

Sales Training as a Strategic Tool to Control and Improve Performance, Motivation and Retention of Sales Staff

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Abstract

The very existence of any business depends on its revenue generation ability in competitive market. Sales as independent function or as part of marketing department have that power to channelize money into the organization. The revenue generation and further to add up in profit is done through efficient management of sales force. Improving the performance of sales force, eventually increasing revenue, can be achieved through sales training. Organization needs to invest in sales force development through effective sales training programme. Hence some guidelines or framework needs to develop, following which can lead to design an effective sales training. Any cost cutting in training of sales people may badly hamper revenue or profit potential and ultimately results into loss, which is explicitly undesirable. The improvement in sales performance will ultimately results into retention and motivation of sales employee. Thus, it is very important to have proper sales training to improve sales performance, to retain and motivate sales employee. This paper will help to layout effective and efficient sales training programme in all type of sales orientated organization i.e. almost in all type of business organizations.

Keyword: Training as control tool, Sales Training Elements, Retention, Motivation, Performance.

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I. INTRODUCTION

There is always pressure on sales staff to sale more and this is increasing every year corresponding to company's objectives and growth plans. Increasing sales target is always concern for sales staff and company, achieving it is very much associated with survival of both. Sustaining sales pressure and performing as expected is important for sales staff but because of mounting pressures and lack of sustained motivation, many organizations are experiencing high manpower turnover in sales department (Pahurkar, 2018). Hence, organization needs to find out or develop strategic tool to deal with it.

Sales people are most of the times targeted for their performance and organizations complaints that sales people are not efficient and effective in their role.

Organizations are mostly blaming for not increasing sales and tapping right customer by their sales team. There are always high sales expectations every years but organizations are not willing to invest (Slopec, 2009) in sales training or have meager provision in their budget as expense on training. Managing the entire interface with the customer is probably the most critical function for an ultimate success of an organization.

This paper constitutes of six sections. First section is on introduction, second section.

explains sales training elements and corresponding proposition. Third section is on; Sales motivation strategies and corresponding proposition. Fourth section elaborates retention and performance excellence of sales staff and its corresponding

proposition. Fifth section provides final conclusion and consolidated proposition as essence of whole paper followed by limitations and further research in section six.

II. SALES TRAINING ELEMENTS (TRAINING CLOUD TO RAIN EFFECTIVE TRAINING)

All sort of organizations do selling activities and keep on training their sales staff to improve further (Nair & Pahurkar, 2018). Training given is of repetitive nature will not be useful as expected. The effectiveness of training need to augment by following certain criterion and these guideline need to develop thoughtfully by sales professionals.

Here a question about how to make effective sales training is addressed. If certain guideline to be proposed based on best practices followed universally will be of help and also after certain literature review in sales training we can lay down some guidelines.

Training is like a rain of knowledge (Theory plus Practical - Tacit) to cultivate sales force. It is very important to have enough rain in all areas for crop cultivation to harvest maximum profitability. Same in sales training to have all elements (all required ingredients of sales training program) to be incorporated to develop efficient and effective sales force. Having enough rain (training) with following elements covered would be helpful to harvest maximum profit.

The sales training's effectiveness/ impact can be strengthen and durable when objectives and expectations are well defined (Metha & Pahurkar, 2018). Trainees are evaluated on present skills and capabilities to identify gaps and expectations. An interaction and survey of trainees, executives, managers, channel partners and consultants can provide useful inside on design and execution of training programme. It is expected to have long lasting sales performers after undergoing sales training (Honeycutt et. al. 2001).

Corporate puts continuous efforts to evaluate and modify existing training programme. It's like video game when one puts efforts to understand how to play and improves further by playing again and

again. Every attempt in playing video games figure out mistake made and help to improve further by avoiding same mistakes in next attempt. The performance of sales person at the end and over the period of time can be measured based on the peak in sales figure, can do what they need to do at a high level of proficiency, will do what they need to do, know what to do every day and get it all done consistently and efficiently.

The impact and effectiveness of training can be enhanced if followed some specific strategies as below -

2.1 Matching business expectations with learning objectives – Sales training is not just an event but it's an investment of various resources like efforts, energy, money and time expected to achieve business objectives. An analytical thinking is important instead of wishful thought to produce intended business outcome (profit, market share, new product development and launch etc.). It's very common to have say that a company wants to increase sales per sales man from one level to next higher level which is some time unjustifiable. Aligning business expectations and learning needs is an essential thing to avoid dissatisfaction that business didn't achieve results or over invested in areas which don't need the effort. Corporate needs to think the business outcome that we believe we can achieve and what does our sales team need to do to achieve that outcome. A gap analysis from existing to expected level of performance and what kind of initiative will it take to get our team from lower to upper level and keep them there (Nair & Pahurkar, 2019).

2.2 Focus on product and sales knowledge – Sales people must be well versed with the product knowledge and the business process of the customer. Fluency is about an accuracy plus speed with appropriate breadth and depth in communicating product value. Having in-depth

knowledge about product and business processes will have synergetic to convince the customer.

2.3 Assessment of personal attributes & capabilities – an assessment of sales peoples would help to map personal attributes and capabilities to decide about direction, coaching, action plans, confidence building exercise and positive reinforcement. Selecting right team of sales people by identifying right attributes and capabilities will improve the performance and retention of sales people.

2.4 Describe, support, and drive action – Sales person as an individual and as member of team should know what is expected to do in an organization. Knowing how to do them well (methodologically) when to do certain things (as a process) and is very important to impart during training program. Training must have a goal setting exercise followed by action plans. Sales people must be aware of the support process and system to channelizing their efforts on right direction for the fulfillment of goals.

2.5 Develop interest and connect with participants – an improved behavior as expected from the training will not be the outcome if participants were not actively engaged. The active voluntarily involved of participants is possible through well planed training module. It's always challenge to encourage engagement of participants during sales training because of monotones delivery. A proper balance of theory and practice needs to be embedded in training module with great openness of thought from all levels. Now days many simulation software are also available to develop field strategies at desktop.

2.6 Continuous learning and recall expectations – Training for few hours or days will fades over a period of time. What is learnt during training, it's application and relevance may get diluted if

not repeated. Learning is continuous process through repetition and practice, would help sales force to internalize the training and put it to use consistently in future. A yearly refresher training programme and some of the certifications in sales and marketing may add continues knowledge. An experience sharing meetings or symposium at regular interval is also advisable.

2.7 Set responsibilities and accountability –As we know sales is considered as process and has its input and output. The sales performance against the sales actions can be measured and responsibilities can be assigned. If organizations don't hold people accountable for execution intensity, consistency, and quality, then it's like leaving results to chance. The efficiency – is about getting more things done with minimum resources and effectiveness – getting things done with greater success is very important.

Creating Training Cloud to Rain Effective Training – In order to get a right result from sales training above guidelines should be followed. Hence:

Proposition 1. A systematically designed, focused and organization specific sales training programme increases its effectiveness, leading to performance improvement.

III. SALES MOTIVATION STRATEGIES

Motivation is an inner drive to initiate an action. It's inner force which sets a person to act in certain way or direction (Maslow,1970; Herzberg,1959). It drives human performance improvement and has lot to relate with sales force management. While consumer preferences and criteria are constantly changing in the dynamic business environment (Veer et. al., 2018).

The stature and nature of sales job gives enough freedom to sales employees to deal with field situations and also frequently faces customer rejection at the end of deal. To maintain the zeal of work they need to be motivated. As a part of

profession salespeople have to be get motivated externally (organizational efforts) or internally (self motivated) and retain in same organization (Pahurkar et. al., 2019) for long period in dynamic business environment. Almost all type of industry sectors have employees working in sales-related jobs and their job performance matters considerably to their organizations. Hence, companies to improve performance and productivity of sales force, invests more on sales training. It is due to facts that, the competition in the business is growing due to varied business structures and processes (Sangvikar et al., 2019).

Training and performance improvement professionals inside and outside the organization have to study several sales motivation theories and framework developed in the past. Understating the problems and using the well acquainted language for communicating can be useful to influence contemporary sales management practices. Sales people have different work challenges and very dynamic environment compare to other employees in the organization. They have to work independently and need to take a call may be sometime without depending on superior. Working in very dynamic market needs to be self-motivated to perform well and those who are not self motivated may avoid putting extra efforts. There are many challenges like field work, mistreatment, lack of support and rejections may cause frustrations and therefore it usually needs a lot of motivation for salespeople to pull out of these kind of frustrating situations and move on to the next call. However, the technological advancements and social media has largely impacted the marketing functions of the organisations (Veer et. al., 2019)

Organizations should explore the possibility of developing inbuilt motivation during training program but mostly it is ignored by many organizations. Frequent interaction with salespeople may enables to design a proper module or program to have motivation as integral part of training. Training manger in collaboration with sales manager can identify and decide most wannabe motivations to be used in pre and post training setup.

There are some of the effective strategies to motivate and sustain the performance of sales force as enlisted below -

3.1 Motivation through Sales goal setting –

Having goal before to start has always promoted in performance management theories. A performance without goal is difficult to measure and when a scale is used to measure performance, it may lead to excelled performance because of self motivation to prove better than others. Many experts and trainers believe that goal setting is great motivation and improves performance (Locke & Latham, 1990). Having challenging or specific goals lead to performance improvement instead of vague goals or no goals or allowing doing things with own pace. To motivate salespeople sales managers in most companies frequently use sales quotas i.e. an organization assigned goal. Setting sales goal should not be abrupt and goal must be optimal to assure the best performance out of motivation. If it's beyond optimal limit, it may de-motivation and selling effort decreases as target and goal expectations increase.

Hence the optimal level of sales goal must be set in accordance with self set goal of sales people with consideration of their own strength and weakness or own capabilities. Training must include a capability evaluation, goal setting, rewards and incentives both monetary and nonmonetary as achievable (Fu et. al., 2009; Locke 1991).

A self evaluation to setup own goals may assure commitment to sales quotas and sales training because of self confidence. This has been proved an effective strategy in staff motivation. An appropriate sales training on product knowledge, selling skills and factual information can reduce the ambiguity and enhance salespeople's self-efficacy. Enhanced self efficacy will lead to improved motivation and, eventually, better sales performance.

3.2 Application of Vroom's expectancy theory

- Vroom proposed that an employee's performance is depend on an individual characteristics such as personality, skills, knowledge, experience and abilities (Vroom, 1964).

Vroom's (1964) instrumentality theory represents general theory of work motivation. He defines motivation as the "force" impelling a person to perform a particular action, as determined by the interaction of the person's expectancy that his act will be followed by a particular outcome, and the valence of that (first-level) outcome.

Motivation is fundamentally depends on an individual choice, same for salespeople cannot be motivated unless they wanted to be. Hence sales managers and scholars have long been exploring the drivers of sales motivation. In this a Vroom's theory provides a very useful insight that sales people tune their efforts, performance and output.

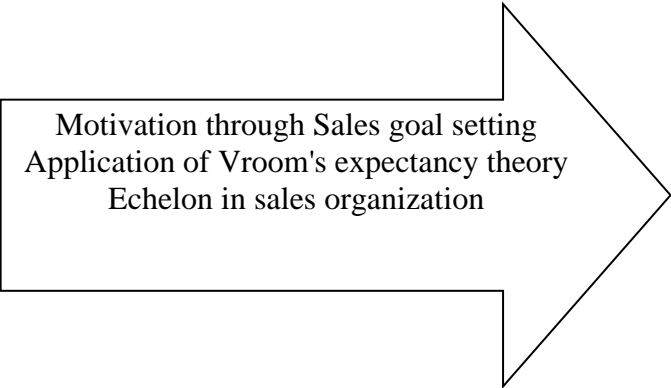
Sales people will try to find out the possibility that first of all, how increase in efforts or extra efforts will lead to superior performance, labeled as *expectancy* in the language of sales management. The second is how likely is it that the enhanced performance will lead to increased attainment of some type of reward (monetary or nonmonetary) or incentives, known as *instrumentality*. The third how attractive and appealing the reward is to the salespeople, known as *valence for reward*. If the possibilities are large enough and the reward or incentives are attractive, then salespeople will choose to be motivated and may put hard effort on the particular task. If any of the possibility is not satisfactory, then salespeople will not be motivated and there will be no hard effort (Fu, 2015).

The influence of motivation may vary from personality to personality depends upon various other factors like qualification, age,

culture, awareness, situations, experiences, knowledge, backgrounds etc. The motivation has to be tuned through sales training by introducing certain product benefits that salespeople were unaware of before a new product launch. You can also improve salespeople's product knowledge, selling skills, and self-confidence. This will enhance their expectancy, which will lead to better motivation. Instrumentality can be increased with guiding possible ways for reward achievement. Further the value of reward i.e. Valance may be different for every individual sales person. Hence reward conformity need to be analyze during training program and accordingly a motivational offerings to be highlighted during training.

3.3 Echelon in sales organization – Sales people are at various echelon in sales organization (Johnston & Marshall, 2013) and each of this level has different motivations. Like if we broadly categories three levels like - entry level, middle level and senior level it will implicate different motivations. At initial level they gain more experience, accumulate more knowledge, and sharpen their selling skills. Over period of time, their family statuses and financial obligations are likely to change. Thus, there could be difference in reward preferences and expectancy estimates of experienced sales person and newly recruited sales person. Training professionals and sales managers should consider individual needs and level in the hierarchy to decide effective motivational factors. Hence:

Proposition 2. A systematically designed, focused and organization specific sales training programme increase motivation of sales staff.



Motivation through Sales goal setting
Application of Vroom's expectancy theory
Echelon in sales organization

Fig-1: Sales Staff Motivation Strategies
Source – Created by Author

IV. RETENTION AND PERFORMANCE EXCELLENCE

A consistent motivation with proper mix of above strategies will hold sales people to be a loyal performer. In very dynamic competitive business environment it's challenging to retain a performer because of better opportunity offered by competing firms. Finding, training, motivating and retaining star sales people will always demands high investment from companies. Thus, businesses spend whopping amount in compensations (salaries and incentives) and sales training of performing sales force and expect to sustain or improved performance in future. The markets have observed many ups and down in the economy (Roy et al., 2019) which may affect the sales.

A traditional method to measure the performance of sales people based on past data (E.g. – number of deals cracked, revenue generated, conversion rate, customer loyalty, customer complaints etc.) needs to modify with the help of technological advancement. If the past data is not properly recorded and managed it may provide limited insight into how a salesperson will do going forward and what types of training and incentives will be most effective. As a result, many firms may overvalue their poor performers and undervalue their stars, misdirecting their sales force investments. Hence a technological advancement in data management needs to adopt. Data on age, qualification, aptitude, assigned territory, customer portfolio handled, orders generated from each customer, frequency of order etc can be recorded to find out the future value

of salesperson (Kumar, 2015). This will helpful to find out the future performance and specific type of sales training needed ultimately resulting into sales fore retention (Hackel, 2016) and performance excellence of sales professionals. Hence:

Proposition 3. A systematically designed, focused and organization specific sales training programme improves retention of sales staff i.e. reduces manpower turnover.

V. CONCLUSIONS

Sales function as revenue source has its prime importance in all sorts of organizations. It needs to be managing very professionally and skillfully for harvesting maximum profit. Training is such mechanism through which expected output in terms of performance can be improved. Training needs to include - Matching business expectations with learning objectives, Focus on product and sales knowledge, Assessment of personal attributes & capabilities, Describe, support, and drive action, Develop interest and connect with participants, Continuous learning and recall expectations and Set responsibilities and accountability.

Having excellent training mechanism must be coupled with right motivation to sales people. The appropriate mix of strategies to motivate would be - Motivation through Sales goal setting, Application of Vroom's expectancy theory and evaluating Echelon in sales organization. Therefore :

Proposition 4. A systematically designed, focused and organization specific sales training programme enhances effect of sales training, Sales Motivation Retention and Performance Excellence.

VI. LIMITATIONS AND FURTHER RESEARCH

This paper provides conceptual framework on Designing Effective Sales Training to Motivate, Retain and Excel the Performance of Sales Employees. The proposed theories have scope to test it with field data collection and further improvement.

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