14 Motivation and training

OBJECTIVES

After studying this chapter, you should be able to:

1. Understand certain motivation theories in the context of selling
2. Apply motivation in practice
3. Set sales targets and quotas
4. Understand what is required to be a successful leader
5. Organise suitable sales training programmes and evaluate their usefulness

KEY CONCEPTS

- Adams's inequity theory
- group meetings
- Herzberg's dual factor theory
- Likert's sales management theory
- Maslow's hierarchy of needs
- merit-based promotion system

- recognition
- sales contests
- sales quotas
- sales targets
- training programmes
- Vroom's expectancy theory

14.1   MOTIVATION

Creating and maintaining a well-motivated salesforce is a challenging task. The confidence and motivation of salespeople are being constantly worn down by the inevitable rejections they suffer from buyers as part of everyday activities. In some fields, notably life insurance and double glazing, rejections may greatly outnumber successes; thus motivation may be a major problem. This is compounded by the fact that salesperson and supervisor are normally geographically separated, so the salesperson may feel isolated or even neglected unless management pays particular attention to motivational strategies which take account of their needs.

It is critical that sales managers appreciate that motivation is far more sophisticated than the view that all salespeople need is a 'kick up the pants'. Effective motivation requires a deep understanding of salespeople as individuals, their personalities and value systems. In a sense, sales managers do not motivate salespeople. What they do is provide the circumstances that will encourage salespeople to motivate themselves.

An understanding of motivation lies in the relationship between needs, drives and goals: 'The basic process involves needs (deprivations) which set drives in motion (deprivations with direction) to accomplish goals (anything that alleviates a need and reduces a drive)'.[1] Thus a need resulting from a lack of friends, sets up a drive for affiliation which is designed to obtain friends. In a work context, the need for more money may result in a drive to work harder in order to obtain increased pay.

Improving motivation is important to sales success as research has shown that high levels of motivation lead to:[2]

- increased creativity;
- working smarter and a more adaptive selling approach;
- working harder;
- increased use of win–win negotiation tactics;
- higher self-esteem;
- a more relaxed attitude and a less negative emotional tone;
- enhancement of relationships.

In this chapter both applied theory and practice will be evaluated in order to identify the means of motivating a salesforce.

Motivational theories

Motivation has been researched by psychologists and others for many years. A number of theories have evolved that are pertinent to the motivation of salespeople.

Maslow's hierarchy of needs

Maslow's classic **hierarchy of needs** model proposed that there are five fundamental needs which are arranged in a 'hierarchy of prepotency'. Table 14.1 shows this hierarchy.

Table 14.1   Maslow's hierarchy of needs

Category	Type	Characteristics
Physical	1 Physiological	The fundamentals of survival, e.g. hunger, thirst.
	2 Safety	Protection from the unpredictable happenings in life, e.g. accidents, ill health.
Social	3 Belongingness and love	Striving to be accepted by those to whom we feel close (especially family) and to be an important person to them.
	4 Esteem and status	Striving to achieve a high standing relative to other people; a desire for prestige and a high reputation.
Self	5 Self-actualisation	The desire for self-fulfilment in achieving what one is capable of for one's own sake – 'Actualised in what he is potentially' (Maslow).

Maslow argued that needs form a hierarchy in the sense that, when no needs are fulfilled, a person concentrates on their physiological needs. When these needs are fulfilled, safety needs become preponderant and important determinants of behaviour. When these are satisfied, belongingness becomes important – and so on up the hierarchy.

Although Maslow's belief that one set of needs only becomes important after lower order needs have been completely satisfied has been criticised, the theory does have relevance to salesforce motivation. First, it highlights the perhaps obvious point that a satisfied need is not a motivator of behaviour. Thus, a salesperson who already receives a more than adequate level of remuneration may not be motivated by additional payments. Second, the theory implies that what may act as a motivator for one salesperson may not be effective with another. This follows from the likelihood that different salespeople will have different combinations of needs.

Effective motivation results from an accurate assessment of the needs of the individual salespeople under the manager's supervision. The overriding need for one salesperson may be reassurance and the building of confidence; this may act to motivate them. For another, with a great need for esteem, the sales manager may motivate by highlighting outstanding performance at a sales meeting.

Herzberg

Herzberg's dual factor theory distinguished factors which can cause dissatisfaction but cannot motivate (hygiene factors) and factors which can cause positive motivation. Hygiene factors included physical working conditions, security, salary and interpersonal relationships. Directing managerial attention to these factors, postulated Herzberg, would bring motivation up to a 'theoretical zero' but would not result in positive motivation. If this were to be achieved, attention would have to be given to true motivators. These included the nature of the work itself which allows the person to make some concrete *achievement*, *recognition* of achievement, the *responsibility* exercised by the person, and the *interest value* of the work itself.

The inclusion of salary as a hygiene factor rather than as a motivator was subject to criticisms from sales managers whose experience led them to believe that commission paid to their salespeople was a powerful motivator in practice. Herzberg accommodated their view to some extent by arguing that increased salary through higher commission was a motivator through the automatic recognition it gave to sales achievement.

The salesperson is fortunate that achievement is directly observable in terms of higher sales (except in missionary selling, where orders are not taken, e.g. pharmaceuticals, beer and selling to specifiers). However, the degree of responsibility afforded to salespeople varies a great deal. Opportunities for giving a greater degree of responsibility to (and hence motivating) salespeople include giving authority to grant credit (up to a certain value), discretion to offer discounts and handing over responsibility for calling frequencies. The results of an experiment with a group of British salespeople by Paul, Robertson and Herzberg showed that greater responsibility given to salespeople by such changes resulted in higher sales success.[3]

Herzberg's theory has been well received in general by practitioners, although academics have criticised it in terms of methodology and oversimplification.[4] The theory has undoubtedly made a substantial contribution to the understanding of motivation at work, particularly in extending Maslow's theory to the work situation and highlighting the importance of job content factors which had hitherto been badly neglected.

Vroom's expectancy theory

Basically **Vroom's expectancy theory** assumes that people's motivation to exert effort is dependent upon their expectations for success. Vroom[5] based his theory on three concepts – expectancy, instrumentality and valence.

1. *Expectancy*. This refers to a person's perceived relationship between effort and performance, i.e. to the extent to which a person believes that increased effort will lead to higher performance.
2. *Instrumentality*. This reflects the person's perception of the relationship between performance and reward; for example, it reflects the extent to which a person believes that higher performance will lead to promotion.
3. *Valence*. This represents the value placed upon a particular reward by a person. For some individuals promotion may be highly valued; for others it may have little value.

Thus, according to the theory, if a salesperson believes that by working harder they will achieve increased sales (high expectancy) and that higher sales will lead to greater commission (high instrumentality) and higher commission is very important (high valence), a high level of motivation should result. The nature of the relationships in the sales setting is depicted in Figure 14.1.

Clearly, different salespeople will have different valences (values) for the same reward. Some might value increased pay very highly, while for others higher pay may have less value. For some the sense of accomplishment and recognition may be very important, for others much less so. Also, different salespeople may view the relationship between performance and reward, and between effort and performance, in quite different ways. A task of sales management is to specify and communicate to
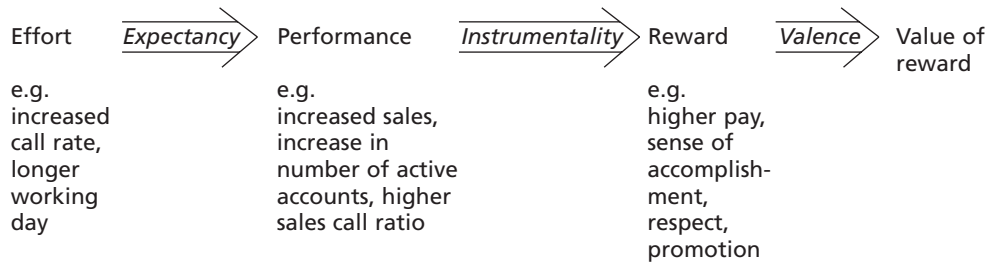
Effort → *Expectancy* → Performance → *Instrumentality* → Reward → *Valence* → Value of reward

| e.g. increased call rate, longer working day | e.g. increased sales, increase in number of active accounts, higher sales call ratio | e.g. higher pay, sense of accomplish-ment, respect, promotion |

Figure 14.1   The Vroom expectancy theory of motivation

the salesforce these performance criteria, which are important in helping to achieve company objectives, and to relate rewards to these criteria. Further, this theory supports the notion that for performance targets (e.g. sales quotas) to be effective motivators they should be regarded as attainable (high expectancy) by each salesperson; otherwise the first link in the expectancy model will be severed. Finally, this model provides a diagnostic framework for analysing motivational problems with individual salespeople and an explanation of why certain managerial activities can improve motivation. Training in sales skills, for example, can improve motivation by raising expectancy levels.

Adams's inequity theory

Feelings of inequity (unfairness) can arise when an individual's effort or performance on the job exceeds the reward they receive. Salespeople who feel they contribute more than others to the organisation expect to receive proportionately greater rewards. This is the essence of Adams's **inequity theory**.[6] For a salesperson, inequity can be felt in the following areas:

- monetary rewards;
- workload;
- promotion;
- degree of recognition;
- supervisory behaviour;
- targets;
- tasks.

The outcome of a salesperson perceiving significant inequities in any of these areas may be reduced motivation as a result of the feeling of unfairness. A study by Tyagi examined the effect of perceived inequities (rewards and favouritism) on motivation of life insurance salespeople.[7] The results showed that feelings of inequity in all areas investigated (monetary, promotion, recognition, supervisory behaviour and task inequities) had an adverse effect on motivation. Monetary reward inequity had a particularly strong effect on motivation. The implication is that sales managers must monitor their salesforce to detect any feelings of unfairness. This can be done informally during sales meetings or through the use of questionnaires. Some sales organisations survey their sales representatives periodically to measure their perceptions of inequity and the effectiveness of the company's motivational programme in general.

Motivation is often equated with incentives but Adams's work emphasises that the elimination of disincentives (e.g. injustices, unfair treatment) may be an equally powerful influence.

Likert's sales management theory

Unlike Herzberg, Maslow and Vroom, who developed 'general' theories of motivation, Likert based his **sales management theory** on research that looked specifically at the motivation of salespeople.[8] His research related differing characteristics and styles of supervision to performance. One of the hypotheses he tested was that the sales managers' own behaviours provide a set of standards which, in themselves, will affect the behaviour of their salespeople. He found that there was a link. High performing sales teams usually had sales managers who themselves had high performance goals.

His research also investigated the methods used by sales managers in the running of sales meetings. Two alternative styles were compared (see Figure 14.2). Sales managers who used the group method of leading sales meetings encouraged their team both to discuss sales problems that had arisen in the field and to learn from one another. Sales managers who monopolised the meeting discouraged interaction between salespeople and used it as an opportunity to lecture them rather than to stimulate discussion. There was a strong tendency for higher producing sales teams to use the group method.

Several reasons can be put forward to explain this. First, it is likely that a problem faced by one salesperson has been met previously by another who may have found a way of overcoming it; for example, a troublesome objection to one salesperson may have been successfully dealt with by another. The group method of leading a sales meeting encourages problem-solving and stimulates communication. Second, the more open style of meeting enables the sales manager to gain a greater understanding of the needs and problems of the salesforce. Finally, the group method promotes a feeling of group loyalty since it fosters a spirit of co-operation.

Thus, the research conducted by Likert suggests that to produce a highly motivated salesforce, the sales manager should have high performance goals and encourage analysis and discussion of salespeople's performance and problems through the group method of conducting sales meetings.
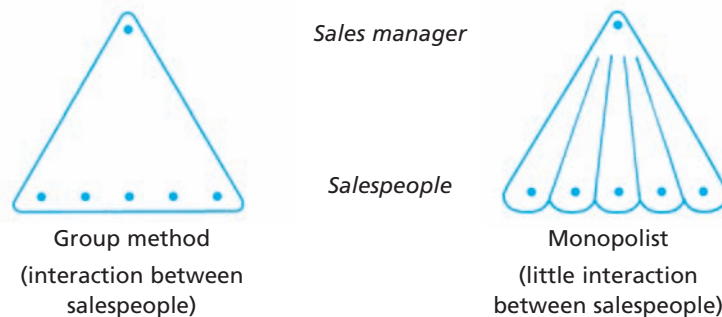

Sales manager

Salespeople

Group method
(interaction between
salespeople)

Monopolist
(little interaction
between salespeople)

Figure 14.2   Methods of conducting sales meetings

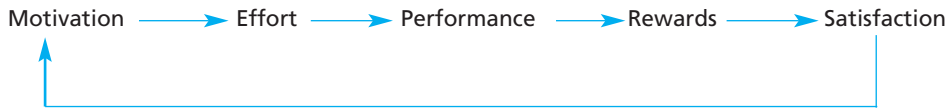Motivation ——→ Effort ——→ Performance ——→ Rewards ——→ Satisfaction

Figure 14.3 Salesforce motivation

The Churchill, Ford and Walker model of salesforce motivation

Churchill *et al.*[9] developed a model of salesforce motivation that integrated some of the ideas of Herzberg and Vroom (see Figure 14.3). This suggests that the higher the salesperson's motivation, the greater the effort, leading to higher performance. This enhanced performance will lead to greater rewards which will bring about higher job satisfaction. The circle will be completed by the enhanced satisfaction causing still higher motivation.

The implications of this model for sales managers are as follows:

1. They should convince salespeople that they will sell more by working harder or by being trained to work 'smarter' (e.g. more efficient call planning, developing selling skills).
2. They should convince salespeople that the rewards for better performance are worth the extra effort. This implies that sales manager should give rewards that are valued and attempt to 'sell' their worth to the salesforce. For example, a sales manager might build up the worth of a holiday prize by stating what a good time they personally had when there.

They also found that the value of rewards differed according to salesperson type. Older salespeople who had large families valued financial rewards more. Younger, better educated salespeople who had no family or small families tended to value higher order rewards (recognition, liking and respect, sense of accomplishment).

Motivation in practice

A study into salesforce practice commissioned by the Chartered Institute of Marketing[10] asked sales managers to rank eight factors (excluding salary, bonus or commission) that could be effective in stimulating their salespeople to better their usual performance. The results of this research are given in Figure 14.4.

Figure 14.4 illustrates the importance of the manager/salesperson relationship in motivation. Individual meetings between manager and salesperson were thought to be the most effective of the eight factors investigated. Sales contests and competitions were ranked only sixth in importance, although a more detailed analysis of the answers revealed that this form of motivation was ranked first among the consumer goods companies replying to the questionnaire.

Surveys by Shipley and Kiely[11] and Coulaux and Jobber[12] investigated factors that motivated industrial and consumer goods salespeople. In both surveys self-satisfaction from doing a good job was ranked as the top motivator. Achieving

Figure 14.4 Motivating factors for salespeople

targets and acknowledgement of effort were also highly ranked by both industrial and consumer salespeople. However, a major difference was the factor 'satisfy customer needs', with industrial salespeople ranking it second, while their consumer counterparts ranked it only sixth. The difference between industrial and consumer products and customers probably explains the discrepancy, with the former selling more technical products to customers with more complex needs (see Table 14.2).

Some of these factors, along with financial incentives, will now be evaluated in terms of their potential to motivate.

Financial incentives

Most companies, whether selling consumer or industrial goods, pay commission or bonus to their salespeople. The most usual form of payment is the salary plus commission system since this provides a level of security plus the incentive of higher earnings for higher sales. However, in some instances salespeople are paid on a straight commission basis so that earnings are entirely dependent upon achievement.

Table 14.2   Motivational factors for salespeople in industrial and consumer goods markets

| | Industrial | | | Consumer | | |
	Extremely strong	moderately strong	Ranking*	Extremely strong	moderately strong	Ranking*
Self-satisfaction from doing a good job	75	24	1	75	21	1
Satisfy customer needs	51	39	2	36	46	6
Achieve sales budgets	35	46	3	58	35	2
Acknowledgement of effort	36	43	3	50	37	4
Increase chance of promotion	89	29	5	58	31	3
Improve lifestyle	34	35	6	42	33	6
Meet family responsibilities	40	22	6	44	25	8
Make more money	38	22	8	46	33	5
Satisfy sales manager's expectations	24	32	9	29	35	9

*Note that the ranking is based on the sum of responses to extremely strong and moderately strong motivator with double weighting to the former category.

Sources: Industrial: Shipley, D. and Kiely, J. (1988) 'Motivation and dissatisfaction of industrial salespeople – how relevant is Herzberg's theory?, *European Journal of Marketing*, 22, 1. Consumer: Coulaux, C. and Jobber, D. (1989) *Motivation of Consumer Salespeople*, University of Bradford School of Management Working Paper.

There are a number of variants of the commission system, each depending on the outcome of the following decisions:[13]

1. The commission base, e.g. sales revenue, or profits.
2. The commission rate, e.g. a set percentage of all sales or different for various products.
3. The starting point for commission, e.g. the first sale, or at some predetermined sales level.

A commission system may thus comprise a given percentage, e.g. 1.5 per cent of total sales revenue generated per salesperson; or a percentage, e.g. 5 per cent of sales revenue for all sales in excess of a sales quota. Some companies may construct more complicated commission systems whereby different products have varying commission rates. Higher rates may be paid on higher profit items, lines regarded as being harder to sell or products with high inventory levels. Thus the commission system can be used not only to stimulate greater effort in general, but also to direct salespeople towards expending greater energy on those products the company particularly wants to sell.

Commission may work in motivating salespeople through providing a direct reward for extra effort (Vroom) and by giving recognition for achievement (Herzberg). In a study by Lopez, Hopkins and Raymond, higher commission rates were the most

preferred reward among US salespeople, beating such alternatives as pay rises, promotion and recognition. The salespeople were also asked to describe their ideal compensation structure. Over half of them stated that they preferred compensation structures that relied more heavily on commission than on basic pay.[14] Clearly salespeople value highly the opportunity to increase pay based on their sales achievements.

Setting sales targets or quotas

If a **sales target** or **sales quota** is to be effective in motivating a salesperson, it must be regarded as fair and attainable and yet offer a challenge to them. Because the salesperson should regard the quota as fair, it is usually sensible to allow them to participate in the setting of the quota. However, the establishment of the quotas is ultimately the sales manager's responsibility and they will inevitably be constrained by overall company objectives. If sales are planned to increase by 10 per cent, then salespeople's quotas must be consistent with this. Variations around this average figure will arise through the sales manager's knowledge of individual sales personnel and changes in commercial activity within each territory; for example, the liquidation of a key customer in a territory may be reflected in a reduced quota. The attainment of a sales target usually results in some form of extra payment to the salesperson.

An advantage of the sales quota is that it can be used flexibly to motivate salespeople to attain specific goals. For example, sales quotas can be based on overall sales targets, sales to new customers, or sales of particular types of product. However, they have their drawbacks: non-quota areas may be neglected, they may encourage cheating and result in unethical selling practices (e.g. deception) when the pressure to meet a sales quota is great.[15]

Meetings between managers and salespeople

These were highly regarded by sales managers in the motivation of their sales teams. Managers have the opportunity to meet their salespeople in the field, at head office and at sales meetings/conventions. They provide a number of opportunities for improving motivation.

First, they allow the sales manager to understand the personality, needs and problems of each salesperson. The manager can then better understand the causes of motivation and demotivation in individual salespeople and respond in a manner that takes into account the needs, problems and personality of the salesperson. A study by Jobber and Lee showed the extent to which the perceptions of sales management and salespeople towards motivation and demotivation can differ.[16] They investigated the perceptions of what motivates and demotivates salespeople by asking a sample of life assurance salespeople and their sales directors. Figure 14.5 gives a summary of the results.

Sales management thought that competitions/prizes and incentives based on target setting motivated salespeople significantly more than the salespeople themselves did. Salespeople, on the other hand, valued fringe benefits higher than sales management. Perceptions of demotivating issues were also at variance. Sales management believed supervisory relations and personal problems demotivated salespeople significantly more than the salespeople did, whereas the salespeople believed that lack of advancement, lack of security and long hours of work were more a source of

	Motivators	Demotivators
Sales directors value these factors more highly	Competitions/prizes Incentives based on target setting	Supervisory relations Personal problems
Sales representatives value these factors more highly	Fringe benefits	Lack of advancement Lack of security Hours of work

Figure 14.5   Summary of differences between sales directors and sales representatives

Table 14.3   Topics salespeople would like to discuss more with their sales managers

Matters	%
Analyse job problems and try to find solutions together	75
Sales targets	70
Job problems	68
Promotion	45
Job career	45
Review performance together	30
Remuneration	22
Personal problems	22

demotivation than the sales management believed. Such misunderstandings can lead to wasted managerial effort devising motivational schemes and compensation plans that are not valued by salespeople. The remedy is to meet regularly with the salesforce to understand their value systems, so that what is prescribed by management is effective in raising salesforce motivation.

Second, meetings in the field, which may form part of an evaluation and training programme, can also provide an opportunity to motivate. Sales technique can be improved and confidence boosted, both of which may motivate by restoring in the salesperson the belief that performance will improve through extra effort.

Third, according to Likert, **group meetings** can motivate when the sales manager encourages an 'open' style of meeting. Salespeople are encouraged to discuss their sales problems and opportunities so that the entire sales team benefits from each other's experiences. This leads to a greater sense of group loyalty and improved performance. Finally, meetings between manager and salespeople provide the opportunity for performance feedback where weaknesses are identified and recognition for good work is given.

The study by Coulaux and Jobber found that almost half their sample of consumer salespeople wanted more meetings with their sales managers.[17] Table 14.3 shows the

Table 14.4   Positive and negative strokes

Strokes	Physical contact	Psychological
Positive	Handshake Pat on the back	Praise, smile, appreciative glance
Negative	Push Slap	Criticism, ridicule, ignore, sideways glance, frown

topics which they would most like to discuss. Three-quarters of the salespeople said that they would like more opportunity to analyse job problems and try to find a solution with their sales managers. Sales targets were second on the list of issues which they would like to discuss.

The work by Herzberg highlights the importance of **recognition** as a positive motivator and Maslow suggests that many people have a need to be accepted. Thus what sales managers say to their salespeople can have both motivational and demotivational effects, by giving and/or taking away recognition and acceptance. Giving recognition and acceptance (by a pat on the back or praise, for example) is called *positive strokes* and can act as a motivator. Withdrawing recognition and acceptance (for example, criticising or ignoring the person) is called *negative strokes* and can act as both a motivator or a demotivator depending on the circumstances. Such withdrawal can motivate when the salesperson is underperforming through lack of effort when that person has a strong desire for recognition and acceptance. However, many managers can demotivate almost unknowingly by what they say and do. Outside factors such as domestic problems may cause managers to give out negative strokes to people who do not deserve them. Under such circumstances they can have a demotivational effect. Table 14.4 gives a few examples.

A further example of the use of negative strokes was the sales manager of a financial services company who wanted to reduce his salesforce's expenses bill. The salespeople were provided with BMWs. To their astonishment the sales manager declared that from the following month the salesperson with the highest expenses would get to drive the company's new Skoda.

Promotion

Sales managers believe that a **merit-based promotion system** does act as a motivator. If the promotion is to a managerial position, there are grave dangers of promoting the company's best salesperson. The skills required of a sales manager are wider than those required of a salesperson. A sales manager must be able to analyse and control the performance of others, motivate and train them. These skills are not required to sell successfully.

If promotion is to be tied to sales performance, it is sensible to consider the creation of a dual promotional route. The first path follows the normal managerial career sequence. The second is created to reward outstanding sales success. An example of such a merit-based promotional ladder is:

Salesperson → Senior Salesperson → National Account Executive

Sales contests

Sales contests are a popular form of incentive for consumer salesforces. The purpose of the sales contest varies widely. It may be to encourage a higher level of sales in general, to increase the sales of a slow-moving product or to reward the generation of new customers. The strength of a sales contest lies in its ability to appeal to the competitive spirit of salespeople and their need for achievement and recognition. As with other financial incentives, to be effective the contest must be seen to be fair and each salesperson must believe that they are capable of winning.

However, problems can occur. Contests can encourage cheating. In one company which used a sales contest to promote sales at a series of promotional events around the country with its dealers, salespeople 'stored up' orders achieved prior to the events in order to increase the apparent number of orders taken at the events. By pitching salesperson against salesperson, contests may militate against the spirit of mutual help and co-operation that can improve salesforce performance.

Sales managers need to be sensitive to the differences in cultural ideas and expectations of overseas salespeople when devising motivational programmes. Examples of how such differences can impact on salesforce motivation are given in the boxed case discussion.

Motivating international salespeople

The key to selecting appropriate salesperson motivation and compensation systems is to understand their values and expectations, and not to assume that what works at home will work in foreign markets. For example, in Europe money is often viewed as a key motivator whereas in the Middle East and Japan commission is little used, and non-financial factors such as increased responsibilities or higher job security are more effective. An understanding of local customs is required. For example, in Japan salary increases are usually based on seniority. Political factors can also determine the fixed salary/commission split and the level of fringe benefits provided for employees.

Perceptions of unfairness can arise when the overseas salesforce consists of a mixture of expatriates and local salespeople. Because a salary increase normally accompanies an expatriate's overseas move, they may be paid more than local recruits. If this becomes common knowledge, the motivation of locally recruited salespeople may suffer.

Some international salespeople complain that managers at their head office do not understand them. They often feel alone or deserted. Their motivation can be restored by setting realistic sales targets, given them full support and improving communication.

Sources: Based on Cundiff, E. and Hilger, M.T. (1988) *Marketing in the International Environment*, Prentice-Hall, Englewood Cliffs NJ; Hill, J.S., Still, R.R. and Boya, U.O. (1991) 'Managing the multinational sales force', *International Marketing Review*, 8 (1), pp. 19–31; Gauri, P. and Cateora, P. (2006) International Marketing, McGraw-Hill, Maidenhead.

14.2   LEADERSHIP

For motivation to be effective it must be channelled in the right direction, which is where leadership is crucial. Motivation provides the movement while leadership supplies the direction that allows both the company and the salesperson to achieve their objectives.[18] Leadership is the process of influencing the behaviour of people toward the accomplishment of objectives. In sales management, leadership usually focuses on the relationships between sales managers and their salespeople. However, it is also relevant for key, national or global account managers who manage account teams.

Leaders generate good performance from their sales teams by increasing their personal rewards from achieving objectives and by making the path to these rewards easier to follow through advice, training, reducing or removing obstacles and problems, and by increasing the opportunities for personal satisfaction.[19]

A key question is what is required to be a successful leader. An informal survey of sales managers' opinions on the characteristics of a successful leader produced the following comments:[20]

1. *Leaders have a strong, defined sense of purpose.* They know what needs to be done.
2. *Leaders are effective communicators.* They communicate their vision of the future. They provide an invitation to the sales team to link their prosperity to the success of the business. They communicate what is expected of people and how they are doing.
3. *Leaders are persistent and hard working.* They are prepared to invest whatever time and effort is required to achieve results.
4. *Leaders are self-aware.* They recognise their strengths, weaknesses, skills and abilities.
5. *Leaders are learners.* They welcome information, develop new skills and improve on existing ones.
6. *Leaders love their work.* They view work as an adventure and are constantly renewed and stimulated by it.
7. *Leaders inspire others.* They are able to unite people in a consolidated effort.
8. *Leaders establish human relationships* based on trust, respect and caring.
9. *Leaders are risk takers.* They are willing to explore and experiment.
10. *Leaders are keen to help others attain their goals.* They reduce or remove obstacles to the attainment of salespeople's goals and help them succeed in their jobs.
11. *Leaders have the ability to motivate and inspire salespeople to grow and learn.* Each of their salespeople feels they have control over their own destiny and feels important to their organisation.

An enormous amount of research has gone into exploring leadership.[21] While a review of all this work is beyond the scope of this book, one key study by Goleman will be reported as it links leadership styles to 'working atmosphere or climate' and performance.[22] The research is based on a study of almost 4,000 executives from around the world by the management consulting firm Hay McBer.

Six leadership styles were identified and are summarised in Table 14.5. The research indicated that effective leaders do not rely on one leadership style but use all or most of them, depending on the particular situation. Goleman drew a golfing analogy: over the course of a game a golfer chooses clubs based on the demands of the shot. That is how highly effective leaders also operate.[23]

Table 14.5 Six leadership styles and key characteristics

Style	Operational characteristics	Style in a phrase	Underlying competencies	When to use
Coercive	Demands compliance	'Do what I tell you'	Drive to achieve, self-control	In a crisis, with problem people
Authoritative	Mobilises people	'Come with me'	Self-confidence, change catalyst	When new vision and direction are needed
Affiliative	Creates harmony	'People come first'	Empathy, communication	To heal wounds, to motivate people under stress
Democratic	Forges consensus	'What do you think?'	Collaboration, team building	To build consensus, to get contributions
Pace-setting	Sets high standards	'Do as I do, now'	Initiative, drive to achieve	To get fast results from a motivated team
Coaching	Develops people	'Try this'	Empathy, self-awareness	To improve performance, to develop strengths

Source: Adapted from Goleman, D. (2000) 'Leadership that gets results', *Harvard Business Review*, March–April, pp. 78–90.

While coercion and pace-setting have their uses, the study showed that overall these styles can harm 'working atmosphere', reducing, for example, flexibility (how free employees feel to innovate unencumbered by red tape) and commitment to a common purpose. The other four leadership styles have a positive impact on 'working atmosphere' and financial performance. Goleman concludes that the best leaders are those who have mastered four or more styles, especially the positive ones (authoritative, affiliative, democratic, coaching) and have the ability to change styles as the situation demands. Effective leaders have the capability to match behaviour to the situation in an automatic, flexible, fluid and seamless way. Importantly, Goleman argues that the ability to use more than those leadership styles that come naturally can be taught (or coached). Therefore, sales managers who display, for example, only one or two of the necessary styles can be coached to expand their repertoire of styles and, therefore, become more effective leaders.

Consistent with these findings, Huczynski and Buchanan[24] conclude that leadership research suggests that effective leadership styles depend on context, with no one style of leadership appearing universally better. However, they argue that a good deal of research suggests that a considerate, participative or democratic style of leadership is generally (if not always) more effective than an autocratic, coercive style. Two reasons are given:

1. It reflects the wider social and political trends towards increased personal freedom and the right to resist manipulation.
2. The need to tap the ideas of people with knowledge and experience and the need to get greater commitment through their involvement in decision-making.

Autocratic/coercive management stifles creativity, ignores available expertise and kills motivation and commitment. However, it can be necessary when time is short, the leader is the most knowledgeable person and where potential participants would never agree on a decision.[25]

14.3   TRAINING

A study for the Learning International Organisation[26] revealed seven sales challenges that organisations must meet if they are going to survive in the competitive marketplace:

1. *Distinguish between similar products and services.* Success in sales requires more than just having an exceptional product or service. The proliferation of 'me too' products is causing buyers to become confused. Excellent salespeople are needed to capitalise on product differences: that their offerings are better than the competitor's.

2. *Putting together groups of products to form a business solution.* As customers' requirements are continually becoming more complex, single product or service selling is becoming obsolete. Their needs can only be met by a 'package' of products or services. The salesperson will have to be highly trained to put together a package to satisfy these needs.

3. *Handling the more educated buying population.* Today's customers are willing to work harder and take time to shop around for what they need. They are also more aware of the product features, benefits, options and prices. Today's professional salesperson must thus work harder to close the sale.

4. *Mastering the art of consultative selling.* The salesperson now needs to understand the specific business issues and problems faced by customers. Their role is to lessen customers' responsibility to discover their own needs, and show how the product and service being offered will fill these needs.

5. *Managing a team selling approach.* In the future a team selling approach will have to be adopted to satisfy customer needs. The salesperson will have to draw on knowledge of technical staff, marketing staff and experts in other product areas.

6. *Knowing the customer's business.* Future sales will require in-depth knowledge of the customer's business, with salespeople well versed in the requirements of the market segment in which they sell. Relationship building with the customer is paramount and the customer's best interests are always placed at the forefront. Accurate marketing information is needed to provide each customer with the best possible service.

7. *Adding value through service.* When a product reaches a commodity status the salesperson's perceived value is diminished. They are reduced to 'order-takers'. Companies must continue to build up their relationship with customers by adding value through services such as business consultations and ongoing product support.

These challenges have assumed greater importance since the advent of the Single European Market. For the first time there is easy access to the European markets. Thus competition has increased and only the companies that are prepared to meet these challenges will survive.

Producing the best available product or service is not enough – it has to be sold. If companies are to survive they must attach the utmost importance to training their field salesforce, not just pay lip service to the concept. Top management must be totally committed to training and authorise sufficient investment for this to occur. They must also accept that the benefits derived from sales training may not be immediate; they take time to show through.

The potential benefits of sales training are immense, ranging from enhanced skill levels, improved motivation (see the Vroom model)[27] and greater self-confidence in one's ability to perform well at selling, a factor that has been shown to be related to improved sales performance.[28]

A list of the benefits of training is given in Table 14.6.

On the whole, insufficient attention is paid to training. Presumably it is believed that salespeople will learn the necessary skills on the job. This approach ignores the benefits of a training programme that builds a reference frame within which learning can occur and provides the opportunity to practise skills with feedback which is necessary to identify the strengths and weaknesses of performance. For training to succeed the salesperson must accept that there is a problem with their performance, otherwise they are unlikely to try to rectify the problem.

Table 14.6   Benefits of training

Benefit	Description
Enhanced skill levels	Training in needs analysis, presentation and demonstration, negotiation, objection handling, closing and relationship management will enhance skill levels, and lead to greater customer orientation.
Improved motivation	Vroom suggests that motivation is dependent on a salesperson's belief that increased effort will lead to higher performance. Increasing skill levels through training should strengthen that belief.
Improved self-confidence	Training improves self-confidence, which has been shown to be related to improve sales performance.
Reduced costs	Training in self-management and journey planning should reduce costs. Higher skills should mean fewer call backs to close the sale. Better use of technology should also reduce costs (e.g. using email rather than site visits where appropriate).
Fewer complaints	Better meeting of customer needs and higher service levels should reduce the number of customer complaints.
Lower staff turnover	Training shows staff that the company is willing to invest in them raising morale and loyalty.
Reduced management support	Well trained salespeople require less managerial support as they can manage their own activities.
Higher job satisfaction	The confidence and success which accompanies higher skill levels developed during training lead to higher job satisfaction.
Higher sales and profits	The result of the above advantages of training is that sales should be higher and costs lower resulting in higher company profits.

Source: Based on Pettijohn, C.E., Pettijohn, L.S. and Taylor, A.J. (2007) 'Does salesperson perception of the importance of sales skills improve sales performance, customer orientation, job satisfaction and organizational commitment, and reduce turnover', *Journal of Personal Selling and Sales Management*, 27 (1), pp.75–88; Vroom, V.H. (1964) *Work and Motivation*, Wiley, New York; and Krishnan, B.C., Netemeyer, R.G. and Boles, J.S. (2002) 'Self-efficacy, competitiveness and effort as antecedents of salesperson performance', *Journal of Personal Selling and Sales Management*, 22 (4), pp. 285–95.

Another approach to the training problem of new salespeople is to send them out with an experienced salesperson to observe how selling is done. This in itself is insufficient for successful sales training. Its virtues are that the trainee may gain insights not only into techniques which appear to be successful in selling, for example, certain closing techniques, but also into the kinds of objections raised by buyers. However, its value is greatly enhanced if supplemented by a formal sales training programme conducted by an experienced sales trainer who is skilled in lecturing, handling role-playing sessions and providing constructive feedback in such a way that it is accepted by the trainee.

Sales training provides particular challenges in the international environment. Differences in language and culture mean that care must be taken when training overseas sales teams. The boxed case discussion addresses some major points. Indeed, as individual nations become culturally diverse there is a growing need for cultural diversity training for companies that do not trade internationally.[29]

Training overseas salesforces

When training local salespeople cultural imperatives should be recognised. For example, when training Chinese and Japanese salespeople situations where 'loss of face' can occur should be avoided. Japanese salespeople receive on-the-job training in a ritualistic formal setting to ensure that constructive criticism does not result in 'loss of face' for the inexperienced salesperson. Also some selling approaches may not be applicable in certain cultures. For example, problem-solving techniques may not be suitable for Chinese or Japanese salespeople. Finally, care needs to be exercised when translating sales manuals into foreign languages.

For local recruits, training will include product knowledge and an appreciation of the company, its history and philosophies. For expatriates, language training may be required and familiarity with foreign business etiquette. It will also focus on the special foreign sales problems that will be encountered. Often initial on-the-job training is with an experienced expatriate. Training in the language, lifestyle and culture of the people of the new country should include the salesperson's spouse and children to reduce early burnout.

Sources: Based on Hill, J.S., Still, R.R. and Boya, U.O. (1991) 'Managing the multinational sales force', *International Marketing Review*, 8 (1), pp. 19–31; Honeycutt, Jr, E.D. and Ford, J.B. (1995) 'Guidelines for managing an international sales force', *Industrial Marketing Management*, 24, pp. 135–44; Ghauri, P. and Cateora, P. (2006) *International Marketing*, McGraw-Hill, Maidenhead.

Skill development

There are four classic stages to learning a skill. These are shown in Table 14.7.

The first stage defines the situation before a trainee decides to enter a career in selling. They are unable to carry out the skills and have not even thought about them. By reading or being told about the skills involved, the trainee reaches the second stage

Table 14.7   Skills development

Stage	Description
1. Unconsciously unable	Trainee does not think about skills.
2. Consciously unable	Trainee reads about skills but cannot carry them out in practice.
3. Consciously able	Trainee knows what to do and is reasonably proficient in individual skills but has difficulty putting them all into practice together.
4. Unconsciously able	Trainee can perform the task without thinking about it; skills become automatic.

of being consciously unable. They know what to do but cannot successfully perform any of the skills.

At the third stage (consciously able) the trainee not only knows what to do but is reasonably proficient at putting the skills into practice individually. They are like a learner driver who can engage gear, release the clutch, look in the mirror, gently press the accelerator and release the handbrake as a series of separate operations, but not in a co-ordinated manner that successfully moves the car from a standing start. The trainee may be able to make a presentation successfully, handle objections and close a sale, but may be hopelessly adrift when they need to handle objections, continue making the presentation and all the while look for signs to close the sale.

A successful training programme takes the trainee through this difficult barrier to the fourth stage (unconsciously able) when they can perform all the skills at once and have the ability to think a stage in advance so that they have control of the selling situation. A car driver reaches this stage when able to co-ordinate the skills necessary to start, move and stop a car without thinking; the timing of gear changes and braking, for example, become automatic, without conscious thought. Similarly, the salesperson can open the interview, move through the stages of need identification, presentation and handling objections in a natural manner, and can alter the approach as situations demand, before choosing the right moment and most appropriate technique to close the sale.

When salespeople become unconsciously able they are likely to be competent although, like a driver, football player or cricketer, there will always be room for further improvement and refinement of their skills.

Components of a training programme

A **training programme** will attempt to cover a combination of knowledge and skill development. Five components can be identified:

1. The company – objectives, policies and organisation.
2. Its products.
3. Its competitors and their products.
4. Selling procedure and techniques.
5. Work organisation and report preparation.
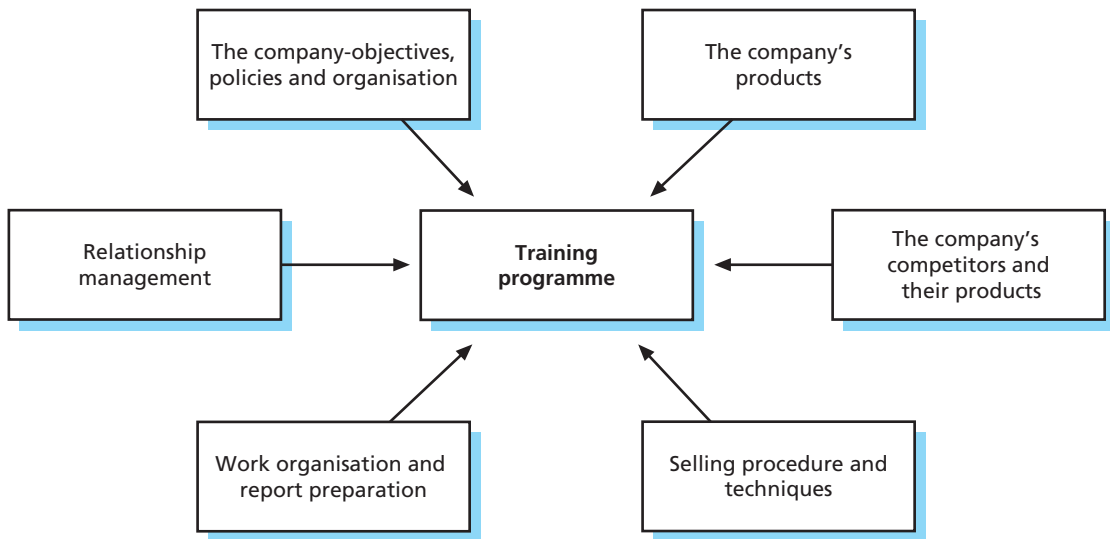6. Relationship management

Figure 14.6 Components of a training programme

Figure 14.6 illustrates the six components.

The first three components are essentially communicating the required level of knowledge to the salesperson. The first component will probably include a brief history of the company, how it has grown and where it intends to go in the future. Policies relevant to the selling function, for example, how salespeople are evaluated and the nature of the compensation system will be explained. The way in which the company is organised will be described and the relationship between sales and the marketing function, including advertising and market research, will be described so that the salesperson has an appreciation of the support they are receiving from headquarters.

The second component, product knowledge, will include a description of how the products are made and the implications for product quality and reliability, the features of the product and the benefits they confer on the consumer. Salespeople will be encouraged to carry out their own product analyses so that they will be able to identify key features and benefits of new products as they are launched. Competitors will be identified and competitors' products will also be analysed to spotlight differences between them and the company's products.

Some training programmes, particularly within the industrial selling arena, stop here, neglecting a major component of a training programme – selling procedures and techniques. This component involves an examination of the factors analysed in Chapter 8 and will include practical sessions where trainees develop skills through role-playing exercises. For example, the Xerox Professional Selling Skills training programme focuses on five selling steps: opening sales calls; effective listening; objection handling; closing and follow-up.[30]

The next component of the programme – work organisation and report writing – will endeavour to establish good habits among the trainees in areas which may be neglected because of day-to-day pressures. Work organisation training includes time and territory management skills. The importance of these activities on a salesperson's performance and, hence, earnings will be stressed.

Finally, the importance of building relationships means that training programmes will place heavy emphasis on people skills. For example, the IBM consultative sales training programme emphasises working with clients as consultants to build close relationships and work jointly to solve problems. The case components of the programme involve people and communication skills.[31]

Methods

The lecture

This method is useful in giving information and providing a frame of reference to aid the learning process. The lecture should be supported by the use of visual aids, for example, professionally produced PowerPoints. Trainees should be encouraged to participate so that the communication is not just one way. Discussion stimulates interest and allows misunderstandings to be identified and dealt with.

Films

These are a useful supplement to the lecture in giving information and showing how a skill should be performed. They add an extra dimension to a lecture by demonstrating how the principles can be applied in a selling situation. In terms of the stages of learning skills, lectures and films take the trainees up to the point of being consciously unable. They will show what they are required to do, but they will lack the experience to put the theory into practice successfully.

Role playing

This learning method moves the trainees into the stage of being consciously able to perform a skill. It allows the trainees to learn by their own successes and failures in a buyer–seller situation. Feedback is provided by other group members, the sales trainer and by audio-visual means.

Seeing oneself perform is an enlightening and rewarding experience and can demonstrate to the trainee the points raised by other members of the group. Without this dimension some trainees may refuse to accept a fault, e.g. losing the buyer's interest, simply because in the heat of the selling discussion they genuinely do not notice it. Playback allows the trainee to see the situation through the eyes of a third person and problems are more easily recognised and accepted.

Role playing has its critics. Some say that trainees do not take it seriously enough and that by its very nature it is not totally realistic. Its main value is in teaching inexperienced salespeople the basic skills of selling in a less threatening environment than real selling. The selling process can be broken up into a series of activities, e.g. opening and need identification, sales presentation and overcoming objections, each of which requires a special set of skills. Role playing can be used to develop each set of skills in a series of exercises that gradually build up to a full sales interview. A role-playing exercise designed to develop skills in need identification is given at the end of this chapter.

The degree of success achieved by role playing is heavily dependent upon the skills of the sales trainer. When the trainees have at least a modicum of sales experience, it is good practice to allow them to devise their own sales situations based on actual experiences. The briefs so produced are then exchanged between trainees so that each is presented with a situation which is new to them but which, at the same time, is realistic.[32]

Case studies

Case studies are particularly appropriate for developing analytical skills. Trainees are asked to analyse situations, identify problems and opportunities and make recommendations for dealing with them. They can be used, for example, in setting call objectives. A history of a buyer–seller relationship is given and the trainee is asked to develop a set of sensible objectives for their next visit.

In-the-field training

It is essential that initial training given to trainees is reinforced by on-the-job training. The experience gained by real-life selling situations plus the evaluation and feedback provided by the sales manager should mean that the salesperson moves solidly into the final stage of the learning skills process – unconsciously able. The salesperson does the right things automatically, just as a driver can co-ordinate the set of skills necessary to drive a car without consciously thinking.

Although unconsciously able is the final stage in the learning process, it does *not* describe a finite position beyond which improvement cannot take place. Field training is designed to improve the performance of the experienced as well as the newer salesperson. In order to achieve this the sales manager needs to do the following:

- analyse each salesperson's performance;
- identify strengths and weaknesses;
- gain agreement with the salesperson that a weakness exists;
- teach the salesperson how to overcome the weaknesses;
- monitor progress to check that an improvement has been realised.

There may be a strong temptation during a sales interview for a manager to step in when it is obvious that the salesperson is losing an order. Whether they succumb to this temptation will depend upon the importance of the order, but to do so will undoubtedly reduce the effectiveness of the training session. Ideally, the sales manager should use the situation as an opportunity to observe and evaluate how the salesperson deals with the situation. Stepping in may save the order but cause resentment on the part of the salesperson, who loses face with the customer. This may jeopardise future sales and damage the manager's relationship with the salesperson.

Generally, salespeople will respect criticism that they feel is fair and constructive. To achieve a sense of fairness, the sales manager should begin the post-interview assessment session by listing the positive points in the salesperson's performance. They should then ask the salesperson to relate any aspects of the sales interview that could be improved on. If the salesperson realises that they have a weakness, then the manager does not have the problem of convincing them that a difficulty exists.

It is inevitable that some weaknesses will not be exposed in this way and the manager will have to explain them to the salesperson. However, since the manager has earlier praised other aspects of performance, the salesperson is unlikely to reject the manager's criticisms out of hand. Having gained agreement, the sales manager will then suggest methods to overcome the problem. Perhaps they will take the role of the buyer and engage in a role-playing exercise to rehearse the way in which a problem should be dealt with before the next call, or simply instruct the salesperson and suggest that they apply what has been said at the next call.

e-learning

The heavy time constraints place on modern salespeople mean that taking days off work to attend a traditional sales training course may not be feasible. Technological advances mean that an alternative method of disseminating information is via the internet. Using technology to package information is an inexpensive and effective alternative to traditional programmes. This approach means that training can take place over long distances and at a time which fits in with salespeople's work patterns.

Evaluation of training courses

A widely adopted framework for evaluating the effectiveness of sales training is the four-stage training model proposed by Kirkpatrick.[33] Training evaluations are classified into four categories:

1. *Participants' reactions to the training course.* Reactions are measures of how the sales trainees feel about various aspects of a sales training course. They are, therefore, similar to traditional measures of customer satisfaction. It is assumed that when salespeople dislike a training course, little effort will be put into learning and using the material. Conversely, if sales trainees enjoy the training they will learn more and be more motivated to use the material.[34] Typically, reaction measures focus on value-adding aspects of the training such as satisfaction with the instruction, satisfaction with the course content, and general course satisfaction.[35] Research by Leach and Liu suggests that there is a positive link between reaction measures and knowledge retention, i.e. the more trainees are satisfied with a sales training course, the more they retain selling knowledge from it.[36]

2. *Acquisition and retention of knowledge and attitude change.* Acquisition and retention of knowledge can be assessed by pen and paper tests when the training objectives are the provision of information (e.g. product and competitor information). When training objectives involve the teaching of selling skills, pen and paper tests will be supplemented with evaluated role plays. The study by Leach and Liu[37] indicates that trainees whose level of knowledge acquisition was higher were more likely to transfer learned material to the marketplace.

3. *Changes in work behaviour.* Behaviour change evaluations measure the extent to which salespeople modify their job-related behaviour due to sales training. This is often referred to as 'transfer of learning' and is crucial to the success of a sales training

course. Learning transfer evaluations often involve direct observations of the sales trainee in the workplace by sales managers. The Leach and Liu[38] study suggests that assessment of the degree of learning transfer to the job is an important aspect of evaluation since it is linked to organisational outcomes, i.e. the more trainees apply what they have learnt from the sales training course, the better their achievement of desired organisational outcomes such as improved selling effectiveness, enhanced customer relations and higher levels of organisational commitment.

4. *Organisational outcomes.* These evaluations measure the extent to which a sales training course has contributed to the achievement of the objectives set out by the company. Six organisational sales training objectives[39] are often used:

• increased sales volume;
• improved customer relations;
• increased salesperson commitment leading to lower levels of staff turnover;
• decreased selling costs;
• improved control of the salesforce; and
• better time management.

Although the most relevant, these measures are usually the most difficult to specifically attribute to the sales training course. Thus, it is useful to know that learning transfer (which is easier to measure) is a good predictor of organisational outcomes.

A study by Stamford-Bewlay and Jobber sought to identify the methods used to evaluate training courses among a sample of companies in service, consumer and industrial sectors.[40] The results are shown in Figure 14.7. It appears that only 57 per cent
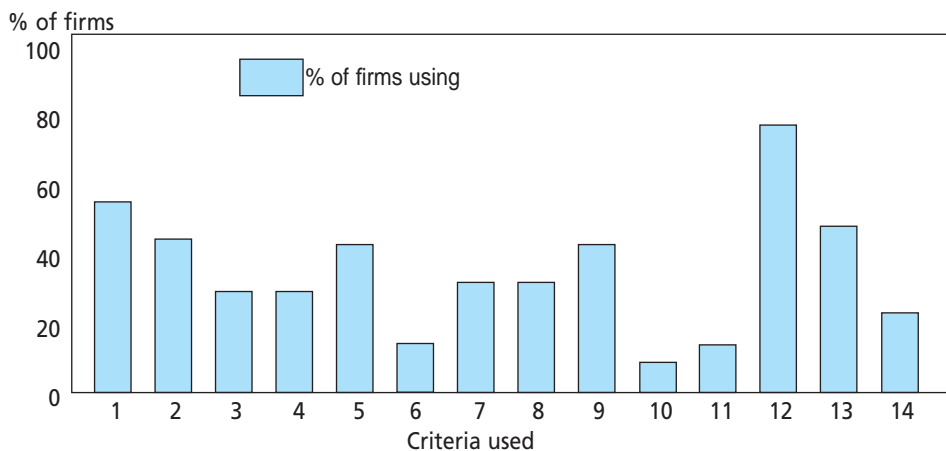
Key: Criteria used to evaluate training course
1 Change in sales net volume
2 Change in sales net value
3 Change in sales volume per call
4 Change in sales value per call
5 Number of new accounts gained
6 Number of old accounts lost
7 Order/call rate
8 Order taken/target
9 Coverage of territory
10 Length of time representatives spend with customer
11 Length of time representatives stay with company
12 Ability shown during field visits
13 Questionnaire at end of course
14 Questionnaire at some time in the future

Figure 14.7 Criteria used to evaluate training courses

Source: Stamford-Bewlay, C. and Jobber, D. (1989) *A Study of the Training of Salespeople in the UK*, University of Bradford School of Management Working Paper.

attempt to measure changes in sales net volume which may occur as a result of the course. More popular were field visits with salespeople (78 per cent) where the sales manager would subjectively gauge whether ability had improved as a result of the training course. Unless the training course is followed-up by further in-field coaching, much of the effectiveness of the programme will be lost.[41]

Training sales managers

To succeed as a sales manager requires a formidable set of skills and roles[42] including the following:

- developing close relationships with customers and an in-depth understanding of customers' businesses;
- partnering salespeople to achieve sales, profitability and customer satisfaction goals;
- co-ordinating hybrid salesforces of telemarketers and field salespeople;
- keeping up to date with the latest technologies impacting the sales function;
- learning marketing skills to identify potential business opportunities and recommend strategies;
- working with other functional areas to achieve overall corporate goals through customer satisfaction;
- continually seeking ways to exceed customer expectations and create added value in buyer–seller relationships;
- creating a flexible, learning and adapting environment for the sales team;
- developing teaching, analytical, motivational, organisational, communication and planning skills.

The sales manager's job is becoming increasingly demanding because of the environmental changes discussed at the beginning of Chapter 4. Yet the training of sales managers appears to be neglected in many companies. Information on the extent of sales manager training is based on US studies, which show that not only are most sales managers not being trained adequately, but also that most are not being formally trained at all.

The US survey conducted by Anderson, Mehta and Strong showed that 57 per cent of sales managers reported their company failed to provide them with formal sales management training.[43] They speculate that one reason may be that companies assume a newly promoted 'top salesperson' ought to be able to pass their selling skills on to other salespeople and thus smoothly make the transition from successful salesperson to successful sales manager. However, this argument overlooks the large differences between the job of a salesperson and that of sales manager. While salespeople achieve their goals largely as a result of their own efforts, sales managers accomplish their goals largely through the efforts of the salesforce. Whereas the salesperson requires self-management, selling and negotiation skills, the sales manager requires a much broader range of managerial, administrative and leadership skills. Thus, it is not surprising that top salespeople do not always make the best managers.

For those who did receive training, most tended to be on-the-job coaching by supervisors or peers backed up by a company-sponsored course or seminar at a

college or university. Most of the training involved traditional methods such as group discussions, role playing, case studies and motivational speakers (see Table 14.8).

The topics most frequently covered were motivation, goal setting for salespeople, leadership skills, training evaluation, territory management and time management (see Table 14.9). Very little attention was given to profitability analyses (by product

Table 14.8   Methods used to train sales managers

Method	%
Group discussions	72
Role playing	64
Case studies	50
Motivational speakers	46
Computer simulation games	44
Seminars (up to four weeks long)	44
Videotapes/films	40
College courses	24
Correspondence courses	16
In basket exercises	10
Videoconferencing	8

Source: Anderson, R.E., Mehta, R. and Strong, J. (1997) 'An empirical investigation of sales management training programs for sales managers', *Journal of Personal Selling and Sales Management*, 17 (3), pp. 53–66.

Table 14.9   Topics covered in sales training programmes

Topic	%
Motivating salespeople	82
Goal setting for salespeople	76
Leading salespeople	66
Training salespeople	64
Evaluating salespeople	64
Territory management	62
Time management	60
Developing sales strategies	58
Strategic sales planning	56
Recruiting new salespeople	52
Organising salespeople	52
Sales forecasting	50

Source: Anderson, R.E., Mehta, R. and Strong, J. (1997) 'An empirical investigation of sales management training programs for sales managers', *Journal of Personal Selling and Sales Management*, 17 (3), pp. 53–66.

category, market segment, salesperson, territory or customer type) indicating that sales managers were not being given essential financial skills to support their job.

Research by Dubinsky, Mehta and Anderson[44] examined the link between sales managers' satisfaction with training programmes and training content. Training satisfaction is increased for lower-level sales managers when the course addresses a wide range of issues such as conducting sales meetings, budgeting, company knowledge, customer relations and social responsibility. Such a wide array of topics provides a solid foundation for such managers in their present jobs and in the future as they gain promotion. For higher-level sales managers, training satisfaction is enhanced when the course includes general management issues, management of physical distribution, learning about company policies, planning and control activities and competitor knowledge. Such information has direct relevance for such managers as they affect the design and execution of sales and marketing strategies. Of particular interest is the greater level of training satisfaction for senior sales managers when control activities are included in the programme. The inclusion of a range of control tasks such as profit analysis by territory/customer type/salespeople/market segment/product category, analysis of selling costs and market share analysis enhances training satisfaction. This is gratifying given the need for sales managers to be more profit-orientated.[45]

14.4 CONCLUSIONS

This chapter considered motivational theory and practice as applied to the sales area. A number of theories were examined:

1. Maslow's hierarchy of needs theory
2. Herzberg's motivator/hygiene theory
3. Vroom's expectancy theory
4. Adams's inequity theory
5. Likert's sales management theory.

Motivation in practice is focused on the use of the following:

- financial incentives
- sales quotas or targets
- meetings between salesperson and manager
- sales contests.

Successful leaders change their style depending on the situation. Sales training involves the development of a programme that enhances selling skills. The components of a training programme and methods used were examined before the skills required for sales management were outlined.

Chapter 15 explores two other management considerations: sales organisation and compensation.

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PRACTICAL EXERCISE

Selling fountain pens

This exercise can be used to develop the skills required for effective selling outlined in Chapter 8; that is, need identification, presentation and demonstration, answering questions and handling objections, and closing the sale. The salesperson's profile is given below. The salesperson should be given at least 15 minutes to study the range of pens on sale (see Figure 14.8). The role play can be video-recorded and played back in front of the class to provide a focus for discussion.

Salesperson's profile

You are a salesperson in a stationery department of a small store. For a few minutes a customer has been looking at your range of quality pens. The person comes up to you saying, 'I'm looking for a good fountain pen.'

You take the interview from this point. You have a display of six fountain pens (A–F) with the features shown in Figure 14.8.

PEN	Filling method	Price	Spare nibs	Spare cartridge cost	Nib size/ type	Construction material (all with pocket clips)	Shape	Colours	Other features
A	Capillary	£15	£2.50	—	Medium/ gold	All-metal 'gold' finish	Round	'Silver'/ 'gold' tops	Barrel has to be unscrewed to refill with an easy grip feature; guaranteed for two years; screw cap; spare italic nib supplied; made in the UK
B	Cartridge, 3 spare	£12	£1.50	£1 for 4	Medium/ gold	Metal/ plastic tops	Round	Black/ 'silver'	Very slim enclosed nib; screw cap; guaranteed for one year; made in France
C	Cartridge, 2 spare	£10	£1.50	£1 for 4	Medium/ steel	Metal/ plastic	Round	Various/ 'silver' tops	Bulky easy-to-hold style; screw cap; guaranteed for one year; made in Italy
D	Cartridge	£10	£1.30	£1 for 6	Fine/ steel	Plastic with 'silver' top	Round	Various/ 'silver' tops	Superslim variety; enclosed nib; screw cap; guaranteed for two years; made in France
E	Cartridge, 1 spare	£9	£2.00	£1 for 6	Fine/ steel	Plastic	Triangular	Black/ red/ blue	Push-on cap; one year guarantee; made in Germany
F	Cartridge, 1 spare	£7	£4.00	£0.60 for 4	Broad/ steel	Metallised plastic	Round	'Silver'	Choice of left-/ right-hand nib; push-on cap; guaranteed for six months; made in the UK

Figure 14.8 Fountain pen features

Examination questions

1 It is impossible to motivate, only to demotivate. Discuss.

2 You have recently been appointed sales manager of a company selling abrasives to the motor trade. Sales are declining and you believe that a major factor causing this decline is a lack of motivation among your salesforce. At present they are paid a straight salary, the size of which depends on length of service. Outline your thoughts regarding how you would approach this situation.