the reason why emotions can flood our thinking. In other words, thinking is indivisible from, and influenced by *feelings*. In fact, our first response to the outside world is to *feel*, then think. Not the other way around.

Scientists are discovering that emotion significantly influences decision-making, learning, memory, and motivation. For example:

- Gut feelings experienced at the moment of making a decision are often quite independent of the consequences of the decision.
- Surprising smaller wins can be more pleasurable than expected larger ones.
- A loss can feel like a win if an even larger loss was expected.
- A regrettable action can feel worse than a regrettable inaction if the client felt that they had some control over the outcome.
- Owning an outcome generally makes it *feel* better even if it's not. People have a special talent for restructuring their views of outcomes so that those outcomes are experienced more positively.
- Fearful people have been found to be pessimistic about risk and make risk-averse choices, whereas
- Angry people are optimistic about risk and tend to make risk-seeking choices.

What this means is that your clients are evaluating the risk-benefit of financial options you present to them *rationally*, while at the same time reacting *emotionally*. And although evaluating certain options can trigger emotions, they can also arise spontaneously, often without the person knowing what triggered them.

Rational - Emotional



Professor Neil Ashkanasay from the University of Queensland Business School points out that effective decisions require an optimum mix of cognitive intellect and emotional regulation. The most effective approach to decision-making, he says, incorporates emotional intelligence as a means to augment cognitive intelligence. How does this help you to manage your client's decision-making?

According to Professor Ashkanasay there are some key steps you must take with your clients :

- Provide regular, high-quality information to clients to help reduce uncertainty and anxiety.
- In cases where the client has experienced adversity as a result of your actions, you must quickly and appropriately express regret. This displays personal ethicality and trustworthiness.
- In particular, deal directly and immediately with emotions expressed by the client or felt by you personally. Accurately identifying emotions in the moment shows understanding and empathy, a critical component of emotional intelligence

You do this through the conversations you have with your clients. And while no single conversation can change the relationship, the reality is that any single conversation *can*. Communications expert Susan Scott, says that in any important relationship, there is no trivial comment. Just recall a recent conversation with your spouse or partner to know that the devil is in the detail. "But that's not what I meant!" you plead. Too late. The words have impacted anyway. The message is that if you want a sustainable relationship be very mindful of your conversation. The conversation *is* the relationship.

You know the conversation is not building a relationship when you find yourself:

- Interrupting by talking over someone else;
- Formulating your own response while someone else is talking;
- Responding quickly with little or no thought;
- Attempting to be clever, competent, impressive, charming;
- Jumping in with advice before an issue has been clarified;
- Using silence or a break in the conversation to create a distraction by changing topics;
- Talking in circles, nothing new emerging;
- Monopolizing the airspace.

To have *emotionally intelligent* conversations, you need to **REALIZE** the guiding principles:

- **Reality.** Recognize that no one in a conversation has the *right* view of reality. You each own a piece of the truth. So, consider whose realities should be explored before important decisions are made. Avoid blame by modifying your language. Replace the word *but* with *and*.
- **Engage.** Name the problem and be prepared to confront reality in a search for the truth in your conversations. Healthy relationships include both confrontation and appreciation.

- **Attention.** Give your full attention to the conversation. *Really* ask and *really* listen. Come into the conversation with a beginner's mind and bring nothing but yourself. Ask questions without too much advice or declarative statements.
- **Listen** for more than content. Listen for emotion and intent as well, and speak about your own feelings and instincts rather than constraining your conversation to what seems appropriate.
- **I.** Notice that all your conversations are first with yourself, and sometimes they involve other people. Listen to what you're telling yourself, and be prepared to be *real* with others.
- **Zero-sum.** Make sure the impressions in your mind match the impressions in your words. Clarify your intent. And if you become triggered emotionally, catch yourself before reacting to prevent emotional escalation. Profound change can take place if you have built a safe containment for honest emotion.
- **Emotion.** Talk *with* people, not *at* them. The more emotionally loaded the subject, the more silence is required. Use silence to slow down the conversation so that you can discover what the conversation is really about.

The bottom line is that you count your trailing commissions one conversation at a time!

“Moondance”

But what if you could influence your clients' emotions in a positive and productive way? It's a common experience to be affected by someone else's mood, even when you're trying hard not to notice. In the classic stereotype, *he* responds to *her* glare of disapproval with all the razor-sharp intellect and dazzling insight of a moose in the headlights - “What?”

We use our *emotional circuitry* to read another's face and voice, and we attune our responses accordingly. Emotional information can be communicated to others via facial, vocal, and postural cues without speaking a single word. Researchers have found that the longer we spend with people the more our moods become attuned to theirs in a kind of emotional dance.

What this means is that your mood is influencing your client's mood and vice versa. Except that you're probably the one leading the “mood dance”. Research suggests that people take their emotional cues from the leader in work groups, and guess what? You're the leader in the adviser-client relationship.

Which raises the question: what is the best mood to have for productive client communication? And the answer of course, is a *positive* mood state. When we are in a positive mood, people like us better, and friendships and coalitions are more likely to be sustained. Researcher, Barbara Fredrickson, reports that positive emotions actually help us to think more broadly and resourcefully. When we feel good, our thinking becomes more creative, integrative, flexible and open to information. A positive mood creates an entirely different way of thinking than a negative mood.

Professor of Psychology, Martin Seligman, asserts that positive emotions are the fuel of win-win (positive-sum) games, while negative emotions like anger, anxiety, and sadness have evolved to kick in during win-loss games.

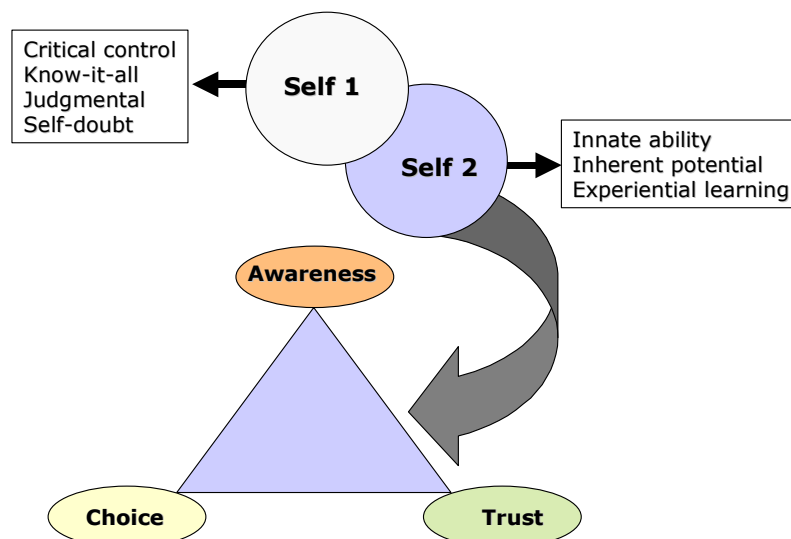
If your client is likely to “catch” your mood, then you had better know how to manage your feelings. Are you generally a pessimist or an optimist?

- **Pessimists** tend to believe that bad events will last a long time, that they are the result of causes which will affect everything they do, and are their own fault.
- **Optimists** tend to believe that bad events are temporary, surmountable and not their fault.

It certainly helps to be more optimistic, says Martin Seligman, but blind optimism can also lead to illusions about reality. What advisers need is a kind of *flexible optimism* – optimism with the capacity to endure pessimism when its perspective is valuable.

Getting “on the same wavelength” with your client is a distinguishing feature of a successful adviser-client relationship. But, it’s an internal process – an *inner game* – between the old self-critical beliefs (“what did you do that for?”), and a more non-judgmental awareness (“trust in the outcome”). It’s like a constant dialogue between competing voices which author Timothy Gallwey describes as “Self 1” and “Self 2”. Learning optimism through enhancing the voice of Self 2 requires focused awareness, mindful choice, and self-trust. It’s like an internal game of tennis.

The Inner Game

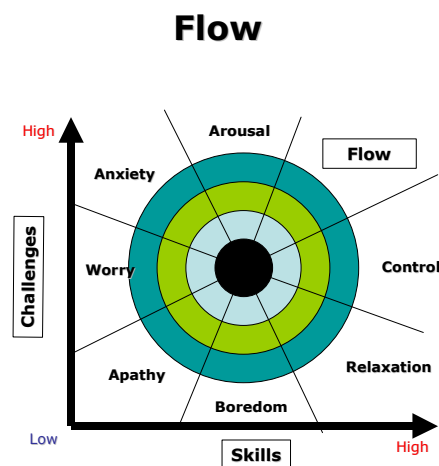


When Self 2 is operating at the highest level you are in “the zone”, a state of *flow* in which you feel a deep, effortless, even euphoric involvement in the moment. These are life’s *optimal experiences*. Being in *flow* can happen at work as well as play. Research suggests that time spent in flow seems to act as a buffer against adversity, enhances concentration and self-esteem, and enables the use of skills to seize ever-greater opportunities.

Achieving and maintaining a state of flow depends on the **GIRAFFE** principles:

- **Goals.** There must be clear goals.
- **Interest.** Activities should be ones for which you have a high degree of control, a sense that you can, in principle, deal with the situation because you know how to respond to whatever happens next.
- **Realistic.** Challenges must be realistic and manageable.
- **Attention.** Whatever occupies attention shapes experience, and through it, your life. In the face of competing demands for your attention, you had better determine for yourself how you want to invest your attention and then do so efficiently and wisely.
- **Focus** on activities that you enjoy for their own sake, without imposed demands or pacing.
- **Feedback.** There must be clear and rapid feedback
- **Efficacy.** Activities should build self-confidence through mastery and self-efficacy.

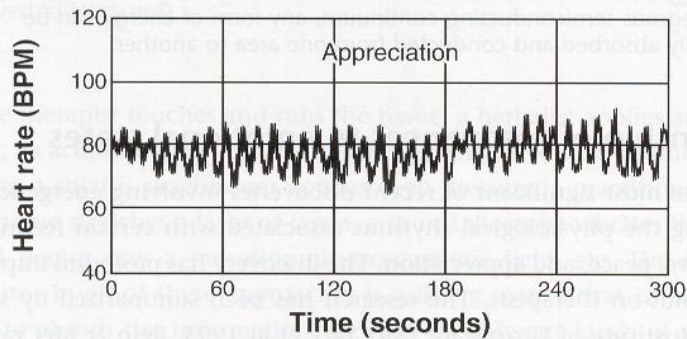
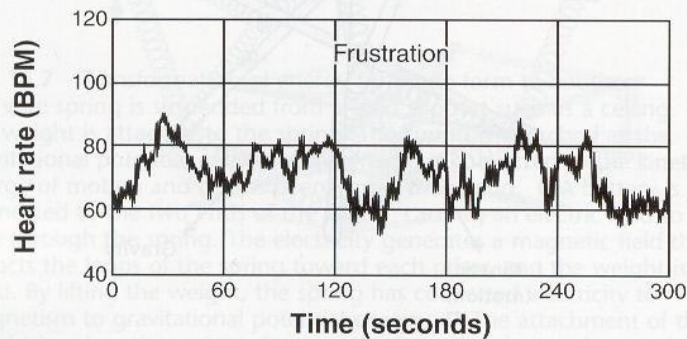
Being in flow is engaging in “serious play”. It doesn’t seem like work. You do it just for the intrinsic value of the engagement, becoming so completely absorbed in the process that getting paid for it seems like a bonus. Imagine being in flow with your clients. How *attractive* do you think that would be to them (and you)?



“Good Vibrations”

Scientists have discovered that human beings (and in fact all living things) generate measurable electromagnetic fields of various intensity and frequency. In fact, body cells operate more like crystals, generating *piezoelectric* charge when they are compressed or stretched. Physiologists, for example have studied the generation of electricity by bone. Each step you take compresses bones in the legs and elsewhere, and generates characteristic electrical fields. And it turns out that virtually all of the tissues in the body generate electrical fields. In fact, the body is constantly “singing” to itself in rhythmic energetic forms, and at a subtle level we are sensitive to each other’s *songs*.

These songs emanate from the principle organs of the body and many are known and studied. For example, the brain’s rhythmic patterns are picked up by electroencephalograph (EEG). The skin generates electrodermal charge. But the largest rhythmic generator of electromagnetic energy in the body is actually the heart, measured by electrocardiograph (ECG). The brain may contain billions of cellular connections, but the heart is a thousand times more electromagnetically powerful than the brain, and the rhythmic energy patterns of the heart affect the brain’s ability to process information, including decision-making, problem-solving, and creativity. They also directly affect how we feel.





The heart's electromagnetic signal can be measured several metres away from the body. Researchers Gary Schwartz and Linda Russek have demonstrated that one person's heart signals can entrain another's electrical brain patterns and alter the recipient's moods. Just like two tuning forks, the resonating energy from one heart interacts with the energy of our own brain, other brains, and other hearts.

In other words, your moods and attitudes can entrain the bioelectrical rhythms of your clients making them tense or tranquil, and vice versa. According to some researchers, taking an instant dislike to someone may be the result of clashing heart rhythms, while love is literally a matter of two hearts beating in harmony.

Psychologist Paul Pearsall, says that the heart's electrical signals not only shape the way the brain thinks about certain kinds of events, but that the heart itself may be able to "remember" emotion-charged experiences. Pearsall says that we can achieve greater "cardiac coherence" in relationship with others through:

- Shifting focus to sensations coming from the heart instead of the head, and
- Deeply and sincerely trying to re-experience past feelings of caring and appreciation stored there.

This enables you to have more *heartfelt* conversations with your clients and in doing so entrain them to your *intentions*. Of course, your clients will similarly feel a sense of either *resonance* or *dissonance* with you. Successful sustainability depends on you holding clear, authentic, and *virtuous* intentions for your clients as fellow human beings not just portfolios.

Intention is the impression you form in your mind about yourself, your environment, and others just before you take action. In physiological terms, the *intention* to move a single part of the body shows up as a measurable "anticipatory" electrical potential as much as 1.5 seconds before the actual movement. Mental practice of movement sets up anticipatory fields without causing any muscles to move, an effect used by sportspeople and performers. Mentally rehearsing an action "preconditions" the body to act and sets up patterns of information flow. Cells everywhere are then poised to work together at the instant of demand.

In other words, holding an intention in your mind about an action is almost like actually performing the action. Your body is influenced by the intentions of your mind, and as it turns out, so are others.

Researcher Glen Rein found that trained individuals who exhibited coherent heart rhythm were able to *change* human DNA in a beaker on the other side of the room through *conscious intention*. Different intentions produced different effects on the DNA molecule causing it to either wind (associated with DNA repair) or unwind (associated with cell division and growth). Rein found that one of the subjects could influence the DNA at distances of approximately half a mile.

So, your intentions impact on your body right down to the DNA of your cells, and on other bodies at a distance, probably down to the DNA of their cells. Meaning that you better be careful what you wish (intend) for, it just might happen!

There are all these intentions in your mind at any point in time. Each one acting with a different intensity and direction. The resultant intention – the vector of all the individual impressions in your mind – is the one that produces an observable action. The more attention you give to what you *really* intend, the more you can maintain a desirable intentional vector over time. So, it pays to become more aware of what you are intending for yourself and your clients.

The principles for acting on your conscious intentions are about releasing the inner **MONKEY**:

- **Maintain** your intentions like a garden and nurture them daily. A few noble intentions during an entire day of mental irritation will have practically no noticeable result. Planting and tending intentions takes time and patience.
- **Open** yourself to silence. Be still. You need to slow down, sit down, and quiet down. Find a space to simply be with your thoughts for 15 minutes to half an hour each day. Just let your thoughts bubble up. You will begin to notice the competing intentions of your mind.
- **Notice** “heart breathing”. Get a sense that you are breathing through your heart in order to generate a more coherent heart rhythm.
- **Keep** your intentions to yourself. Talk about them only if you really intend to pull it off. Speak when there is a reason to speak, when there is purpose or action to be fulfilled.
- **Envisage** yourself exactly the way you hope your intentions will turn out. See the results of your intentions as vividly as you can possibly imagine them.
- **Yoke** awareness of your intentions to a daily tracking system. Keep a learning journal or some other method of noting when you think or talk about your intentions. You can bet that the exact opposite intention will keep coming up and you have to be observant of your own mind to weed out these negative impressions.

Imagine what could happen if you were able to consciously choose your intentions and maintain a desirable vector direction of these intentions over time. There is evidence that you *can* train your mind to do this. Success truly begins where intention is!

References

- Ashkanasay, N.A., Zerbe, W.J., & Härtel, C.E.J. (Eds.). (2002). *Managing emotions in the workplace*. Armonk, NY: M.E. Sharpe.
- Boyatzis, R. (2001). An EI-based theory of performance. In: Cherniss, C., & Goleman, D. (Eds.). *The emotionally intelligent workplace*. San Francisco, CA: Jossey-Bass.
- Fredrickson, B.L. (2003). The value of positive emotions. *American Scientist*, 91(4), 330-335.
- Gallwey, W.T. (2002). *The inner game of work: Overcoming mental obstacles for maximum performance*. London, UK: TEXERE Publishing.



- Gardner, H. (1983). *Frames of mind*. New York, NY: Basic Books.
- Goleman, D., Boyatzis, R., McKee, A. (2002). *The new leaders: Transforming the art of leadership into the science of results*. London, UK: Little, Brown.
- Hart, P. (2003). Reported in: Bland, V. Stereotypes may cause divisions between younger and older employees. *The New Zealand Herald*. November 21. <http://www.nzherald.co.nz/>
- Lancaster, L.C., & Stillman, D. (2002). *When generations collide: Who they are. Why they clash. How to solve the generational puzzle at work*. New York: HarperCollins.
- Martin, C.A, & Tulgun, B. (2002). *Managing the generation mix: From collision to collaboration*. New York: HRD Press.
- Pearsall, P. (1998). *The heart's code: Tapping the wisdom and power of our heart energy*. New York: Broadway Books.
- Rein, G. (1996). Effect of conscious intention on human DNA. *Proceedings of the International Forum on New Science*, October: Denver, CO.
- Schwartz, G., & Russek, L.G. (1996). Energy cardiology: A dynamical energy systems approach for integrating conventional and alternative medicine. *Advances*. 12, 4-24.
- Scott, S (2002). *Fierce conversations* .London, UK: Piatkus.
- Seligman, M.E.P. (2002). *Authentic happiness: Using the new positive psychology to realize your potential for lasting fulfillment*. Sydney: Random House.