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SALES COMPETENCIES IN TELECOM SECTOR: A STUDY OF VODAFONE IN GUNTUR

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ABSTRACT

The present study is an empirical investigation into understanding the effectiveness of sales personnel in telecom sector in A.P. The sales effectiveness is assessed through obtaining data about sales competencies identified in the review of literature. The list of competencies includes achievement motivation, stress management, prospecting, communication, team work, customer service. A structured and closed ended questionnaire with Likert's scale was administered to a sample size of (N=103) respondents. The results indicate that sales effectiveness is predominantly dependent upon the achievement motivation, team work, followed by communication skills, customer service orientation and emotional stability follow.

Keywords: Achievement Motivation, Customer Service, Communication, Competency, Emotional Stability, Prospecting, Team Work

INTRODUCTION

Organizations of all kinds face numerous performance challenges today: - understand and respond to changing customer needs, support, and growth, improve lucrativeness. Leading organizations overcome these hurdles by renovating the performance of their sales teams by an amalgamation of art and science in mastering the "art" of sales – competency, behaviour and personality that define high performance "science" still play a role, in the form of sales analytics.

The term "Competency" first appeared in an article authored by R.W. White in 1959 as a concept for performance motivation. "Competency is a set of defined behaviours that furnish a planned guide facilitating the identification, evaluation and development of the behaviours in individual employees." Competency is one of the most essential concepts for business to achieve success in any of the day-today job performance responsibilities from task management to recruiting ,from training and development to advancement. "Competency is also depicted as a collection of related abilities, commitments, knowledge, and skills that enable a person (or an organization) to act effectively in a job (or) situation." Competency illustrates adequacy of



knowledge and skills that allow someone to respond in a wide variety of circumstances. Because each level of responsibility has its own requirements. The slowing economy around the world has put new and increased pressure on organization's capability to get more out of available resource they have, and this often translates into pressure on the individual employees. So it's the area where it is essential to associate performance result with competencies. So finally it is important to describe a set of core competencies which resemble to the organization's crucial market differentiator.

Competence is the compelling force behind the accomplishment of any business, especially in knowledge -based firms. Sales force is critical in increasing the success rate of the business and they help in creating competitive advantage over the other competitors by improving the percentage of sales. They also help in increasing the market share by effective performance. If performance of sales force in the business is less effective, it may lead to loss to the business the and effects the company adversely.

Sales competence reflects an individual's ability to be a successful salesperson. Communication skills, knowledge level, negotiation ability, and solid interpersonal skills are some of the core competencies necessary for success in the sales field. Another critical aspect of sales competency is extensive knowledge of the product or service being sold in order to communicate its value to the client. Competency in the sales field also involves envisioning how the product or service may potentially facilitate progress and growth for the client's business.

REVIEW OF LITERATURE

Michael A. Campion, Alexis a. Finkbrian, J. Ruggeberg, Geneva M. Phillips Ronald B. Odman (2011) specified a collection of culminating practices for competency modelling depending on the experiences and lessons learned from the major perspectives on this topic (including applied, academic, and professional). Competency models are well-defined, and their vital merits are made clear.. This article provides a set of 20 best practices partitioned into three areas: reviewing competency information, coordinating and featuring competency information, and utilizing competency information. Tina Teodorescu (2006) explained the dissemblance between the competence and competency and how competence models are different from competency models. With this understanding, people can accurately compare the two models and make an informed decision about the model that will be of most worth to their own companies. There are many differences and some similarities between competence models and competency models in their definitions, areas of focus, and applications. Finally we can conclude that organizations pay people for results, not behaviours, and to ensure that your organization is training, supporting, and developing the right competencies like skills, knowledge. The state of being Competent refers to having the ability to consistently produce the results that are required for the most efficient and effective achievement of the larger organizational goals.. Margaret M. Heffernan, Patrick C. Flood (2000) explained the congruence between the adoptions of competency based human resource management and a catalogue of other variables. It depicts that organizational characteristics impact on the take on of competencies, especially company size and the times span of operation and also the outcome of HR sophistication on the prevalence of competency frameworks at company level. Organizations which already have cultivated and well sourced HR processes in place are more assumable to use competencies. So it can be said that Organizations which are performing well and are more superior performers are more likely to adopt competencies. Kenneth E. Marino (2012) mentions that it would be difficult today to conceive of a planning effort that did not consider an organization's core competencies and capabilities. Most of the leading companies have acquired a persistent competitive advantage by evolving and influencing unique resources and possibilities. They mobilized the resource-based view of the firm to vital stage in the realm of general management. He described the experiences of three management teams, each seeking a shared understanding of the core capabilities at their disposal. The results of their deliberations, the strategic issues indicated by such an understanding, and the entanglements which have been around impart



guidelines for other teams as they come up with familiar planning tasks. R. Manna and Alan D. Smith (2004) explored the need for emotional intelligence and awareness training among sales representatives. A survey is being conducted in which a number of questions concerned to sales training and related sales experience have been put forth. Depending on the outcomes observed, sighted four classes of data reduction pertaining to emotional intelligence (recognizing personality traits, presentation skills, controlling one's emotions, and versatility to change) variables. Next one dealt with experience (years of managerial and sales experience). Followed by peoples expertise (sales concepts and procedures and listening skills), and final one dealt with technical expertise (writing skills and computer competencies). These results indicate a strong direct relationship between managing the relationships among sales personnel, outcome performance, and the sales organization effectiveness. According to Darlene Russ-Eft, Edward Del Gaizo, Jeannie Moulton, Ruth Pangilinan (2010), Sales competency reflects an individual's ability to be a successful salesperson. Communication skills, Knowledge level, negotiation ability, and solid interpersonal skills are some of the core competencies necessary for success in the sales field. The purpose of this study is determine the competencies needed by the sales professionals .The study used to questionnaires and telephone interviews as methods for data collection. The analysis revealed 16 competencies that defined five different roles of a salesperson: Long-term ally, business consultant strategic orchestrator, consistent cultivator, and focused optimist. Implications are drawn for the organization and for HRD researchers and practitioners. The three roles of long-term ally, business consultant, and strategic orchestrator are mainly helpful in adding value and to engage with customers. The other two newer roles emphasize individual patience and managerial skill. Clifford S. Barber and Brian C. Tietje (2010) stated the difference between industrial sales and other sales domains. The authors also tried to draw conclusion from a panel of industrial sales executives and a random sample of industrial sales managers to generate and evaluate the importance of a comprehensive list of knowledge, skills, and value competencies that are required for success in industrial sales. Zainal Bin Abdullah (2010) stated that for the purpose of the study on sales workforce in consumer sales unit there are five emerging themes.

- a. Identification of behavioural or functional competencies that influenced the performance of sales workforce.
- b. Ensuring greater accountability by setting performance goals and strengthening consequence management.
- c. Bridging the competency gap in building employee capabilities over the longer term.
- d. The role of technology to enhance the productivity and performance of the sales workforce.
- e. Improving the sales workforce management processes to transparently support the evaluative and developmental aspects.

They identified five types of competency characteristics consisting of motives, traits, self-concept, knowledge and skills. These five types of competencies are described to be the most important and useful to obtain good results at the end from the sales person. Sushil Punwatkar ,Dr. Manoj Varghese (2014) in their article , attempted to recognize the competencies prerequisite for the salesman engaged in retailing (here, furniture and build mart) business. Further, they examine the significant impact of the competencies on sales performance and expands their ability to explain salesman's sales performance on the basis of the competencies acquired by him. The six key important competencies that are identified to be important for a sales person includes the following:

- a) Product knowledge
- b) Presentation skills
- c) Listening ability
- d) Objection handling



- e) Convincing skills
- f) Interpersonal ability

Mohsen Mohsenzadeh, Sahar Ahmadian (2015) studied the mediating role of competitive strategies in affecting the aspects of firm competencies such as production capability, marketing and sales capability and information competency, and export performance. The results of this study showed that the success of business enterprises in the export sector depends on competency in production, marketing and sales as well as on the collection of appropriate information. The results also suggest that these forms of competency can affect export performance through strategic competencies. Barbara A. Sypniewska (2013) reviewed that to be successful in the market; companies must stand out and be creative and communicative. The leading factor in providing these features is the human potential, which depicts opportunities and development of the companies. For companies involved in sales, especially direct sales, this factor is expressed in the specific competencies of individual employees. The importance of individual competence in direct sales is observed by conducting research on direct sales vendors that operate in the form of direct sales known as multilevel marketing. The analysis also showed that there are positive correlations between all of the competencies with varying strengths of dependences. Most of the competencies strongly correlate with each other, which means that developing one competency will influence the development of a different one or a set of other competencies.

This study is undertaken to understand the perception of the sales personnel themselves on sales competencies, for effective job performance.

Research Questions:

- 1. What are the competencies required for sales person to perform effectively?
- 2. Which competencies of the sales person showed greater impact on his performance?

Objectives of the Study: To study the effect of different set of competencies such as achievement motivation, emotional stability, communication, prospecting, customer service, team work on the performance of sales personal in the telecom sector i.e. Vodafone. After reviewing the above literature, the researcher designed a conceptual model as follows





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HYPOTHESIS FOR THE STUDY

H01: Achievement motivation has no impact on sales performance

H02: Prospecting has no impact on sales performance

H03: There is no impact of communication on sales performance

H04: Customer service has no impact on sales performance

H05: There is no impact of emotional stability on sales performance

H06: Team work has no impact on sales performance

METHODOLOGY: The universe Of Population included the sales personnel of Vodafone in Guntur, the Sampling Frame includes the employees of the selected telecom sector basing on their competencies which are helpful in the sales. The sample size taken to conduct the survey is 103 (N=103) respondents. The sample method involves the probabilistic sampling method of simple random sampling where the sample is gathered based on different competencies like achievement motivation, emotional stability, team work.

VARIABLES

Table 1: List of variables considered in the study based on review of literature.

S1.No	Independent Variables	Connotation	Dependent Variable
1.	Achievement motivation	AM	
2.	Prospecting	PO	
3.	Communication	СО	Sales Performance (SU)
4.	Customer service	CS	
5	Emotional stability	ES	
6.	Team work	TM	

Model Equation: SU=a+b₁AM+b₂ES+b₃PO+b₄CO+b₅TM+b₆CS

FINDINGS AND RESULTS

The study included the sales persons with different set of competencies. The research that had conducted included majority of males i.e,74.8%. The sales persons who responded had completed their post-graduation which included 42.7% of the remaining qualifications. The majority of sales person's i.e., 97.1% are able express themselves clearly (CO). The sales person of 69.9% are able to give good sales presentation to make the customers understand.69.9% of the personal pay complete attention to what customers say to them.57.3% of the people will try to listen actively to the needs of the customers.49.5% of the respondents are able to sense the needs of the customer.

People after sensing the needs only 45.6% are able to help the customers to express their needs in a proper manner.43.7% of the sales personal are able to collaborate with the team. Only 41.7% of the respondents show their commitment to work with the team.50.5% of the personal make their team successful with their commitment. 47.6% of the personal are able to use the feedback given by the customers for further improvement.50.5% are able to find innovative solutions by using the feedback given by customers.50.5% of the personal are able to maintain positive attitude throughout their job.43.7% of the personal are able manage themselves under stress to get better results.43.7% of them are able to achieve and do what they could do in the job.40.8% of the personal are able to set challenging goals themselves to work more effectively. 44.7% of the personal are able to find the powerful buyers and make their job more successful.43.7% of the personal are able to get high quality leads through their strategies.50.5% of the personal are able to convert the prospects into customers.39.8% of the personal are excelling in satisfying their customers.45.6% of the personal are able to identify the negotiating opportunities.50.5% of the personal are aware of the strategies used by the competitors.46.6% of the personal are having a good knowledge of their product line.42.7% of the respondents are able to persuade their customers that the solution provided by them is the best solution.45.6% of the personal are frequently experiencing the success in the process of selling



Results of Estimated Regression

Table 2: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.408ª	0.167	0.115	0.68252

a. Predictors: (Constant), CS, TM, ES, AM, CO, PO Table 3: **ANOVA**^a

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	8.949	6	1.492	3.202	.007 ^b
Residual	44.721	96	0.466		
Total	53.67	102			

Table 4: Coefficients^a

	Unstandardized Coefficients			
Model	В	Std. Error	Т	Sig.
(Constant)	1.541	0.727	2.12	.036 **
AM	2.338	0.79	2.96	.003**
ES	0.096	0.31	3.096	.002***
PO	1.965	0.78	2.52	.013***
CO	1.017	0.39	2.61	.010***
TM	2.362	0.75	3.15	.0021***
CS	0.917	0.33	2.77	.006***

**5% level of significance

***1% level of significance

a. Dependent Variable: SU

a. Dependent Variable: SU

Linear regression equation: $Y = a + b_1X_1+b_2X_2+b_3X_3+\dots+b_nX_n$

Where, X= Independent variable

Y= Dependent variable

In the research, X = CM, AM, PO, CO, ES, TM

Y = SU

So the equation will come as,

$SU=a+b_1AM+b_2ES+b_3PO+b_4CO+b_5TM+b_6CS$

Testing Of Hypothesis

Based on the estimate results as displayed in table 4:we may conclude that

- 1. Achievement motivation is significantly influencing sales performance as the t value for the estimated coefficient is significant at 5% level .Thus we may reject H01.
- 2. Prospecting is significantly influencing sales performance as the t value for the estimated coefficient is significant at 5% level .Thus we may reject H02.
- 3. Communication is significantly influencing sales performance as the t value for the estimated coefficient is significant at 1% level .Thus we may reject H03.
- 4. Customer service is significantly influencing sales performance as the t value for the estimated coefficient is significant at 1% level .Thus we may reject H04.



- 5. Emotional stability is significantly influencing sales performance as the t value for the estimated coefficient is significant at 1% level .Thus we may reject H05.
- 6. Team work is significantly influencing sales performance as the t value for the estimated coefficient is significant at 1% level .Thus we may reject H06.

From the above analysis (See Table.4) the authors indicate that the R value obtained is 0.408, R square value as 0.167. Thus the statistical analysis reveals that the independent variables communication, stress management, team work, prospecting, achievement motivation, customer service are validated to 16.7% to get better sales performance and the remaining percentage will consist various other competencies not considered in the present study.

SUGGESTIONS

In the telecom sector in A.P especially in Vodafone. There is a strong need to enhance the competency emotional stability among the sales personnel. There is also a need to work extensively on enhancing the communication skills of the sales professionals.

Customer service also plays an important role in effective sales process. There is a need to improve the customer service orientation among the respondents from Vodafone. On the higher plane to increase the effectiveness of sales personnel there is a significant need to enhance their:

- 1. Negotiation skills
- 2. Product knowledge
- 3. Presentation skills
- 4. Active listening
- 5. Empathy
- 6. Collaboration and team work
- 7. Innovation
- 8. Stress management
- 9. Goal orientation
- 10. Strategic thinking

CONCLUSION

This empirical study on understanding the effectiveness of the sales personnel through a set of sales competencies is the first attempt in the telecom sector. The research reveals that almost 98% of the respondents are expressive.70% of the respondents are found to given effective sales presentation to customers with complete focus on customer expectations. More than 50% of the respondents are active listeners to sense the needs of the customer. This study reveals that only 46% of the respondents help the customers express their needs less than 50% of the respondents of the respondents showed ability to collaborate in the team environment with commitment .Using the customer feedback for further improvement half the respondent found innovative solutions by maintaining positive attitude. While it is observed that stress levels are high and 44% managed to get better results. Around 45% the respondents make their job more successful through finding powerful buyers, getting high quality leads, converting the prospects into customers and customer service. Less than half of the respondents have the potential to identify the negotiating opportunities and the ability to understand the strategies of competitors .Only 47% of the respondents required the knowledge of product line to persuade the customers. Thus, resulting in only 46% of the respondents frequently experienced success in the sales process.

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