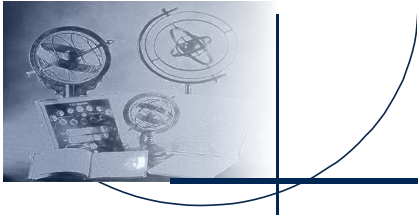


Núcleo de INOVAÇÃO

DEVELOPING SALES FORCE EFFECTIVENESS

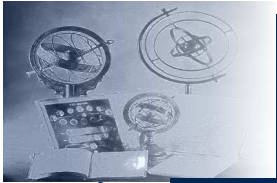
**Léo F. C. Bruno, Ph.D.
2013**



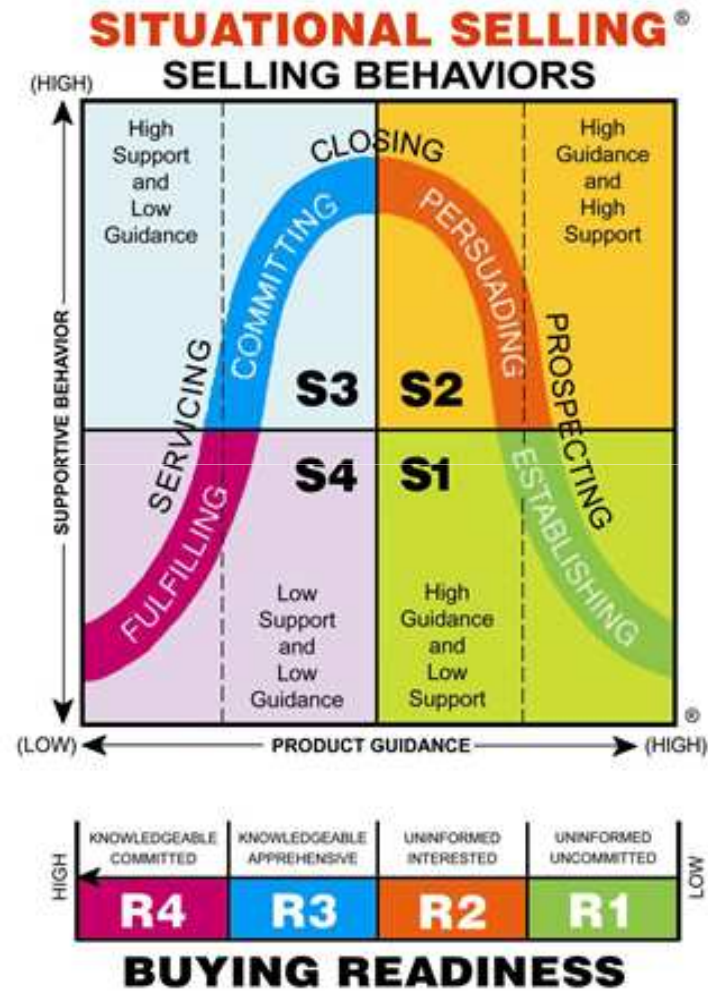
RESEARCH QUESTIONS

The study sought to answer the following research questions:

1. What is the predominant salesperson selling style?
2. What is the salesperson selling effectiveness?
3. Is there a relation between selling style flexibility and selling effectiveness with sales net income performance?
4. Does the Sales Training Program influence positively the sales net income performance?



SITUATIONAL SELLING MODEL





METHOD - SAMPLING

It has been randomly selected 200 salespersons involving 15 organizations operating in Brazil and South America, encompassing medium and low size ones. They were healthy organizations with ages varying from 6 to 36 years old in the fields of transportation and logistics, departmental stores, car dealers, food, software house, cutting tools, machining, domestic utilities, men's wear, insurance, motorcycle dealers, vehicles battery, and fringe benefits cards. The majority of the executives were Brazilians (160) and some foreigners (40), being 60 females and 140 males with ages varying from 28 up to 55. The majority of the sample (70%) has shown university degree and 30% with technical degree.



METHOD – DATA GATHERING

To measure the salesperson behavior the Situational Selling Model has been taken into account and the SALES Self (Selling Adaptability and Lead Effectiveness Styles) instrument, developed at the Center for Leadership Studies (Hersey, 1981), has been used. The three aspects covered by the model are: a) style, b) style range, or flexibility, and c) style adaptability, or selling effectiveness.



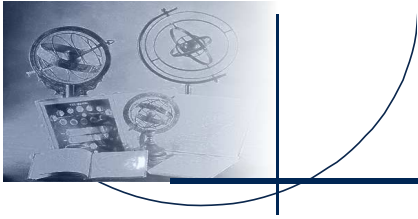
METHOD – DATA GATHERING (cont.)

To analyze a possible relation between the average salespersons' style flexibility and average sales net income performance, per organization, originated from an archival data gathering, the linear correlation coefficient was calculated taken into consideration the set of paired data involving the before mentioned variables per organization, therefore the computation involved 15 pairs.



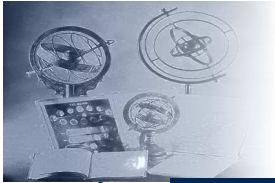
METHOD – DATA GATHERING (cont.)

To analyze a possible relation between the average salespersons' style adaptability and average net sales performance (percentage of planned sales), per organization, originated from an archival data gathering, the linear correlation coefficient was calculated taken into consideration the set of paired data involving the before mentioned variables per organization, therefore the computation involved 15 pairs.



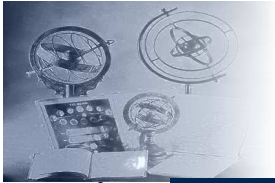
METHOD – DATA GATHERING (cont.)

To assess the influence of the Sales Training Program on selling performance a quasi-experimental design was defined consisting of a pretest-posttest nonequivalent control group involving the 200 salespersons of 15 organizations, being 30 persons in the experimental group and 170 in the control group. The selected criteria variables were the selling style flexibility, selling style adaptability or effectiveness, and sales net income performance. Considering that: (1) both groups, in spite of the fact of not being randomly selected, were similar (same educational and skill levels and seniority, and balanced in terms of sex and age); and (2) these three selected variables were normally distributed; the test of significance adopted in the statistical analysis was the same used for Design 4 Experimental Design (Campbell and Stanley, 1963). Therefore, the test consisted in computing for each group pretest-posttest gain scores and to calculate a two-tailed Student “t” between experimental and control groups on these gain scores, at a level of significance $p \leq .0001$.



SALES TRAINING PROGRAM

The program has been structured in order to integrate the three core competencies: diagnostic skills, adaptive skills, and communication skills, as well as the behaviors which define the total sales process and most importantly when to use these behaviors, providing the salespersons with a practical way to create sales and build the rapport necessary for strong and enduring customer relationship. The program is divided into two phases: a. selling competencies development, and b. behavioral dimensions development related with the interaction between buyer and seller.

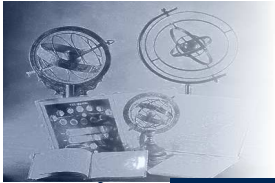


FINDINGS AND ANALISES

Table 1. Profile of Selling Styles of a Sample (200) of Salespersons

Style	Frequency Distribution (%)
S1 – Establishing	15.2
S2 – Persuading	49.3
S3 – Committing	29.6
S4 – Fulfilling	5.9

Source: Research Data.



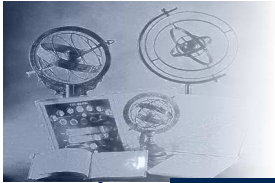
FINDINGS AND ANALISES (cont.)

Table 2. Summary of Selling Effectiveness of a Sample (200) of Salespersons

Score Interval (scale end points 0 and 36)			Selling Effectiveness Level	Frequency	
				Absolute	Relative (%)
27	To	36	High	10	5
18	To	26	Moderate	80	40
9	To	17	Low	108	54
0	To	8	Very low	2	1

$\chi^2 = 874.78 > \chi^2 \text{ crit.} = 11.3; df = 3; p \leq .01.$

Source: Research Data.



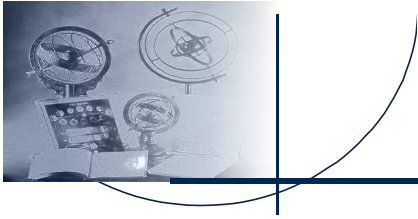
FINDINGS AND ANALISES (cont.)

Table 3. Selling Style Flexibility, Selling Effectiveness, and Sales Net Income Performance

Nb.	SECTOR		SF (%)	SE	SNIP (%)
1	Transportation	O 1	25	20	65
		O 2	50	20	65
2	Car Dealers	O 3	25	21	65
		O 4	50	23	80
3	Food	O 5	50	21	65
4	Departmental Store	O 6	50	22	70
5	Software House	O 7	75	24	85
6	Cutting Tools	O8	50	23	60
7	Machining	O 9	25	21	50
8	Domestic Utilities	O10	25	24	70
9	Men`s Wear	O11	25	23	70
10	Insurance	O12	75	26	95
11	Motorcycle Dealer	O13	50	22	70
12	Vehicles Battery	O14	50	23	70
13	Fringe Benefits Cards	O15	75	24	75

Key: O = Organization, SF = Selling Style Flexibility (average), SE = Selling Style Adaptability (average), and SNIP = Sales Net Income Performance (percentage of planned sales).

Source: Research Data.



FINDINGS AND ANALISES (cont.)

Table 4. Comparative Selling Style Flexibility Results Between Experimental and Control Groups

Measurement	Experimental Group	Control Group
Pre-measurement Average (%)	50 (N = 30)	50 (N = 170)
Standard Deviation	4.5	4.6
Post-measurement Average (%)	75 (N = 28)	50 (N = 160)
Standard Deviation	4.3	4.6
Gain (%) ¹	25	0

¹ $t = 27.16 > t \text{ crit.} = 3.3; df = 192; p \leq 0.0001$

Source: Research Data



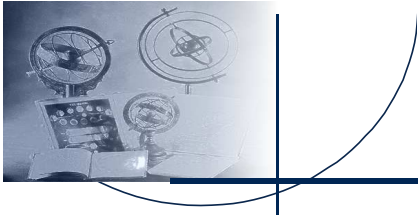
FINDINGS AND ANALISES (cont.)

Table 5. Comparative Selling Effectiveness Results Between Experimental and Control Groups

Measurement	Experimental Group	Control Group
Pre-measurement Average	22 (N = 30)	23 (N = 170)
Standard Deviation	2.5	2.6
Post-measurement Average	26 (N = 28)	23 (N = 160)
Standard Deviation	2.4	2.5
Gain ¹	4	0

¹ $t = 7.83 > t \text{ crit.} = 3.3; df = 192; p \leq 0.0001$

Source: Research Data



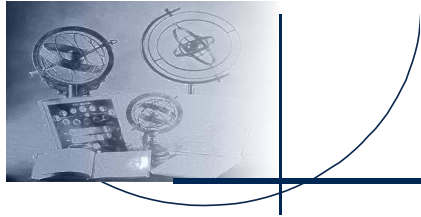
FINDINGS AND ANALISES (cont.)

Table 6. Comparative Sales Net Income Performance Between Experimental and Control Groups

Measurement	Experimental Group	Control Group
Pre-measurement Average (%)	70.5 (N = 30)	69.3 (N = 170)
Standard Deviation	3.6	3.7
Post-measurement Average (%)	79.6 (N = 28)	71.2 (N = 160)
Standard Deviation	3.5	3.6
Gain (%) ¹	9.1	1.9

¹ $t = 11.43 > t \text{ crit.} = 3.3; df = 192; p \leq 0.0001$

Source: Research Data



CONCLUSIONS

1. The results of selling style flexibility and selling effectiveness lead us to the conclusion that this group of salespersons needs to receive training in terms of selling skills, once they need to have more flexibility of styles and to be able to use the appropriate style depending on the situation. Previous studies (HERSEY, 1984) suggested that by having this new profile this group of salespersons will be able to create sales and build the rapport necessary for strong and enduring customer relationships.
2. Once the study uncovered a moderate to high positive relation between salespersons' selling style flexibility and selling effectiveness with the sales net income performance, this reinforces the need for training enhancing the improvement of the relationship between salespersons and buyers, which is beyond any sales technique (LEBOFF, 2011).
3. The research has shown a positive influence of the Sales Training Program, as delineated in the Appendix, on the day-to-day selling variables either in terms of physical significance or of statistical validity of the results.
4. The Situational Selling Model helps in providing the salespersons with a practical way to create sales and build the rapport necessary for strong and enduring customer relationships. Its diagnostic procedures and prescriptive actions prepare the salespersons to match appropriate selling behaviors with varying degrees of buying readiness. By understanding and applying the model the salespersons can develop the competencies necessary to be a true professional in a world that wants to buy and not to be sold.



RECOMMENDATIONS - GENERAL

1. The use of the presented Sales Training Program should be done cautiously due to the fact that the study was limited to two Brazilian organizations, using rather small samples.
2. The Sales Training Program should not be seen as an isolated contribution in the process of improving sales performance. Rather, it must be inserted in the course of a company-wide and multidisciplinary effort to reach paramount performance results. This effort should involve people of all levels in the organization and should be congruent with the philosophy of the company.



RECOMMENDATIONS - SPECIFIC

1. The samples used in the study were rather small, therefore any extrapolation from the results of the research must be done with caution.
2. In future studies of the same nature a 360 degree appraisal, as far as selling style, style flexibility and selling effectiveness are concerned, would be highly recommended.
3. Additional researches of the same nature involving bigger sample sizes, other types of organizations and conducted in other cultures are highly recommended.