

Assessing relationship among performance, managerial practices, salesforce Automation: A study on Unilever & Dalda Pakistan

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Aim: Sales force management systems are information systems used in marketing and management that help automate some sales and sales force management functions. The main purpose of study is to check to the elements which effects the employee performance, how there sales can be increased. **Methodology:** The universe of study is Unilever & Dalda Pakistan. The primary data collection source is questionnaire. Data is analyzed through statistical technique of SPSS version 12. **Results:** The factors affecting sales force automation are identified such as satisfaction, motivation, aptitude level, role perception & automation. According to our study 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**. **Conclusion:** The study has been proven and a strong correlation has been established between the variables .

Key words: sales force automation, employee's performance.

Field of research: Marketing

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Introduction:

Because of the increasing cost, competition in the market companies want to have such measurement procedures that increase their per capita income and the market share. Certain procedures were adopted and it is the critical responsibility of the sales manager and the organization to identify the gaps which are lacking behind to lose the profit of the company. 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.¹The procedures adopted must be to the desire and consent of the sales force. If they are poorly designed than it leads to lower motivation level, aptitude and skill level. If they are not properly trained they role conflict, role ambiguity and role accuracy.² Now a days the sales manager are focusing on the conversion of the new customers and the retention of existing customers. ³ An efficient sales person is the one which is emotionally intelligent; his interpersonal and intrapersonal communication powers will be strong and sales force automation is entirely dependent on it and its an essential quality of the manager.⁴

Literature review:

In 1985 Walker and Churchill presented a model fig 1.1 which determines the efficient performance of the sales person which is dependent on motivation, aptitude and role perception which in turn includes positively correlated accuracy, ambiguity & negatively correlated role conflict.

Fig 1.1 Walker Churchill performance model

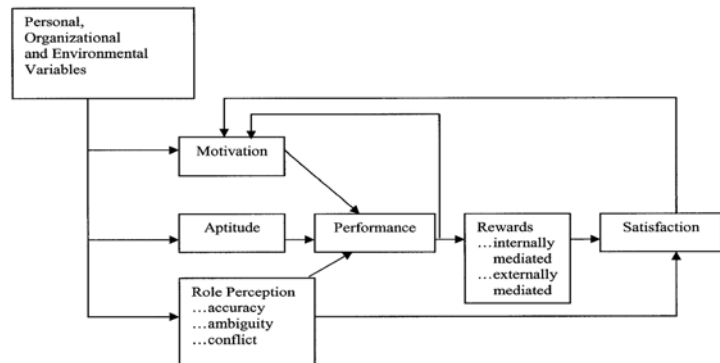


Fig 1.2 updated model by Lawrence Carmen Franzi

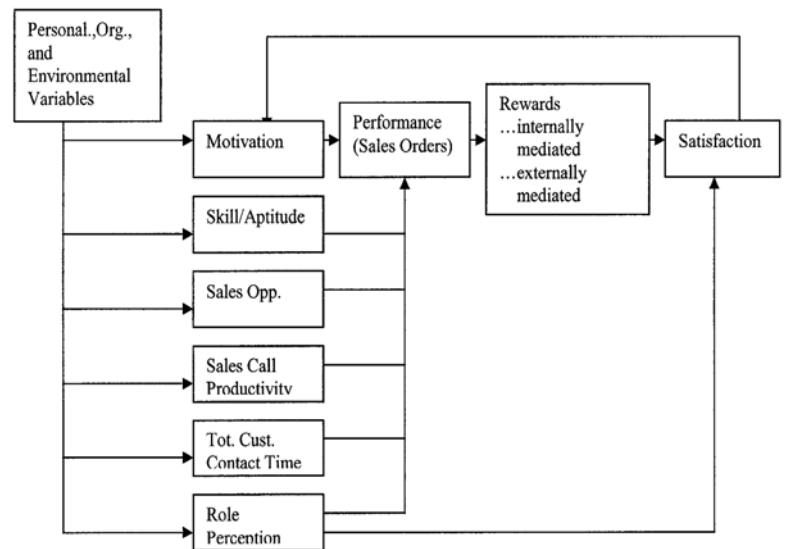
¹ Jackson et.al Ostron, Evans (1983), "Measures used to evaluate industrial marketing activities", industrial marketing management, 11, 269 -274

² Churchill et.al Ford ,Hartley and Walker (1985), " The determinants of sales person performance" : a meta- analysis, journal of marketing research, 22(May) 103-118

³ Spekman & Johnson, 14 Dec "relationship management the selling and buying interface", journal of business research , 519-31

⁴ Goleman (1995), "working with Emotional intelligence". New York: Bantam.

These set of activities are to be performed by the sales person which can also be improved by the rewards either intrinsic or extrinsic which than satisfies the employee which is important for the job of an employee. The proper communication between the employee and the boss creates a strong barrier to them which impacts positively on the performance of the company and profit is maximized. 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).⁵



Problem statement:

Why the sales force managers of Pakistan are not acquiring the same profitability mode as it is acquired in the foreign countries which variables are not identified and ignored that caused the decreases in the profitability of the company?

Research methodology:

Subject:

Sales force managers working in Unilever & Dalda which are directly related to the distribution channels is the targeted population. Rawalpindi\Islamabad is the universe of study.

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

⁵ Franzi ,Cramen 2004, “the impact of sales force automation on sales force performance”, Morris university

- Reports will be studied
- Training Manuals
- Research papers downloaded from the net.
- Sales record
- Official Records etc.
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Procedure and statistical method:

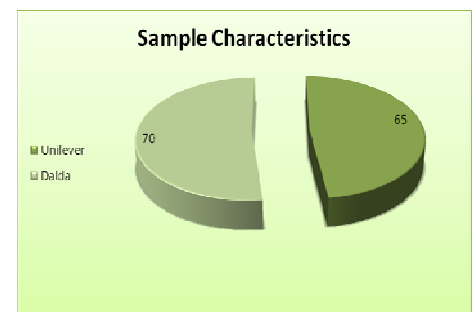
135 questionnaires were distributed among the sales personal of Unilever & Dalda. 70% responded accurately which made our study precise and scrupulous. The obtained data is analyzed through Statistical Package for Social Sciences (SPSS) version 12. The statistical methods involved those of descriptive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

Technique:

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

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.



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.

Dimensions of the questionnaire:

- 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.

Results and findings:

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.

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**.

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.

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

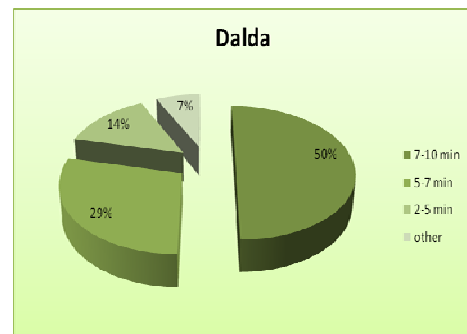
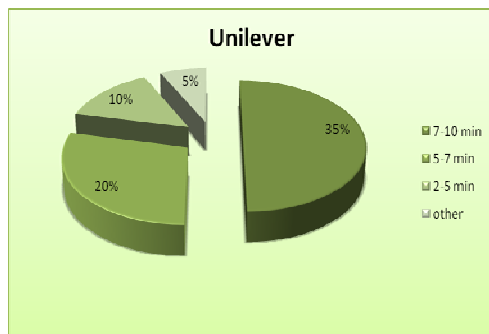
Dependent Variable: satisfaction

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.

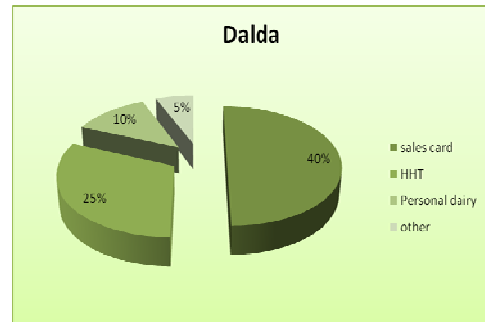
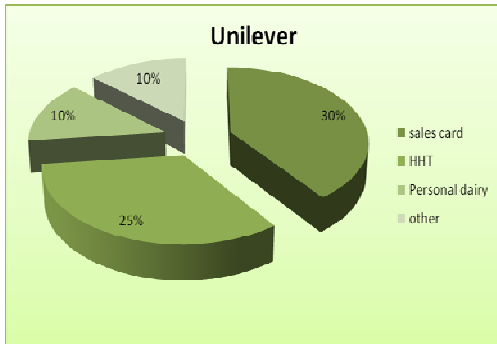
Description of Data:

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



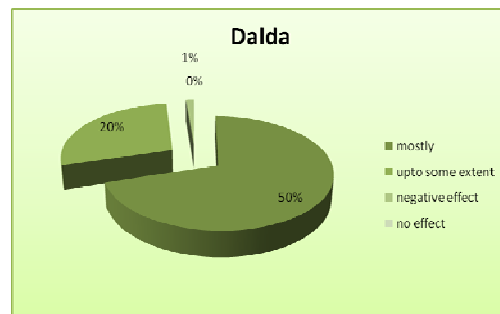
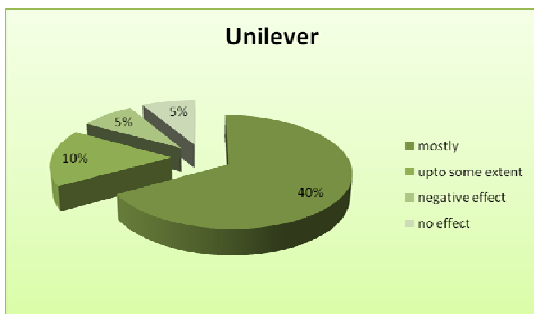
The above chart shows that it took 7- 10 min both by the Unilever and Dalda to convert its customers.

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



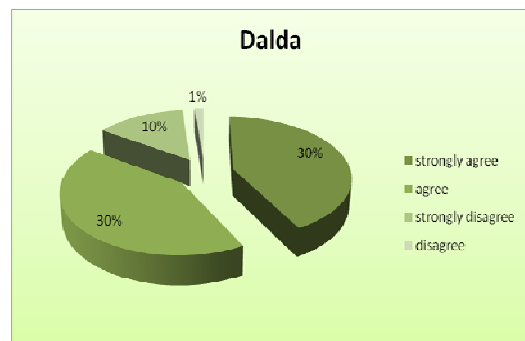
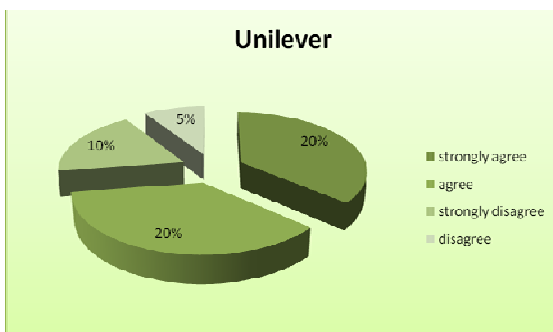
This chart shows that a sales person must adopt to maintain the customer history that is, via some specified material which could be the sales card, HHT or personal dairy.

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?



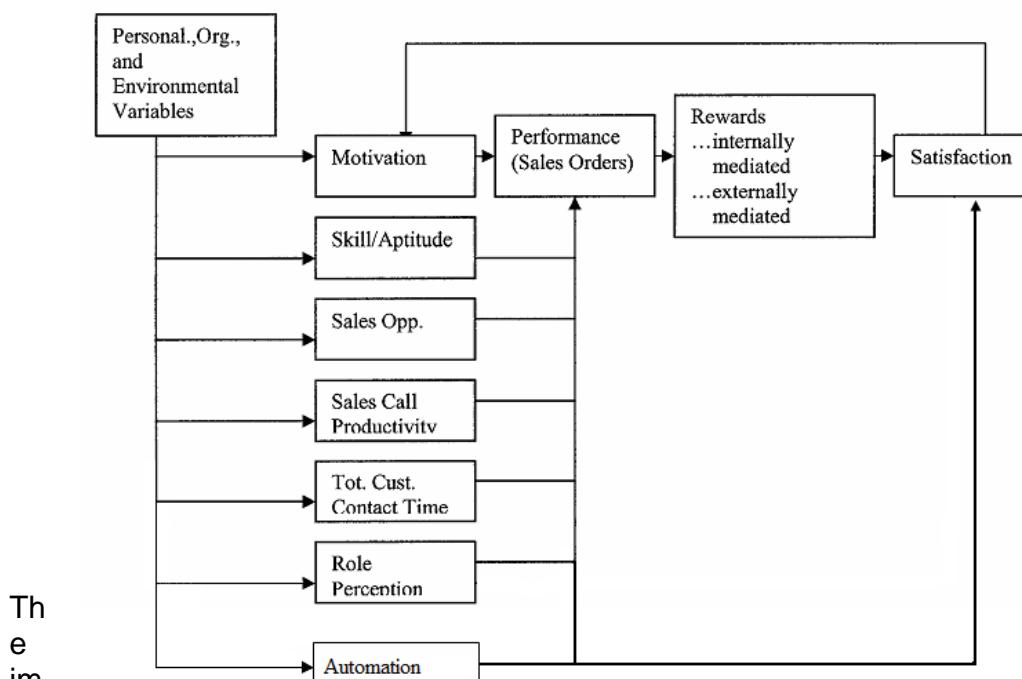
This chart illustrates that Automation is less time consuming and thus provide more good results and ultimately the profitability of the organization.

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.

Suggested model with addition of variable:

Fig 1.3 new model : with addition of variable automation



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portant 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.
- 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.⁶

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