

Assessing Relationship Among Performance, Managerial Practices, Salesforce Automation: A Study On Unilever & Dalda in Pakistan

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*Sales force management systems are the information systems which are used to automate some sales and sales force management functions. The main purpose of study is to check to the elements which affect the employee performance. The universe of study is Unilever & Dalda Pakistan.135 questionnaires were distributed to the sales distributors of both the organizations independently and the results are presented.. Data is analyzed through statistical technique of SPSS version 12. The factors affecting sales force automation are identified. Motivation, aptitude level, role perception & automation which are the independent variables and satisfaction which is dependent variable is affected by all of them. According to our study satisfaction is positively correlated to the independent variables as shown in table 1.2. The dependent variable satisfaction is .679(**) correlated to independent variable motivation, .564(**), with aptitude .834(**) with role perception .846(**) and with automation at significance level of 0.01**. The study has been proven and a strong correlation has been established between the variables .*

Field of research: Marketing

1. Introduction

In my paper I have taken the literature review from the previous studies such as of Churchill and Cramen Franzi. I have used the questionnaire technique because it simplifies the results. All the questions asked are equally ranked and are measured in unitary terms. Ordinal scale is used to calculate the weightages. In Pakistan Unilever is Hub based and Dalda is manufacturing based companies respectively. So I have made a comparison of both of them.

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1.2 Problem Statement

To identify the salesforce techniques which are affecting the sales or performance of the employees?

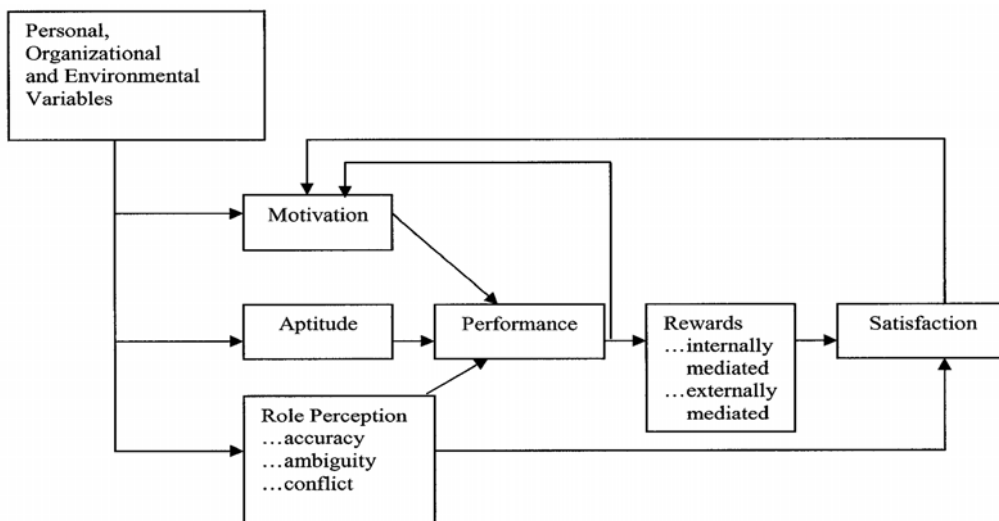
1.3 Objectives

- To explore the relationships between technological innovations and sales performance.
- To increase the market share through sales force automation..
- To check the impacts of rewards on employee performance.
- To check the impact of missionary selling.
- To see what skills a salespersonnal must have.
- How the employee and subordinate relationship is affecting the sales.

2. Literature Review

Companies want to have such measurement procedures that increase their per capita income and the market share.. Sales force is the backbone of all the companies all over the world. Due to its correct use the profitability of the company is maximized. The procedures adopted must be to the desire and consent of the sales force. If they are not properly done then role conflict, role ambiguity and role accuracy occurs. Now a days the sales manager are focusing on the conversion of the new customers and the retention of existing customers. efficient sales person is the one which is emotionally intelligent; and its an essential quality of the manager.

Fig 1.1 Walker Churchill performance model



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In 1985 Walker and Churchill presented a model fig 1.1 The model hypothesized that performance of salespeople is a function of three basic factors-their level of motivation, their sales aptitude or ability, and their perceptions about how their role should be performed.

2.1 Motivation

Motivation component of the model is viewed as the amount of effort sales representatives desire to expend on each of the activities or tasks associated with their job, such as calling on potential new accounts, planning sales presentations, and writing report.

2.2 Aptitude

Aptitude of an individual largely as a constraint on their ability to perform the sales job, given an adequate understanding of the motivation to perform.

2.3 Role Perception

Role perception component attached to the position of salesperson in any firm represents the set of activities or behaviors to be performed by any person occupying that position. The position is defined largely through the expectations and pressures communicated to the salesperson by people both within and outside the firm who have a vested interest in how the salesperson performs the job. The term "role accuracy" refers to the degree to which the sales representatives' perceptions of their immediate supervisor's demands are accurate. Perceived "role conflict" arises when sales representatives believe that the role demands of their immediate supervisor and top management are incompatible and they cannot possibly satisfy them all at the same time. Perceived "role ambiguity" occurs when the salespersons feel that they do not have the information necessary to perform their job adequately.

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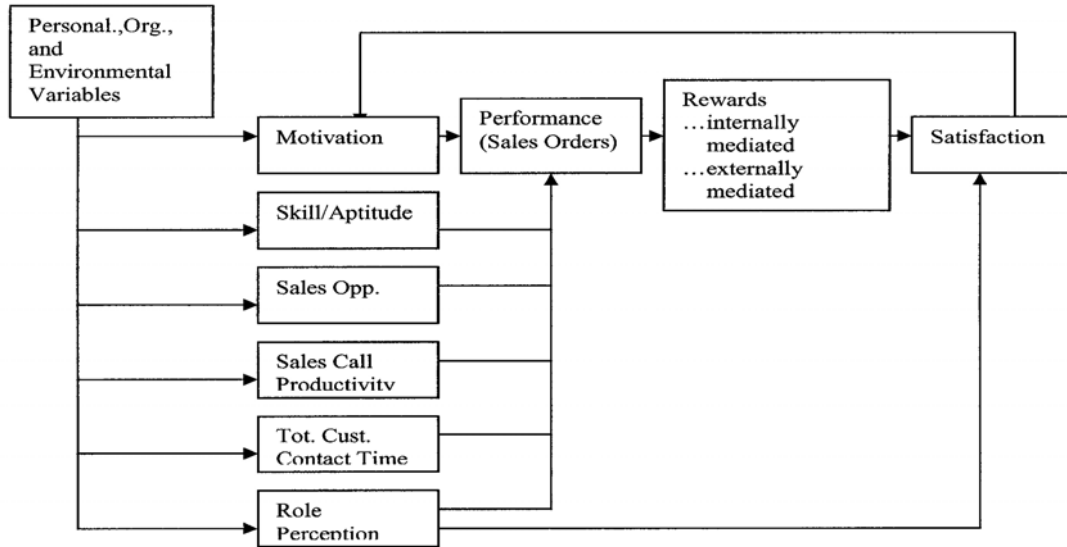


Fig 1.2 updated model by Lawrence Carmen Franzi

Much attention has been focused on the individual level determinants of salesperson performance (Bagozzi, 1978; Brown & Peterson, 1993; Churchill et al.1985; Futrell & Parasuraman, 1984). Despite the array of determinants, little emphasis has been placed on how a salesperson's skills, sales opportunity development, sales call productivity and direct communication with the customer relate to performance. Some new aspects were determined and the model was revised by Lawrence Cramen Franzi in 2004 as shown in fig 1.2 which included sales opportunity (creation of sales opportunities for the customers), sales call productivity (average number of minutes spent face to face meeting with the customers),total customer contact time (communication via email, meeting and phone calls). The following sections examine the conceptualization of each of the major constructs in the updated model.

2.4 Aptitude Level and Salesperson's Performance.

Technical knowledge pertains to the development and use of technical expertise such as product applications and customer use situations (Behrman & Perreault 1982). Market knowledge reflects sales representatives' knowledge about the industry in general (e.g. competition or trends) (Ahearne & Schillewaert 1999). Several authors have indicated that the ability to apply knowledge is a prerequisite for effective selling (Weitz et al. 1986; Sujana et al.1986; Behrman & Perreault 1982).

2.5 Sales Opportunity Development

By engaging in sales opportunity development, salespeople can judge the suitability of specific sales behaviors and alter their approach depending upon situational considerations (Sujan et al., 1994). Empirical support on the effect of sales opportunity development is inconclusive.

2.6 Sales Call Productivity

This measure reflects the total amount of time spent during face-to-face customer meetings, e-mail communication and phone calls.

2.7 Total Customer Contact Time

Total customer contact time embraces factors that relate to communication interactions between the customer and the sales representative. Behrman and Perreault (1982) identified "working well with customers" as an important behavioral dimension of a salesperson's performance. The factor concerns the role of the salesperson as an external representative of the firm and includes dimensions such as scheduling sales calls, closing orders with and conducting conference calls with customers.

3. Research Methodology

3.1 Subject

Sales force managers and the distributors working in Unilever & Dalda are the targeted population. Rawalpindi\Islamabad is the universe of study.

3.2 Instrument

Primary data was collected through Questionnaires from Unilever and Dalda companies.

Secondary data is collected through literature review of

- Topics from related books will be searched
- Reports will be studied
- Training Manuals
- Research papers downloaded from the net.
- Sales record
- Official Records etc.

3.3 Procedure And Statistical Method

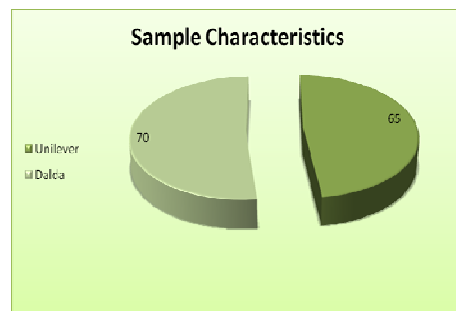
135 questionnaires were distributed among the sales personal of Unilever & Dalda. 70% responded accurately which made our study precise and scrupulous. The obtained data is analyzed through Statistical Package for Social Sciences (SPSS) version 12. The statistical methods involved those of descriptive statistics are Mean, Standard Deviation & Pearson Correlation.

3.4 Technique

Stratified random sampling technique was used for the analysis of data.

3.5 Sample Characteristics

The sample consists of 65 Unilever (dark green) and 70 (light green) Dalda distributors as indicated in the chart which are independently working in their organization and are doing well in the tracking the order of the sales, inventory level, customer history.



4. Biographical Questionnaire

The biographical questionnaire was a self-developed questionnaire that incorporated the following personal information of the respondents, gender, home language, marital status, age, race, job classification, education, qualifications, job grade and tenure. This technique is adopted because all the questions asked are measured in Unitary terms.

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4.1 Dimensions Of The Questionnaire (Refer To Appendix 1)

- Motivation shows the relationship between the task and performance and how they are motivated.
- The role perception component attached to the position of salesperson in any firm represents the set of activities or behaviors to be performed by any person occupying that position.
- Aptitude Level is the intellectual ability of the person to perform the job.
- Automation the process of obtaining, organizing and analyzing the data which is helpful for sales.
- Satisfaction is put up as an independent variable as proved by walker Churchill and Lawrence Franzi.

5. Results And Findings

5.1 Major Predictors Of Sales Force Automation

Table 1 Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
satisfaction	78	25.00	100.00	90.3846	18.99708
automation	74	25	100	82.26	19.048
role perception	74	25	75	64.36	14.838
aptitude	70	56	94	79.38	10.281
motivation	72	44	100	79.77	17.662
Valid N (list wise)	70				

The major predictors of the study are the satisfaction, automation, role perception, aptitude and motivation having an average mean of 90.38, 82.26, 64.36, 79.38 and 79.77 respectively as shown in table 1.

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5.2 Correlation Of Satisfaction With Independent Variables:

Table 1.2 Correlations

		motivation	aptitude	role perception	automation	satisfaction
motivation	Pearson Correlation	1	.870(**)	.860(**)	.921(**)	.679(**)
	Sig. (2-tailed)	.	.000	.000	.000	.000
	N	72	70	72	72	72
aptitude	Pearson Correlation	.870(**)	1	.763(**)	.907(**)	.564(**)
	Sig. (2-tailed)	.000	.	.000	.000	.000
	N	70	70	70	70	70
role perception	Pearson Correlation	.860(**)	.763(**)	1	.927(**)	.834(**)
	Sig. (2-tailed)	.000	.000	.	.000	.000
	N	72	70	74	74	74
automation	Pearson Correlation	.921(**)	.907(**)	.927(**)	1	.846(**)
	Sig. (2-tailed)	.000	.000	.000	.	.000
	N	72	70	74	74	74
satisfaction	Pearson Correlation	.679(**)	.564(**)	.834(**)	.846(**)	1
	Sig. (2-tailed)	.000	.000	.000	.000	.
	N	72	70	74	74	78

** Correlation is significant at the 0.01 level (2-tailed).

According to results satisfaction is positively correlated to the independent variables as shown in table 1.2. The independent variable satisfaction is .679(**) correlated to motivation, .564(**) with aptitude, .834(**) with role perception, .846(**) with automation at significance level of 0.01**.

5.3 Major Predictors Of Automation Regression Analysis

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.729(a)	.531	.502	8.95360

Predictors: (Constant), motivation, role perception, aptitude, automation

The regression coefficient gave a value of 0.729 which is greater than 0.05 which employees that the regression equation best fits in the model.

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ANOVA (b)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5905.216	4	1476.304	18.415	.000(a)
	Residual	5210.855	65	80.167		
	Total	11116.071	69			

a Predictors: (Constant), motivation, role perception, aptitude, automation

b Dependent Variable: satisfaction

The model further elaborated the regression equation showing the major predictors the study at the df 4 the F value is 18.415 which is positively correlated

Table 1.3 Coefficients (a)

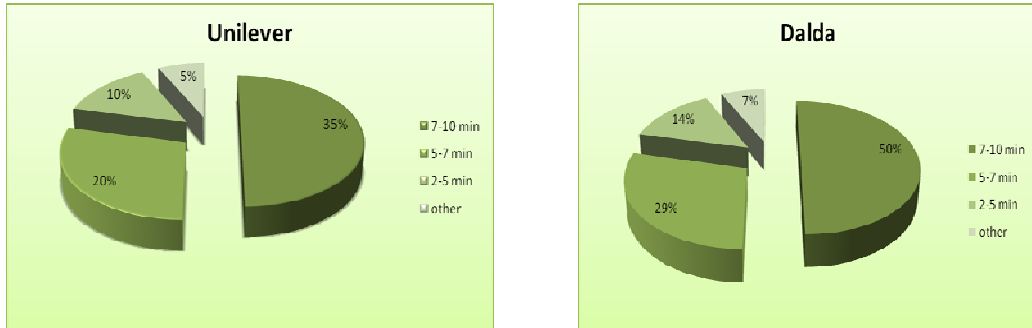
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	44.349	9.694		4.575	.000
	automation	.504	.297	.552	1.694	.095
	role perception	.515	.194	.477	2.656	.010
	aptitude	-.265	.255	-.215	-1.039	.303
	motivation	-.075	.191	-.099	-.390	.697

Dependent Variable: satisfaction

The table 1.3 shows that at beta .552 of standardized coefficient the significance level is .095 which shows a positive impact of the automation variable . Similarly the role perception, aptitude and motivation variables are significant at .010, .303 and .697 respectively. A new dimension has been identified which is the automation which improves the profitability of the company by maintaining the customer history in the records and noting the time that how much time is required to convert to the potential customer to generate a productive call. It works as an independent variable increasing the impact gives positive results.

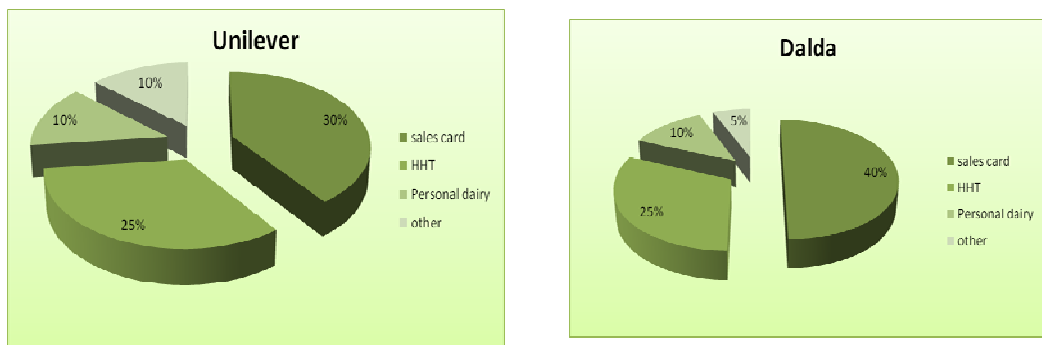
6. Description of Data

Automation Question 1: How much time is required to generate a productive call?



The above chart shows that it took 7- 10 min both by the Unilever and Dalda to convert its customers.

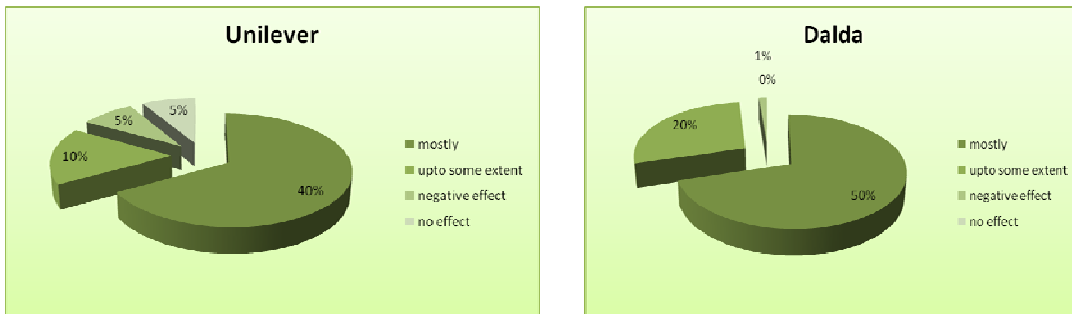
Automation question 2: Which sources are used to maintain customer history?



This chart shows that a sales person must adopt to maintain the customer history that is, via some specified material which could be the sales card, HHT or personal dairy.

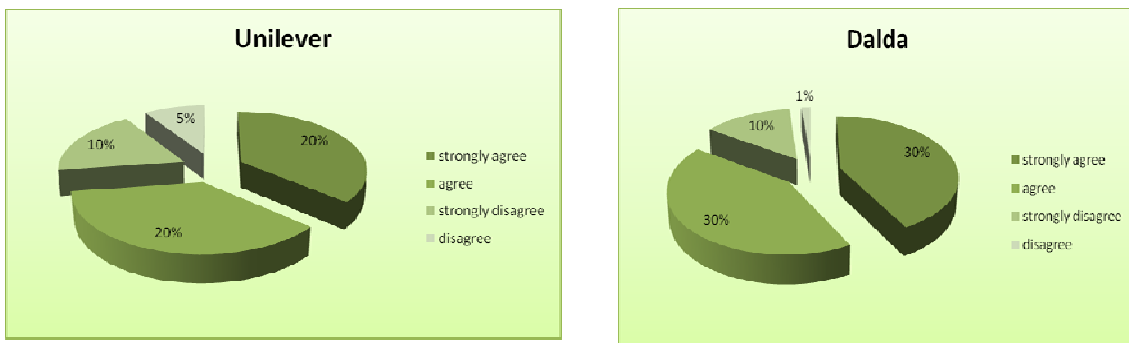
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Automation question 3: Automation increases the profitability?



The chart shows automation increases the profitability of the organization whether it is Unilever or Dalda

Automation question 4: Automation saves time?



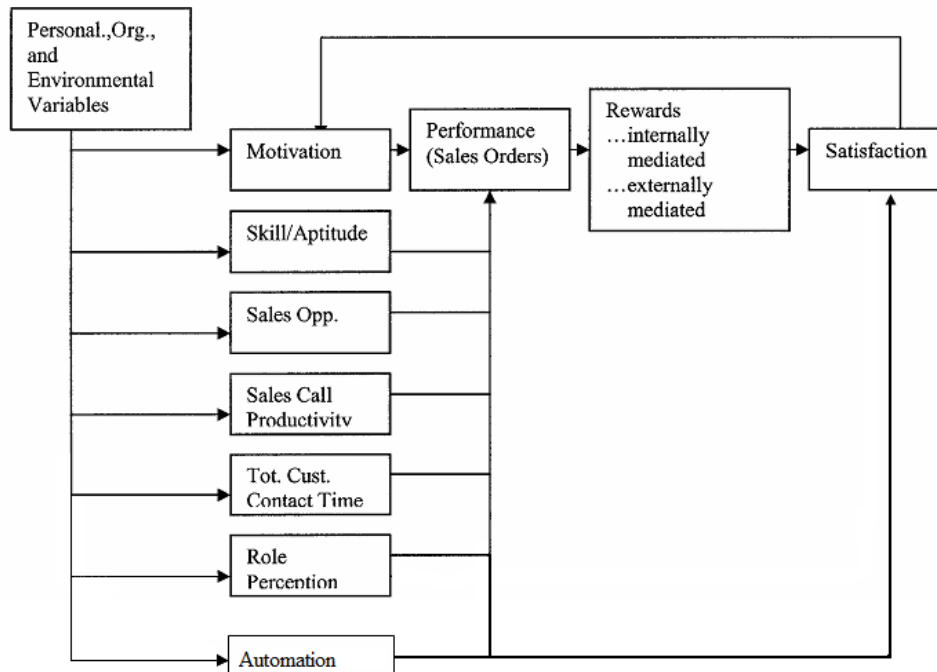
This chart illustrates that Automation is less time consuming and thus provide more good results and ultimately the profitability of the organization.

7. Conclusion

Automation which has been proven by the study and is added to the model which has an important impact on the profitability of the company as shown in fig 1.3. So a company must focus on this aspect in order to acquire the maximum market share which Dalda and Unilever has done and is going on effectively.

8. Suggested Model With Addition Of Variable

Fig 1.3 new model : with addition of variable automation



The important functions of automation are as followed:

- The sales force automation systems can improve the productivity of sales personnel. Rather than write-out sales orders, reports, activity reports, and/or call sheets, sales people can fill-in prepared e-forms. This saves time.
- Rather than printing out reports and taking them to the sales manager, sales people can use the company intranet to transmit the information. This saves time.
- Rather than waiting for paper-based product-inventory data, sales-prospect lists, and sales-support information, they will have access to the information when they need it. This could be useful in the field when answering prospects' questions and objections.
- The additional tools could help improve sales staff morale if they reduce the amount of record keeping and/or increase the rate of closing. This could contribute to a virtuous spiral of beneficial and cumulative effects.
- These sales force systems can be used as an effective and efficient training device. They provide sales staff with product information and sales technique training without them having to waste time at seminars.

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- Better communication and co-operation between sales personnel facilitates successful team selling.
- More and better qualified sales leads could be automatically generated by the software.
- This technology increases the sales person's ratio of selling time to non-selling time. Non-selling time includes activities like report writing, travel time, internal meetings, training, and seminars.

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Appendix 1

Name: -----

Qualification: -----

Designation: -----

Organization: -----

Motivation

On which way the employee of your organization will be satisfied

1. Monetary reward
2. Non monetary reward
3. Friendly environment
4. Other

How much time you spend daily on converting new customers?

1. 30 min
2. 1 hour
3. 2 hour
4. Other

How much time you spend on table to plan your sales, daily.

1. 10 min
2. 30 min
3. 1 hour
4. other

By motivation an employee the profitability of a firm can be increased.

1. Agree
2. Strongly Agree
3. Disagree
4. Strongly dis agree

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Aptitude

Do you have the ability to sell a particular product?

1. Yes
2. No

Indicate which personal trait is more effective for sale?

1. Communication
2. Persuasion
3. Body language
4. Other

Which occupation trait is effective for a productive call?

1. Experience
2. Training
3. Knowledge
4. Other

In your opinion which one is the most important quality for a sales person?

1. Listing power
2. Communication
3. Experience
4. Other

Role perception

Role accuracy:

What is the level of accuracy of your immediate boss?

1. Mostly
2. Often
3. Nil

Role conflict:

Does your immediate and ultimate boss have the same expectation from you?

1. Yes
2. No

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How many times you can satisfy your immediate and ultimate boss at the same moment?

1. Mostly
2. Often
3. Nil

Role Ambiguity:

Do you get enough information to perform any particular task?

1. Yes
2. No

Automation

How much time is required to generate a productive call?

1. 7-10 min
2. 5-7 min
3. 2-5 min
4. Other

What source you are using to maintain customer history?

1. HHT
2. Sales card
3. Personal dairy
4. Other

Automation increases the profitability of a firm

1. Mostly
2. Up to some extent
3. No effect
4. _ve effect

Automation saves time.

1. Agree
2. Strongly agree
3. Disagree
4. Strongly disagree.

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Satisfaction

Satisfaction increases employee performance?

1. Yes
2. No

Satisfaction is directly related to motivation?

1. Yes
2. No

Satisfaction causes confidence of an employee?

1. Yes
2. No

Satisfaction is achieved through knowledge?

1. Yes
2. No