



THE RELEVANCE OF MOTIVATING AN ORGANIZATION'S SALES FORCE

A STUDY OF FIDELITY BANK, GHANA- WEST AFRICA.

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ABSTRACT

The triumph of any selling organisation depends predominantly upon the ability and enthusiasm of the sales people to work for the achievement of the expected sales target. These days, the ability of a business organisation to gain the commitment and retention of its sales force has a greater connotation on the accomplishment of its marketing goals and objectives. No organisation in today's competitive world can perform at pinnacle levels except its salesmen remain with the organisation and are committed to work as effective members towards the business's success. Motivating salespeople will push help them to fruitfully close the deal with potential customers by obtaining a purchase commitment of the business' products from them. The exit of the sales-force from the organisation can have an earth-shaking effect on the execution of business plans and may eventually cause a decline in business performance. Thus, a thoroughly motivated sales force is able to achieve greater selling efficiency in the line of higher sales volumes. Hence, this study explores and analyses how motivation, as a driving force can help gain the commitment and retention of the sales force and how sales managers can get maximum output from them. The study aims to identify the connectivity between factors affecting motivation of the sales-force and their commitment to sales targets. Data was drawn from a series of in-depth interviews and structured questionnaires distributed to salesmen and senior executives of Fidelity Bank in Ghana. The results confirm that motivation enhances the working spirit of the sales-force, improves their efficiency and performance and keeps the sales force happy. Considering the major findings from the research, it was concluded that management put in place structures that will bring about an improvement in the motivation of its sales-force in order to create prospective customers' desire for their products and other financial services.

Keywords:

Sales-force, Motivation, Commitment and Retention, Sales targets, Business performance.



INTRODUCTION

The impression of selling relies on the postulation that a business needs to compel the customer to buy a product; so the customer will buy the product only if the business aggressively promotes and sells their products and services. This marketing notion believes that the customer is usually unmoving and would not buy the products or services of a business if the choice is left to them. Hence, a tough network of sales-force is formed for this reason and they influence prospective customers to buy the products and services of the business in the course of promotion and personal selling.

Motivation influences the performance of a person. In business, motivating the sales-force means moving them to work with zeal for the accomplishment of sales objectives. The triumph of the sales manager as well as the progress and prosperity of the firm depends on the motivation given to sales people for achieving the business' most wanted goals. Gaining the commitment and retention of sales people can be a central source of competitive advantage for any business. Today, changes in technology, global economics, the rising competition and trade agreements are directly upsetting the operations of most businesses especially the banking industry in Ghana.

The loss of endowed and committed employees may be very disadvantageous to the company's future success. Outstanding salesmen may disappear from an organization because they turn out to be discontented, underpaid or unmotivated and whereas trying to retain workforce within the organization they may present additional challenges as well. They may demand higher wages, and may not act in accordance with organization practices, and cooperate well with their co-workers or comply with their managers' directions. To gain the commitment and the retention of the sales force in business, motivation as a driving force, cannot be underrated.

From practical studies, nearly all sales representatives who newly join in the organization have adequate motivational levels at the preliminary stage, but at some point in their course of work various de-motivating factors results in low enthusiastic levels to work. Hence, business must discover such de-motivating factors and do away with them in order to maintain enough zealous levels among their salesmen.



REVIEW OF LITERATURE

Sales force dedication to sales goals has become a most important concern for corporate entities in the present scenario. A sales manager is able to get the best out of the sales force only through motivation.

According to **Meyer (2015)**, workforce in any organization needs something to keep them working. A worker must be motivated to work for a business. If no motivation is present in an employee, then that employee's quality of work in general will deteriorate. She stressed that, people differ on a persona dimension known as locus of control. This variable refers to individual's stance about the location of the factors that direct their behaviour. At one end of the continuum are high internals who accept as true that opportunity to control their own behaviour rests within themselves. At the other end of the continuum there are high externals who believe that external forces determine their behaviour.

Chipunza (2013) also added his voice that, sales force retention refers to the technique employed by the management to support them stay with the organization for a longer period of time. According to him, salesmen retention strategies go a long way in motivating them so that they bond with the organization for a maximum time and contribute effectively. Sincere efforts must be taken to ensure growth and learning for the employees in their current assignments and for them to enjoy their work.

A salesman's commitment to work is a psychological state that binds him to the organization. It refers to the likelihood that the salesman will stick to the organization, feel psychologically attached to it, whether the job is satisfying or not. (**Apospori, 2011**).

Taylor (2010) also supported that, an organization invests time and money in grooming a salesman and make him ready to work and understand the corporate culture: According to him, a new salesman is in every respect raw and the management really has to work hard to train him for his overall development to fit into the organisation. It is a complete wastage of time and money when a salesman leaves an organization all of a sudden. In that case, the sales



manager has to start the recruitment process all over again for the same vacancy; which tends to be a repetition of work.

In a related development, **Lambert (2012)** also commented that when a salesman resigns from his present organization, it is more likely that he would join other competitors: In such cases, the salesman tend to take all the strategies, policies from the current organization to the new one. They take all important data, information and statistics to their new organization and even go to the extent of leaking the business secrets of the previous organization.

Moreover, **Marshall (2015)** also revealed that the salesman's job is mostly a lonely and challenging one; it requires a lot of self motivation to sustain. Thus, business managers have to identify the motivational factors that drive the sales-force in exerting higher levels of efforts since these factors can be different for different employees but identifying the right factors that appeals to each sales person is an important task.

STATEMENT OF THE PROBLEM

The banking industry in Ghana is currently feeling the heat in the market competition as a result of the presence of foreign banks. This has led to banks sending some of its employees (sales-force) to the market in search of new customers. In order to influence their efforts in the prospecting process, it is important to motivate them to gain their commitment in fulfilling the overall corporate objectives.

OBJECTIVES OF THE STUDY

The research objectives are;

- To examine the connectivity between motivational factors and the level of commitment of the sales-force.
- To identify the motivational factors influencing sales-force.
- To find out the benefits society derives from well committed sales-force.



RESEARCH GAP:

It is observed from available literature that, there is a wide gap that needs to be filled. There is no study conducted with respect to the motivation of the sales force that lead to their dedication and commitment in recent times especially in the banking field. This study will therefore, provide fresh information as well as useful guidelines to financial institutions.

HYPOTHESIS FOR THE STUDY:

In exploring the relationship between motivation and the commitment of the sales force, the study addressed the following hypotheses;

H₁: Motivating the sales force has a significant impact on their commitment and retention.

H₀: Motivating the sales force has no significant impact on their commitment and retention.

METHODOLOGY

The study attempts to explore the extent to which motivation influences an organisation's sales force with respect to their level of commitment and retention. The population for this study were the management and staff of Fidelity Bank, Ghana. Simple random sampling method was adopted to select the total sample size of 102 respondents consisting of 70 staff and 32 management of the company. Both primary and secondary data collection methods were considered for this exploratory study.

Primary data was collected from the respondents with the help of structured opened and closed-ended questionnaires as well as interviews to obtain Qualitative information and views of the respondents. All the study modules were checked for reliability and validity.

The primary data was however, complemented with secondary data sources such as publications on the topic from journals, magazines.

Furthermore, various statistical tools were applied in order to analyze the primary data gathered from the questionnaires and to test the hypotheses constructed and draw conclusions.

RESULTS AND DISCUSSION

Table 4.1 Reliability Statistics

Reliability Statistics.

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	No. of Items
0.885	.951	22

Cronbach's alpha was calculated to measure the reliability and validity of the questionnaires and the above results obtained. The value of Cronbach's alpha is 0.885 which is very high, thus showing a higher reliability of the instrument used in the study.

This indicates sufficient reliability of the data because it meets the minimum acceptable value of 0.7.

Table 4.2: Demographic characteristics of respondents(N=102)

Demographic Factors	Labels	N	%
1. Gender	a. Male	80	78.4
	b. Female	22	21.6
2. Qualification	a. Graduate	56	54.9
	b. Post Graduate	19	18.6
	c. Professional	17	16.7
	d. Others	10	9.8
3. Years of experience	a. Less than a year	13	12.7
	b. 1-5years	49	48.0
	c. 6-10years	40	39.3

Source: Field Data



The table above shows majority of the 80 respondents representing (78.4%) are males and can be found in various levels of the organisation. Further, most of them (54.9%) are graduates in terms of educational qualification and can be said that, majority of them understand the principle of motivation. Lastly, in terms of their years of working experience with the business, a majority of 49 respondents constituting (48.0%) have spent 1-5 years and are happy to belong to such a reputable financial institution.

Objective 1: Relationship between Motivation and the Commitment of the Sales-force

Table 4.3: Motivational factors vs. Sales-force commitment and retention.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.952 ^a	.907	.890	.58590

- a. Predictors: (Constant) Promotions, good incentive and remuneration plan, personal contact, sales and development, better working conditions, honour and awards, participation in decisions.
- b. Retention of the salesforce.

ANOVA^b

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	166.769	9	18.530	53.979	.000 ^a
Residual	17.164	50	.343		
Total	183.933	59			

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.033	.189		.176	.861
Promotions	.728	.351	.826	2.074	.000
Good incentive and remuneration plan	-.671	.332	.699	-2.021	.002
Better working conditions	1.127	.253	.584	4.464	.000
Personal contact	-.567	.413	.421	-1.372	.076
Honors and awards	-.518	.326	.750	-1.590	.000
Participation in decision making	.875	.414	.336	2.113	.040
Sales training and development	0.33	.189	.616	.176	.001

a. Dependent Variable: Commitment and retention of the sales force.

The Regression coefficient 'R' = 0.952 or 95.2% which means that correlation between the dependent variable and the independent variables is positive. The coefficient of determination 'R²' = 0.907 indicating that 90.7% of variation in dependent variable is explained by independent variables. The F-test value of 53.979 is significant because the significance level is = .000 which is less than 0.05.



Moreover, all the regression coefficients (β) for the independent variables have percentage values and significant at 0.000 which is less than 0.05. This means that all the independent variables used in the study are significant and the regression model is valid.

Hence, all alternative hypotheses formulated for the study will be accepted. This also indicates that the correlation between dependent variable and independent variables is statistically significant and the regression model is valid. Hence, it is concluded that, there is sufficient evidence, at a 5% level of significance, that there is a direct relationship between Motivation and the commitment of the sales force.

***Objective 2: To identify the Motivational factors influencing the
commitment of Sales-persons***

From the responses and interviews with the staff and management of the firm, it was revealed that although motivational factors differ from one individual to the other, some general factors such as; ***promotions, good incentives and remuneration plan, personal contact, sales training and development, better working conditions, honour and awards as well as participation in decision making, and sales training and development*** are some of the motivational tools and factors which helps in ensuring the commitment and retention of salespeople. With good incentives and remuneration plan being a major concern, these factors according to the sales-force serve as the impulses that influence their will and commitment to the job thereby compelling them to exert higher levels of effort.

Objective 3: To find out the Benefits a business derives from well Committed-Salesmen

Apart from gaining the commitment and retention of the sales-force as a result of motivation, companies also get some reputations as well as other external benefits such as:



❖ ***Benefits to the Society:***

Economic growth and maximum employment are the nuts and bolts for national progress. The achievement of these goals means jobs and income for a nation's labour-force. If jobs are to be made available for all those who want and expect them, the economy must continuously expand its production of goods and services. Equally important here is the fact that, every economy needs committed people to market what is produced. Through their pushy efforts to create and stimulate demand, salespeople could be said to be the life and blood of any productive economic-system. Companies cannot increase their customer base unless someone sells their products.

❖ ***Benefits to Consumers:***

Business managers may not know every fact of their products but at least, they know its major uses, limitations and benefits in order to easily serve their customers quite effectively. On the other hand however, the quantum of assistance offered to customers by salesmen is practically without end.

❖ ***Benefits to the business; their sales-persons and customers:***

In the chain of marketing, all stakeholders- business managers, salesmen and customers benefit from the sales-activities. Every business can be profitable if and only if its revenues exceed its costs. The prime responsibility of the salespersons is to sell the products of the organization, at a profit. The creative sales-person, tries to penetrate his territory, and adopts suitable means and techniques of profitable-selling of the products. Business therefore derives various benefits from the selling activities of sales-persons. On the other hand, the salesperson, in the field, is an ideal person to keep the company abreast, or ahead of competition.

He, thus, becomes a vital source of field-intelligence by providing important and very crucial information to the business about the nature of competitive-activities, and also about the



changing needs of customers. The sales-force have additional responsibility of serving the needs of customers that buy the firm's products. Business cannot stay alive only on the basis of one-time sales; repeat-sales are necessary. This is possible only if the customers are served in a professional manner.

A. FINDINGS, CONCLUSION AND RECOMMENDATIONS

It was found from the study that through motivation, the business is able to drive the sales-force towards the achievement of the organisational objectives. The salesmen are able to cover their territories when they are motivated resulting in improved financial performance and more customer acquisition for the company. According to management, at every stage of the selling process, the salesmen face difficulties; they also come across hostile customers and sometimes face unpleasant situations.

In all such cases, the sales-force always need motivation, advise and supervision to face such circumstances with a sense of confidence. They stressed that, salesmen too have their own feelings, emotions and sentiments. Thus, their motivation necessarily influences such feelings, emotions and sentiments in a positive way so that the sales force contribute their best for the forward march of the organisation.

On the other hand, however, one of the most important findings that the researcher came across while undertaking this study was the fact that, motivation is heterogeneous; thus, what will motivate one salesman to work harder may not be a motivational drive for another. Therefore, it was recommended that management should use both the intrinsic and extrinsic factors of motivation in order to sustain sales-force interest in their operations as the business strives to pull prospective customers to the business.



LIMITATIONS OF THE STUDY

Fear of losing their job as a result of releasing confidential corporate information's on the part of the sales-force was a limitation to this research study. However effective measures were instituted by the researcher to overcome these shortfalls in order to attain the desired objectives of the research.

MANAGERIAL IMPLICATIONS

Based on the results of the study the following are some of the implications for organizations seeking to gain the commitment of its sales-force;

The study will help business managers sitting in decision making positions that the sales-force of an organisation holds the key to the success of the business. Thus, business managers and upcoming entrepreneurs should make motivation a strategic tool in their businesses in order to enjoy the fruit of their labour. The good of the organization depends upon the satisfaction levels of the employees thus; care has to be taken in designing the compensation package and remuneration of the sales-force to ensure equity and fairness.

In addition a high level of cooperation and coordination between sales managers, senior executives and the sales-force need to be encouraged to gain their commitment and retention.

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