

Lindenwood University

Digital Commons@Lindenwood University

---

Theses

Theses & Dissertations

---

1997

## Motivating Sales Personnel

Kel T. Denker

Follow this and additional works at: <https://digitalcommons.lindenwood.edu/theses>



Part of the Business Commons

---

MOTIVATING SALES PERSONNEL

Kel T. Denker, B.S.

An Abstract Presented to the Faculty of the Graduate  
School of Lindenwood College in Partial  
Fulfillment of the Requirements for the  
Degree of Master of Business Administration

1997



*Thesis*  
*D 417m*  
*1997*

## ABSTRACT

The purpose of this study is to develop a reference manual for managers to examine on a periodic basis and refresh their memories about the motivational process and its importance in the field of sales.

Research has shown that individuals are motivated differently to achieve specific goals and those who are positively motivated definitely out perform those who are not. In the field of sales, this is extremely important. This project illustrates motivational theory, personality types, a managers role, a sales persons role, and a variety of different motivational techniques.

This project is not intended to teach managers how to motivate sales personnel, but spark the creative thought process for detailing a motivational plan for each individual sales representative. Therefore, this manual will serve only those managers willing to participate and expend the energy to get inside of the minds of the sales people they manage.

**MOTIVATING SALES PERSONNEL**

Kel T. Denker, B.S.

A Culminating Project Presented to the Faculty of the  
Graduate School of Lindenwood College in Partial  
Fulfillment of the Requirements for the  
Degree of Master of Business Administration

1997

COMMITTEE IN CHARGE OF CANDIDACY:

Associate Professor Daniel W. Kemper,  
Chairperson and Advisor

Adjunct Assistant Professor Jan R. Kniffen

Adjunct Assistant Professor Joe Ancona

*Dedicated To*

*My Loving Family*

*Lynn, Jace, Bryce, and Alex*

*Thank you for your patience and understanding!*

## ACKNOWLEDGEMENTS

A special note of thanks to Michael J. Woodruff and David Stewart for taking the time and the effort to review the manual on Motivating Sales Personnel. At some point in my career, I hope that I can implement what I have learned from both of you!

## TABLE OF CONTENTS

I.	Introduction . . . . .	1
	Statement of Purpose . . . . .	13
II.	Literature Review . . . . .	16
	Summary and Problem Statement . . . . .	38
III.	Methods and Evaluation . . . . .	39
	Materials . . . . .	39
	Procedures . . . . .	40
	Instrument . . . . .	40
	Subjects . . . . .	41
IV.	Results . . . . .	44
V.	Discussion . . . . .	51
	Summary . . . . .	51
	Limitations . . . . .	58
	Suggestions for Future Research . . . . .	59
	Appendix A . . . . .	61
	Appendix B . . . . .	97
	Appendix C . . . . .	98
	Appendix D . . . . .	100
	Works Cited . . . . .	104
	Vita Auctores . . . . .	106



## List of Tables

Table 1	Methods of Compensation for Sales Personnel . . . . .	29
Table 2	Performance Criteria. . . . .	30
Table 3	Your Company's Performance and Incentive Payout Hierarchy for Junior Sales Representatives . . . . .	32
Table 4	Measurements of Salesforce Performance .	33

## List of Figures

Figure 1	Maslow's Hierarchy of Needs . . . . .	3
Figure 2	B.F. Skinner's Behavior Model . . . . .	6
Figure 3	Expectancy Theory Model . . . . .	7
Figure 4	Performance Managing A . . . . .	75
Figure 5	Performance Managing B . . . . .	76
Figure 6	Link to Values . . . . .	79
Figure 7	Coaching for Results . . . . .	79
Figure 8	Motivational Checklist . . . . .	81
Figure 9	The Training Flow Chart . . . . .	94

## Chapter I

### Introduction

Sales managers across the country and most probably world wide are in constant pursuit of the one single answer to one perplexing question. Why do sales people do what they do? More specifically, they are searching for the magic bullet or program that will increase sales for their organization. First and foremost, there is no one single answer to this question. However, there has been significant research in the area of motivation and the reasons people react the way they do in certain situations. Motivation, as noted by Thomas J. McCoy, ". . . is that people, all people, behave in a manner that results in their needs being fulfilled" (23).

There are numerous theories with regard to motivation, for example,

psychodynamic theory (Freud, 1955), trait theory (Allport, 1961; Cattell, 1966), need theory (Alderfer, 1972; Maslow, 1954; McClelland, 1961), behaviorism (Skinner, 1953, 1969), expectancy theory (Porter & Lawler, 1968; Vroom, 1964), and social learning or social cognitive theory (Bandura, 1977, 1986) (Dunnette 727).

This representation is not all inclusive, however, it reveals a vast interest in human behavior. The most notable theories relevant to the field of sales and chosen for specific discussion include:

- Maslow's Hierarchy of Needs
- Herzberg's Two Factor Theory
- Skinner's Theory of Human Behavior
- Vroom's Expectancy Theory

Maslow's theory (Figure 1) relates to individuals seeking to satisfy their needs in a specific priority system. This system includes:

- Physiological needs - relating to physical comfort and basic biological functions of the body satisfied, for example, eating and sleeping.
- Safety needs - relating to protection from harm.
- Social needs - relating to belonging and affection.
- Self-esteem needs - relating to the feeling of one's importance and self-worth.

- Self-actualization needs - relating to the attainment of one's ultimate goals in life (McCoy 29).

Figure 1

**Maslow's Hierarchy of Needs**

---

Source: Compensation and Motivation. Exhibit from "Intrinsic Incentive Compensation," by Thomas J. McCoy (1992).

Although Maslow's theory is second nature to most people due to the widespread coverage received in the educational system, it is simplistic in nature when extrapolated to the field of sales. Historically, many companies' compensation plans addressed the lower

echelon of the hierarchy, however, McCoy notes, ". . . many employees in the 1990s have shown themselves to focus less on the . . . lower levels of the hierarchy and more on the higher levels, which provide psychic rewards" (30). Therefore, one might expect that successful salespeople in the 1990's continue to strengthen Maslow's theory by their insatiable desire to satisfy one need after another.

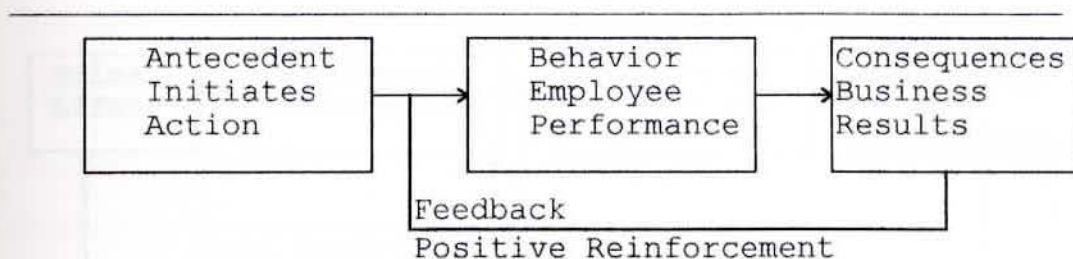
Herzberg's theory, on the other hand, ". . . believes that we have two sets of needs: one for positive satisfaction . . . (motivation) and the other to avoid physical deprivation . . . (hygiene)" (28). Even though the hygiene aspect of his theory is based on avoidance and escape from deprivation, Herzberg's theory hinges on the individual fulfilling an intrinsic need for psychological growth in the workplace. Therefore, one might say that the action taken by the individual to seek employment is two-fold in this theory.

In comparison, the two theories have similarities and differences. For example, the first three levels of Maslow's hierarchy of needs are similar to Herzberg's hygiene's category because both relate to the basic needs for existence. Additionally,

Herzberg's motivators category may be compared to Maslow's self-esteem and self-actualization needs. The similarities are very generalized, while the differences are more specific. Maslow concludes, based on the hierarchy, that needs must be met in a certain order. Herzberg, alternatively, does not specify order in his depiction of motivation (28-29).

The work of B.F. Skinner (Figure 2) identified, ". . . that on an individual level, a stimulus will initiate behavior that will, in turn, generate a result" (33). This finding is extremely important and relevant to the sales industry due to its behavior modification tendencies. In other words, sales people that engage in a positive experience because of a specific incentive, tend to repeat the behavior. Obviously, this is a form of positive reinforcement and will be discussed in future sections.

Figure 2

**B.F. Skinner's Behavior Model**

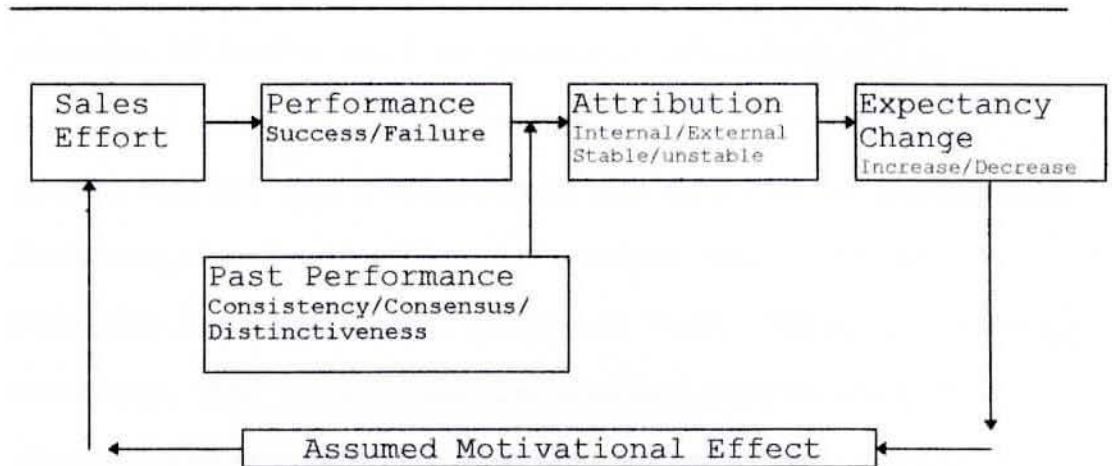
Source: Compensation and Motivation. Exhibit from "Intrinsic Incentive Compensation," by Thomas J. McCoy (1992).

Vroom's theory of expectancy (Figure 3) in simplistic terms is ". . . the willingness to expend effort on a task depends on two variables, expectancy and valence" (Johnston 68). In other words, a salesperson examines the probability of reaching a higher performance level in relation to the effort that must be put forth to attain the improvement and the individuals view or desire to reach this level of performance.



Figure 3

## Expectancy Theory Model




---

Source: Journal of Marketing. Exhibit from "Performance, Attribution, and Expectancy Linkages in Personal Selling," by Wesley J. Johnston and Keysuk Kim (1994).

In addition to the vast array of motivational theories, a discussion of a few different personality theories is prudent for the development of the relationship to the field of sales. Anastasi notes that the assessment of personality, ". . . most often refers to measures of such characteristics as emotional states, interpersonal relations, motivation, interests, and attitudes" (17). The data collected from this type of assessment can be very helpful for the manager who

is searching for specific interests and motivations of individual subordinates.

The root of individual personality rests with the concept of one's self or personal construct.

Loevinger, a researcher in the area of personality traits during the 1960s, used the Washington University Sentence Completion Test to measure the trait of personal perception and proposed that, "With increasing maturity, the individual progresses beyond such a stereotyped concept to a differentiated and realistic self-concept . . . and accept themselves for what they are" (636).

The Coopersmith Self-Esteem Inventory combines self-concept and self-esteem and proposes that, ". . . this research relates to the effect of the individual's self-evaluation on his or her performance" (637).

Coopersmith began this research in the 1960s, and revisited or revised the approach in the early 1980s along with many other researchers fascinated with area of self-esteem and self-efficacy.

Furthermore, in 1983, Gough and Heilbrun refine the original work done by Gough in the 1960s for the Institute for Personality Assessment and Research to formulate the current Adjective Check List that

consists of a list of three hundred adjectives for the respondent to either identify with or reject in consideration of themselves. Many researchers used scales to interpret the results. One of significant importance is the interpretation of an individual's self-control, self-confidence, and personal adjustment. As one can see, this kind of information would be invaluable for the manager who is looking to hire a specific individual for a certain part of the country or working to improve an existing sales representative's adjustment to change within the corporate world (638).

Of the remaining personality assessment techniques, the Q sort, the semantic differential, and the role construct repertory test are worth noting due to their ability to help sales managers better understand their representatives. However, Anastasi does mention that, "It is important to recognize that, especially in the domain of personality, tests cannot do the whole assessment job" (643). The role of direct observation of behaviors is imperative.

Leadership plays a vital role in the mechanics of motivation. The different styles of leadership can be positive and negative in nature depending on the

situation. Over the last thirty years, these styles have seen a metamorphosis because of the increased educational level that the previously mentioned theories on motivation and personality have brought to the attention of most leaders. Historically, many sales managers assumed an autocratic form of leadership. In its strictest definition, Weihrich and Koontz state that, "The autocratic leader commands and expects compliance, is dogmatic and positive, and leads by the ability to withhold or give rewards and punishment" (494). Although this formulation may prove to be the most expedient and controlling, it lacks many of the necessary means to motivate subordinates effectively. For example, a sales manager who implements a marketing plan developed by corporate associates and accepts no variation for specific representatives or areas of the country is extremely foolish and will result in a poor performing program.

A second style of leadership and considered a middle of the road format is the democratic or participative style. The corresponding definition has a wide degree of interpretation from the manager who consults every possible decision with subordinates to the manager who selects different situations for which

representatives are included in the process. This style of leadership has seen some promise, however, in this day and age of accountability, there seems to be a great deal of gray area for this format (494).

Finally, the free-rein style of leadership focuses on empowering employees at the lowest level to share ideas and thoughts with management in an effort to accomplish the business objectives in the most cost effective manner. For the employee, this is probably the most rewarding and regarded as highly motivating even though the risk is higher with regard to personal accountability (494).

In recent times, there has been some variations to the previously mentioned leadership styles, for example, transactional leadership vs. transformational leadership and the art of conceptual leadership. Alan J. Dubinsky, Professor of Marketing at Metropolitan State, et al, comments that transactional leadership is, ". . . where sales managers clarify for and communicate to salespeople the selling role and indicate to them how they can receive valued organization rewards in exchange for successful performance" (17). This could be a form of autocratic leadership in a modern disguise. Additionally,

transformational leadership relates to a long term perspective where the manager is successful in convincing the representative to transcend his own self-interests for the good of the organization as a whole. This in turn, motivates the employee to succeed for alternative reasons. The manager that accomplishes this task, in the long run, gains respect for investing in the individual (19).

The conceptual leadership model, as Peter Senge, the author of The Fifth Discipline, states that it is "about helping people make sense of what's going on around them . . . and making people feel that complicated and challenging things can be done" ("Management" 3B). No more and no less, Peter Senge is discussing a leadership style that is a little democratic and a little free-rein because the role of the leader is to explain the issues, but the solutions rest with the individuals as a whole.

It is quite obvious that leadership plays a role within certain parameters for the sales industry, however, it is a two way street. Almost always, a relationship exists between a manager and a sales representative. This is not to say that it is always a positive relationship. In the 1990s, each participant

in this relationship has a role with regard to motivation. Strutton and Pelton, from the University of Southwestern Louisiana and the University of North Texas respectively, reveal:

The ability of management to preserve long-term, mutually committed relationships with their salespeople likely exercises a substantial influence on the success of sales organizations. Solidarity is the general contracting norm that binds such managerial-subordinate relationships together (153).

Therefore, one might suggest that a greater degree of freedom to conduct their business affairs may challenge and intellectually stimulate the salesperson to satisfy a portion of their hierarchy of needs. It is imperative that the risk and accountability associated with this type of relationship be recognized in full by both parties involved.

The importance of motivating a sales force is quite obvious and understandable for anyone. It is for the good of the organization, so that the people it employs, will still be employed. The corporate world, regardless of the industry, has seen competition reach new peaks. A successful corporation and a winning culture is one of the best morale builders that is in the control of each organization. A great first step

for the management team is creating an environment within which the sales personnel may succeed.

In summary, motivational and personality theories are the building block for understanding individuals and their behaviors along with an understanding of how salespeople have been led in the past and a few proven new ideas for the future are extremely important faculties for the successful manager. The important motivational theories discussed include:

- Maslow's Hierarchy of Needs
- Herzberg's Two Factor Theory
- Skinner's Theory of Human Behavior
- Vroom's Expectancy Theory

Additionally, The personality assessment theories discussed include:

- Washington University Sentence Completion Test.
- Coopersmith Self-Esteem Inventory.
- Gough and Heilbrun Adjective Check List

In a relative nature, the functional leadership styles followed to include; the autocratic leader, the democratic or participative leader, and the free-rein leader.



Finally, a discussion with regard to the sales manager - sales representative relationship and specific roles for each in the 1990s brings about the necessity for educational progress on behalf of both parties to insure success in the future.

The purpose of this study is to provide a manual for sales managers illustrating the most positive means for motivating sales representatives to excel in their given field.

## Chapter II

### LITERATURE REVIEW

During the past thirty years, managers and employees have seen numerous articles and books published on the topic of motivation, all of which claim to provide success to both parties. The range of ideas include a total responsibility on behalf of the individual to completely motivate themselves and be thankful for the opportunity to be employed to the opposite end of the spectrum which includes the total obligation resting with the organization for job satisfaction and motivating employees to perform quality work. First and foremost, the exact formula has not been proven and the most recent literature supports a theory resting somewhere close to the midpoint of the two extremes. David G. Myers, a social psychologist, discusses an application for both management and employees in his book The Pursuit of Happiness. The root of happiness obviously rests with individuals and the degree of control over these aspects definitely affects their performance. The parameters include:

- Self-esteem (happy people like themselves).
- Personal control (happy people believe they choose their destiny).
- Optimism (happy people are hope-filled).
- Extraversion (happy people are outgoing). (108-19)

Additionally, Myers comments,

. . . work is also a search for daily meaning as well as daily bread, for recognition as well as cash, for astonishment rather than torpor; in short, for a sort of life rather than a Monday through Friday sort of dying. Through our work we define ourselves, even leave a legacy that adds meaning to our living. (127-128)

In general, managers and employees are individuals first and the degree of happiness with a current situation will determine the outcome of motivation to succeed in their assignments.

In retrospect, one might conclude that managers and employees in America have been involved in a shift of needs, wants, and concerns over the last few decades. A reference to Maslow's hierarchy of needs would show the complete satisfaction of the physical needs for existence and a search for self-esteem and self-actualization through the work environment.

Although happiness, or the pursuit of, has many interpretations, one could argue that this is a search for complacency. Judith Bardwick, author of Danger In The Comfort Zone, defines complacency through her model of entitlement;

Entitlement is what I have been seeing in American corporations: people not really contributing, but still expecting to get their regular raise, their scheduled promotion. When this rich nation stopped requiring performance as a condition for keeping a job or getting a raise, it created a widespread attitude of Entitlement. Entitlement destroys motivation. It lowers productivity. In the long run it crushes self-esteem. And despite the layoffs of recent years, it is epidemic in this country.  
(3)

This is a powerful accusation directed at both management and employees. First, management for allowing the situation to occur while reveling in success that quite obviously has caught up to them in recent years in a variety of industries. Secondly, the employees for participating in such pretending at the risk of their own self-esteem and pride in their work ethic. Bardwick encourages corporations to motivate toward excellence;

When we think about what we need to do to create and sustain high levels of morale in organizations, we never think of hard work and pressure to produce. And yet, where

would you expect morale to be higher? In a rich organization where carpets are deep . . . and there is all the time in the world to investigate and discuss and write reports, or in the entrepreneurial organization where . . . the whole thing will sink or swim depending on the quality and speed with which they can produce a new idea . . . . The best morale builder, the greatest motivator, is success, that is, earning the status of being a winner. (55)

On a similar note, Ken Blanchard, co-author of The One Minute Manager and numerous other publications, comments that,

Today's leading organizations share a commitment to constant improvement. They believe they're going to be better tomorrow than they were yesterday, better next week than last week, . . . . To make that happen, you have to overcome people's inertia and resistance. Few people want to be pushed, but they need to be. (20)

In his book, See You At The Top, Zig Ziglar supports the position that a majority of motivation arises from within individuals. "Success is determined by taking the hand you were dealt and utilizing it to the very best of your ability" (330). Taking it one step further, ". . . desire is the ingredient that makes the difference between an average performer and a champion" (333).

Therefore, it is easy to recognize the dilemma facing corporations, managers, and employees considering the relative myriad of messages on the newest and latest guarantees for success in an almost never ending state of change in the business world. Additionally, the time exists where companies are being forced to reengineer business processes in an effort to be competitive. In a recent study conducted by James Champy's consulting firm and the co-author of Reengineering The Corporation, a vast majority of U.S. companies have a formal reengineering program started or are about to begin one. Another survey produced by Pitney Bowes Management Services reveals that three-fourths of employees fear the loss of their job. The underlying theme to Champy's reengineering process includes the aspect of motivation that begins with a reengineering of management's role in business. He views this new role as, ". . . a motivator. What managers should do is mobilize workers to deal with what I think is going to be constant change in the marketplace and in the company. . . . but they must still be accountable for the output" (18-20).

Dennis Waitley, author of Empires of the Mind: Lessons to Lead and Succeed in a Knowledge Based World, is in agreement with Champy and comments,

U.S. managers try to do it simply by telling their staffs to work harder. For example, I met some people coming out of an "empowerment meeting" last week, and they said, 'We've just been assigned to a self-directed work team. Management told us, you're on the team. It's going to be a winning team. You're going to work together. And here's what you're going to do.' (96)

In theory, corporate management as a whole agrees with the concepts, however, the release of control has not yet surpassed the ingrained patterns and habits of the majority of authoritarian styles of management that still exists in the business world. This is directly related to a lack of accurate assessment and accountability tools coinciding with Bardwick's theory of non-productive entitlement. Hence, the rhetoric from management teams with regard to empowerment and the reengineering concepts have spawned a fear in employees to create the perception of productive work in an effort to keep their jobs. The revolving circle of responsibility along with fear definitely has a negative effect on motivation and quality of work performed in the business world.

There are not many industries, if any, that have escaped the situation and one particular field, within these industries, has more pressure than the others. The sales field brings increased pressure because the

success of most companies revolves around the ability to sell their products and services to support the other functions of the company. Therefore, one can see the importance of high morale and motivation in this field.

The empirical research to date provides many conceptual models and theories relating to motivation, job satisfaction, and expected performance. Dubinsky, et al, believes, "Sales managers can have a dramatic influence on their sales subordinates . . . depending upon the leadership approach adopted, as well as, . . . manager/salesperson relationships . . ." (17). In their study, three types of leadership styles were contrasted against one another to illustrate the effect transformational leadership can create versus laissez-faire and transactional leadership style. Dubinsky defines the three styles:

- Laissez-faire leaders abdicate their responsibilities and avoid making decisions. Subordinates working under this kind of supervisor basically would be left to their own devices to execute their job responsibilities.
- Transactional leaders identify and clarify for subordinates their job tasks and communicate to them how successful execution of those tasks will lead to receipt of desirable job rewards.
- Transformational supervisors adopt a long-term perspective. Rather than focusing solely on their employees or themselves, they also focus on future needs; rather



than being concerned with short term problems or opportunities . . . such individuals tend to be leaders rather than merely managers. (18-19)

The sample included two hundred participants and the data was analyzed using appropriate statistical methods. A final analysis showed a minimal effect on work outcome for the laissez-faire style of management and a substantial, but relatively equal comparison of work outcome for the transactional vs. transformational leadership styles. Dubinsky comments, "In essence, the results provide some empirical support for using sales management practices that are designed around contingent reward motivational processes" (25). Additionally, the results are limiting due to the nature of transformational leadership and the fact that sales personnel work closely with a wide variety of people inside and outside of the company and only one of these people is the manager. Given this scenario, a manager would need to spend a great deal of time in an effort to build a successful relationship that is extremely important to this style of management. This limiting factor does not discount the value of transformational leadership, but adds support to the importance of transactional leadership and contingent motivational rewards for performance.

In a similar study, Strutton and Pelton test the degree of the manager/salesperson relationship which is affected by the organizations psychological climate.

The underlying theme relates,

The ability of management to preserve long-term, mutually committed relationships with their salespeople likely exercises a substantial influence on the success of a sales organization. Solidarity is the general contracting norm that binds such managerial-subordinate relationships together. (153)

In general, their hypothesis suggests that salespeople who have a high degree of solidarity view the level of autonomy, cohesiveness, fairness, innovativeness, and recognition in a more positive perspective than salespeople who do not possess this form of relationship with management (153). As one might expect, the results supported the hypothesis and further demonstrates the role managers play in the area of job satisfaction and motivation. Strutton and Pelton add,

The propensity toward conflict within interpersonal relationships is a natural fact of the human condition. . . . Salespeople who invest solidarity in their relationships with their managers are more likely to go to the managers for help with job-related problems, boosting the likelihood that those problems or any subsequently emergent conflict can be successfully managed. (168)

Once managers have developed the relationships to foster an appropriate climate, it is important for them to search for what motivates salespeople to act.

Wesley J. Johnston and Keysuk Kim performed a study which looked at performance, attribution, expectancy and its relation to motivation. The basis of the study begins with an explanation of the Walker, Churchill, and Fords formula adapted from Vrooms original expectancy theory. The Formula;

$$\text{Motivation} = \text{Expectancy} \times \text{Valence}$$

- Expectancy - The sales person's estimate of the probability that expending a given amount of effort on task I will lead to an improved level of performance on some performance dimension j.
- Valence - for performance dimension j. The salesperson's perception of the desirability of attaining an improved level of performance on dimension j (68).

The researchers began the project by assessing whether salespeople make different assessments about their performance. More Directly, ". . . does self-serving bias (i.e., the tendency to take credit for success and deny responsibility for failure) hold in sales situations as evidenced in the social psychology literature" (70). The results show that salespeople do tend to attribute failure to a variety of problems

other than their lack of ability and that the link between this process and expectations influences motivation to work. Therefore, a clear understanding of psychological aspects surrounding this theory is paramount for managers to effectively coach salespeople in a direction that satisfies their minds as well as motivates them to get out on the risk curve.

Delving further into the psychological aspects of salespeople, an introduction of personality styles is prudent. A recent article published in "Sales and Marketing Management" groups salespeople into four categories. First, the competitor is qualified by the person who truly hates to lose at anything. This type of person loves to beat the competition and even colleagues. For this individual to really be satisfied, someone has to lose or there has to be a clear cut order of placing. Second, the achiever is classified by the person who is goal oriented and self-motivated. This person is rarely out to satisfy an ego and is driven to accomplish the objectives that have been set. Third is the ego-driven salesperson who craves much more than plaques and trips. This person loves to give advice or be considered a mentor to someone who will place them on a pedestal. Finally, the service oriented salesperson possess strengths in

their ability to form relationships and show empathy for their clients situations (89-92). The Gallup Management Consulting Group says that, "All four salespeople are top performers. All regularly surpass quota. All are equally driven - but by different needs" (89).

Geoffrey Brewer, in an article "Mind Reading: What Drives Top Salespeople To Greatness" agrees three fold with the Gallup Management Consulting Group and cites Harvey Mackay, Chairman and CEO of Mackay Envelope Corporation and author of, Swim With The Sharks Without Being Eaten Alive, "But all great salespeople have one thing in common: an unrelenting drive to excel. . . . There's a hunger in them to continuously improve" (84). The most important concept underlying these comments reverts back to the necessity of the manager to gather all the mechanisms and tools made available by the company and tailor a plan for each salesperson on an individual basis to challenge and motivate them by satisfying their needs. Suggestions for stimulation include:

- The competitor - any symbol that shows they have won - monthly standings, plaques, trips.
- The achiever - identify areas of strength and weakness and set goals together. Sometimes the goals they set for

themselves are more stringent than company expectations.

- The ego-driven - use the mentor avenue to increase production or seek advice about decisions to be made.
- The service oriented - tell their success stories publicly or give them larger expense accounts because entertaining customers is important to them. (89-92)

Brewer adds an additional management perspective in an effort to illustrate the importance of these concepts:

Sure, understanding the psychology of your best salespeople sounds great in theory. But frankly, some sales executives might think this is nothing but New Age psycho-babble. We've got widgets to sell, dammit! Who has time to play shrink? Well, this is far more than some academic exercise. Simply put: Managers who make a concerted effort to understand what motivates their top performers get *results*. (88)

In addition to the psychological concepts of motivation, a very important piece to the puzzle concerns compensation. Because compensation plays a significant role in motivation, there has been difficulty designing the most effective plan for optimum results. The struggle consists between the belief that strict commission gives the salesperson all the incentive to work that is needed, however, the pressure to make monthly payments in a volatile market can be counterproductive and result in high turnover.

The opposite end of the spectrum includes a strict salary and as Judith Bardwick inferred, this may breed complacency and entitlement. Therefore, an introduction of the theories on the compensation continuum is valuable. There are five basic methods used to structure compensation plans for sales personnel. Table 1 shows the possibilities, as well as, the percentage of usage of each particular structure based on a survey of companies in the United States.

Table 1  
Methods of Compensation for Sales Personnel

Method	Percentages
Salary only	20.3
Commission only	6.3
Salary and Commission	33.4
Salary and Individual bonus	32.0
Salary plus Commission plus bonus	7.7

Source: ECS, a Wyatt Data Services Company, Sales and Marketing Personnel Report, 32<sup>nd</sup> edition. As cited in Compensation Management by Richard Henderson (1989).

This information places a perspective on the popularity of the different methods for compensating sales people to reach specific goals of the organization. Tallitsch and Moynahan found in a recent survey that, "The most

prevalent pay plan for field sales representatives is a guaranteed salary plus sales commissions" (34).

Additionally, Table 2 shows the performance criteria most widely used to determine the amount of reward or commission to be dispersed.

Table 2  
Performance Criteria

---

Revenue generated	66%
Profit generated	21%
Profit margin	9%
Other	4%

---

Source: Compensation & Benefits Review. Exhibit from "Fine-Tuning Sales Compensation Programs," by John Tallitsch and John Moynahan (1994).

The authors found it intriguing that there was a lack of attention or reward given for profit generation versus revenue generation. Therefore, the recommendation to overhaul the compensation program in an effort to achieve more valuable and specific goals for the organization is easily understood.

There are numerous tactics to tweak the five basic methods of sales compensation. Tallitsch and Moynahan suggest paying high sales performers an above market bonus and low sales performers a below market bonus if



the company's objective is to gain a competitive sales advantage. This sends two messages to the sales force. First, the high performers are valued and second, the low performers should improve performance or voluntarily resign. The following example illustrates one idea for employers to consider when specific goals need to be attained.

Assume that you ranked all your junior sales representatives based on performance and, consequently, magnitude of incentive payout. Table 3 might reflect your performance and incentive payout hierarchy. Note that the "outstanding" performer received an incentive payout 3.8 times the amount received by the "on quota" performer ( $\$24,000/\$7,800 = 3.08$ , rounded). Thus, 3.08 is your incentive multiple—an indicator of the degree to which your incentive plan pays high performers unlike low performers.

Assume also that the 90<sup>th</sup> percentile payout in the marketplace reflects "outstanding" performance and the 50<sup>th</sup> reflects an "on quota" payout, and the incentive multiple for "outstanding" vs. "on quota" performance is 5.16. Your incentive payout multiple of 3.08 is not as performance discriminating as the marketplace. (36)

Table 3

Your Company's Performance and Incentive Payout  
Hierarchy for Junior Sales Representatives

---

Performance Level	Population %	Incentive Payout
Outstanding	90 <sup>th</sup>	\$24,000
Excellent	75 <sup>th</sup>	\$15,400
"On Quota"	50 <sup>th</sup>	\$ 7,800
Minimum Acceptable	25 <sup>th</sup>	\$ 3,300

---

Source: Compensation & Benefits Review. Exhibit from "Fine-Tuning Sales Compensation Programs," by John Tallitsch and John Moynahan (1994).

The multiple factor example is only one part of the equation. Setting objective strategic performance measurements is an integral part in the designing of the compensation plan. Table 4 accurately describes areas for consideration.

Table 4  
Measurements of Salesforce Performance

---

Account Penetration - Measures the percent of accounts from which the sales person secures orders. It provides a direct measure of whether the salesperson is working all accounts systematically.

New Account Conversion Ratio - Gauges the salesperson's ability to transform prospects into customers.

Lost Account Ratio - Appraises how well the salesperson keeps accounts as active customers and reflects on how well established accounts are served.

Sales Per Account Ratio - Indicates the salesperson's success per account average. A low ratio could indicate the salesperson is spending too much time calling on small, unprofitable accounts and not enough time calling on larger ones. One could also look at the sales per account ratio by class of accounts, which can reveal the selling strengths and weaknesses of each salesperson.

Order Cancellation Ratio - Reflects the salesperson's method of selling-a very high ratio could mean the salesperson is using high-pressure tactics to secure orders, rather than satisfactorily handling customer concerns.

---

Source: Compensation & Benefits Review. Exhibit from "Fine-Tuning Sales Compensation Programs," by John Tallitsch and John Moynahan (1994).

In a related survey conducted by Lissy and Morgenstern, the annual bonus structure is shown to be the most favored program. "The survey found that 78.2% of companies have at least one bonus or other type of variable pay plan, an 8.6% increase in the last year

and a 12.9% increase over the last two years" (18). Historically, variable pay was used mostly at the executive level, however, the competitive market forces have contributed to the more widespread usage of this format at different levels of organizations. The future of variable pay is unknown because of the flexibility associated with this program. Companies are able to manipulate and format this system to reach certain corporate wide objectives. Schuster and Zingheim, in their book The New Pay, illustrate a few areas of change to this form of pay in the 1990's:

- Formation of employee-organization partnerships
  - Improved collaboration between organizations and employees
  - Primary emphasis on customer interests
  - Organizational success affecting all rewards
  - Downplaying of tenure and entitlement
  - Quality and customer value initiatives
  - Experimentation with new reward programs.
- (156)

In a contrasting opinion, Harold Novick believes that balancing commissions may result in an opportunity lost. The example given relates the fear of manufacturer representatives doing such a good job with a specific organization that they might be replaced by direct selling (11). This perspective coincides with

the sales representative that believes the rewards are not worth the risk and effort to exceed the expected quota figures and relies on just making the average. This outlook is definitely lost opportunity and may suggest the need for evaluation.

Accurately assessing performance is a key portion of the compensation pie and can serve to be motivating and stimulating if approached correctly. The annual performance review is the normal course managers take for filling this necessary part of compensation. However, an article in the Wall Street Journal by Timothy Schellhardt supports the notion of doing away with yearly evaluations in favor of a more simplistic approach. ". . . managers sit down with employees and ask simple questions to determine what employees think they have accomplished and what they expect to accomplish in the coming year" (A5). The rationale for this format is to alleviate the negative feelings associated with evaluations. Even positive evaluations tend to be perceived as negative due to the focus of the individual being evaluated. Many managers do not take the time to gather all the necessary information for an accurate assessment of performance and sometimes ask employees to fill out the forms for them. The standards for evaluation must be clear and concise, but

the stress involved on behalf of each party can have a negative motivating effect on employees. For example, Schellhardt quotes Winston Connor, vice-president for Huntsman Chemical Corp., "They pull out last year's review, update it and do it quickly and . . . they use the annual review to dump all the negatives collected over an entire year on an employee" (1). Therefore, it would make sense to try to shed some of that pain by changing the system. However, corporations are not interested in releasing more control under the guise of legal aspects and defense mechanisms in wrongful termination suits. This article has a contrasting view in comparison with previous comments from Judy Bardwick and Ken Blanchard. Therefore, this idea may be just that, an idea, but a look at different views is prudent in this presentation of motivational factors in the business world and more specifically the field of sales.

The compensation and evaluation tools used to motivate salespeople are extremely important; however, the non-cash rewards or benefits play a valid role in the motivation of salespeople. In his book, 1001 Ways To Reward Employees, Bob Nelson comments,

Few management concepts are as solidly founded as the idea that positive

reinforcement-rewarding behavior you want repeated-works. In fact, in today's business climate, rewards and recognition have become more important than ever for several reasons: Managers have fewer ways to influence employees and shape their behavior. Coercion is no longer an option; managers increasingly must serve as coaches to indirectly influence rather than demand desired behavior. Employees are increasingly being asked to do more and to do it more autonomously. To support looser controls, managers need to create work environments that are both positive and reinforcing . . . (XI).

Ken Blanchard, co-author of The One Minute Manager, is in full agreement. He comments "If there's one thing I've learned in my life, it's the fact that everyone wants to be appreciated. This goes for managers as well as employees" (ix). There are five successful techniques used to motivate employees in a non-cash method. Bob Nelson quotes a study performed by Dr. Gerald H. Graham, professor of management at Wichita State University:

- The manager personally congratulates employees who do a good job.
- The manager writes personal notes about good performance.
- The organization uses performance as the basis for promotion.
- The manager publicly recognizes employees for good performance.
- The manager holds morale-building meetings to celebrate successes. (2)

The non-cash form of reward can be the icing on the cake and the necessary piece of the puzzle to make average sales people move to action, performing like champions. Managers must initiate the steps and take the time to propel their representatives to higher levels.

In summary, motivating employees and more specifically, sales personnel is a difficult task. The literature review for this chapter reveals many thoughts and ideas concerning this issue. The optimum results must involve the psychology behind what motivates individuals to action and the tools that most appropriately fill this need. In the future, managers must be given the time to more accurately assess all the aspects of motivation and be less concerned with the paperwork and other issues demanding of their time. The differing of opinions within the business world on the best means for reaching specific goals and objectives in the field of sales creates the need for a reference document that addresses these areas. The proposed manual on How To Motivate Sales Personnel will address these issues and place a perspective on the necessary aspects to achieve maximum performance from employees.



Chapter III  
METHODS AND EVALUATION

**Materials**

The motivational manual (Appendix A) is intended to stimulate the thoughts of sales managers who are responsible and interested in motivating their sales people to perform at a higher level. To accomplish this goal, the manual covers the following areas:

- Motivational Theory
- Personality Types
- The Role Managers Play
- Sales Personnel Responsibility
- Different Motivational Techniques

The individual manager or managers who choose to read this manual should gain an additional perspective with regard to motivating people and most certainly recognize the importance of this topic in the field of sales. Furthermore, this manual should provide ideas and generate creative thinking for managers who are seeking different avenues to move their people toward specific goals. For the manager who is seeking clear cut answers and guarantees, this manual will not provide that kind of security.

## Procedure

The first step involved the selection of potential evaluators of the proposed manual. Each of the two individuals was contacted by phone and asked if they would be willing to be a part of the project. Each was offered a two week time frame to complete the survey. A follow-up phone call was made to each evaluator at the mid-point of the two week time frame for assessment of a timely completion of the project. Once the evaluations were completed, an additional phone call was made to evaluators to discuss their comments.

## Instrument

Each evaluator was given a copy of the introductory letter (Appendix B), the background data sheet (Appendix C), the manual questionnaire (Appendix D), and the proposed manual. The introductory letter described the reason for developing the manual, and the process the reader should follow during the evaluation.

The background data sheet provided data with respect to the evaluator's credibility and expertise in the field of sales. The manual questionnaire was used to formulate the comments from the evaluators and provide consistency in responses. The questionnaire was formatted in an open ended question style to gather

as much knowledge and experience from the evaluators as possible.

### Subjects

Two people were selected to evaluate the proposed manual for Motivating Sales Personnel. The criteria established for potential subjects included:

- A minimum of five years experience in field sales management.
- Currently in a field sales management position.
- In possession of a Bachelor's degree.

The first evaluator is Mike Woodruff. He is currently the Endocrine West District Sales Manager for Eli Lilly and Company. Mr. Woodruff has been involved with numerous assignments with Lilly over the last seventeen years. The following are examples of his experience within sales and marketing:

- Endocrine West District Sales Manager  
(Dallas TX) 6/94-present.
- Corporate Accounts Manager (Indianapolis, IN) 10/92-5/94.
- Retail Sales Manager (Detroit, MI) 1/89-9/92.
- Regional Personnel Representative  
(Indianapolis) 6/88-12/88.

- Associate Manager Marketing Plans  
(Indianapolis, IN) 10/86-5/88.
- Associate Manager Sales Training  
(Indianapolis, IN) 11/84-9/86.
- Specialty Sales Representative (Houston,  
TX) 7/82-10/84.
- Retail Sales Representative (Tyler, TX)  
12/80-6/82.

Mr. Woodruff is a graduate of the University of Texas with a Bachelor of Science degree in pharmacy.

The second evaluator is David Stewart. He is currently the District Sales and Operations Manager for Nellcor Puritan Bennett, Inc. Mr. Stewart has served in this capacity since 1975. He is a graduate of West Georgia College with a Bachelor of Science degree in Business Administration. Additionally, Mr. Stewart has taken several courses in the area of sales and motivation to include:

- Dale Carnegie training seminar
- Professional Sales Training Systems seminar.
- Xerox training seminar.

The two evaluators chosen to review the manual on "Motivating Sales Personnel" have encountered numerous situations and issues in the field of sales and have

well over twenty years of combined experience in this area.

## Chapter IV

### RESULTS

The following chapter is a culmination of the responses to a questionnaire designed to assess the proposed manual on "Motivating Sales Personnel." The questionnaire was structured in an open-ended question format. This particular style was chosen to gather as much knowledge and experience as possible from each evaluator. A detailed statistical analysis of responses gathered with different survey structuring techniques is believed to be of limited value due to the limited sample size and the nature of the project.

The first section of this chapter presents information gathered from the background data sheet regarding a question surrounding problems or issues each evaluator had encountered during their respective tenure as a sales manager. Section two presents the detailed responses to the questionnaire. The final section presents data gathered from a follow-up phone call to each evaluator for additional explanation of responses and suggestions for improvement to the manual.

The evaluators were asked to respond to a provoking question regarding issues or problems they have struggled with or addressed as a sales manager with regard to motivation. The following is a summary of their responses:

- Many sales personnel do not have a clear understanding of the business unit strategy.
- Many subordinates are relatively young with minimal job experiences and exposure to different corporate cultures. (business maturity)
- Limited resources and span of control contribute to a motivational issue.
- Motivation is a priority but lower on the list and one that requires a personal touch with no formal corporate strategy for this aspect of the business.
- Ability to motivate is expected by superiors without formal training, resources, and time.
- Overcoming an "I don't care" attitude from specific individuals.

The questionnaire contained eight open-ended questions beginning with general overview remarks and continuing with detailed remarks for each section of the manual. Question number one asked for an opinion regarding the coverage of appropriate material within the manual and three reasons for their affirmative or negative answer. The responses include:

- The manual includes the proper motivational research.
- It provides methods for different types of sales people to be motivated.
- Specifically identifies sales managers role in motivating employees.
- Serves as a refresher.
- Serves as a reference (Bibliography)
- Provides a good summation of both extrinsic and intrinsic rewards. (ideas)

Question number two asked for a response regarding the logical sequence of information. Each evaluator responded favorably to this question. No suggestions were given for improvement in order of material.

Question number three asked if the manual would fulfill the purpose for which it was written. Each evaluator answered favorably and listed three reasons for their response.

- Identifies direction managers need to take to motivate employees.
- It has ready application to a sales manager.
- Specifically identifies types of sales people.
- Organized refresher.
- Identifies multiple courses of action.
- Serves as a reference.

Question number four seeks an opinion regarding the background information section and the degree of adequacy motivational theory is addressed. Each



evaluator answered yes and the following are the responses:

- It documents both statistical and behavioral background for different types of sales personnel.
- As a sales manager, it covers the theory as well as needs. Leaves you with a comfort level that the topic has been researched.

Question number five asks for an opinion regarding the accuracy and completeness of the section on the sales managers role in motivation. Each evaluator answered yes and the comments are as follows:

- It documents how to effectively motivate different types of sales personnel.
- Suggests a process for organizing and positioning thoughts.
- Gives managers a good outline to follow for motivating employees.
- Good discussion on the non-motivational nature of annual reviews.
- Covers both monetary and non-monetary rewards to motivate people.
- I agree with discussion on performance management.

Question number six asks for an opinion regarding the accuracy and completeness of the section on a sales representatives role in motivation. Each evaluator answered yes and the comments are as follows:

- The manual documents different sales personnel personalities.
- The information is accurate based on my experience.
- The manual describes what motivates each personality.
- The topics are covered and credible.
- In different companies-sales are cyclical and the manual covers how to handle the highs and lows of sales performance.

Questions number seven asks for an opinion regarding the adequacy of coverage for the different motivational techniques section of the manual. Each evaluator answered yes and the comments are as follows:

- The manual adequately covers monetary and non-monetary motivational rewards.
- Many managers forget about the non-monetary motivational rewards.
- Good examples of extrinsic and intrinsic rewards with references.
- Encourages the use of creative rewards while staying within the boundaries of a company's policies.

Question number eight asks for an opinion to "Real World" application for this manual. Each evaluator answered yes with additional comments. The comments are as follows:



- The topics are thoroughly covered in theory. I would love to see additional discussion on both managing upward and downward to successfully motivate sales representatives. Specifically, resources and time. Additionally, a discussion of the different motivational examples and the human resource consequences (legal) of differential treatment.
- This manual is thought provoking to a sales manager who is trying to improve performance via motivation of sales staff.

The final portion of this chapter illustrates the information gathered from a follow-up phone conversation to each evaluator regarding additional explanation of responses on the questionnaire and any additional thoughts for improvement to the manual.

Woodruff commented on the area of personality traits and was interested in additional information concerning identification of specific personalities and how to change behavior for each personality. Secondly, he suggested a checklist or tracking sheet including various means to motivate personnel. Third, he suggested adding a few examples of the common "pitfalls" to the sales representative's section. The example he used was, "The rumor mill." Finally, he reiterated his remarks made in the additional comments section to reinforce that resources and time are a major issue facing managers in most corporate situations where formal motivational training and the

funds to support this necessary issue are lower on the priority list. Furthermore, the legal aspects with respect to differential treatment for subordinates is a definite concern for managers in today's environment.

Stewart suggested that there are numerous issues surrounding this topic, however, the manual provided a vehicle to stimulate creative thinking on the part of the manager based on his or her own situation. Additionally, motivation is very personal in nature to both sides of a relationship and therefore requires a manager's personal touch for successful motivation of employees.

## Chapter V

### DISCUSSION

#### Summary

The majority of comments received for the proposed manual on Motivating Sales Personnel were very positive in nature. For example, Woodruff comments, "Taken as a whole, I appreciate the opportunity to review this manual and I found the discussion helpful and relative in the 'Real World' ". Although this remark reflects well upon the ultimate purpose for writing this manual, there is always room for improvement. The following part of this section will illustrate the responses to the questionnaire and present interpretation of the suggestions for improvement.

First and foremost, a review of the purpose for which this manual was written is appropriate. Basically, this manual is intended to serve as a reference for managers to examine and refresh their memories for motivating sales personnel, as well as, stimulate and provoke creative ideas for accessing the powerful resource of successful motivation. Historical, behavioral research has proven that people

who are positively motivated outperform those who are not. As a result of this premise, each evaluator responded favorably to the first question concerning the coverage of the appropriate material within the manual. Stewart comments, "The manual includes the proper motivational research." Woodruff believes the manual, "Provides a good summation of both extrinsic and intrinsic rewards and ideas." Given the previous examples, one might contend that the manual covers the appropriate material pertinent to this specific topic.

The format or layout of the material appears to be in a realistic and logical succession based on favorable responses to question number two. Although additional areas might be added to the manual in an effort to expand the scope of the material, the overall format may be considered to be consistent, logical and in keeping with the purpose for which it was written.

The fulfillment of the purpose for which this manual was written is highly individualized. Manager's use reference material in different manners with respect to their own personalities and knowledge base. For example, Woodruff comments, "It has ready application to a sales manager." Additionally, Stewart believes the manual, "Identifies the direction a manager needs to take to motivate employees." Both

evaluators believe that the manual does serve it's purpose, but for different reasons. Therefore, it is reasonable to assume that for this project the manual does fulfill a purpose, however, a larger sample size may possibly reveal results which are more wide ranging.

The background information section consisted largely of historical research and data with regard to motivation and human behavior. As one might imagine, there are volumes of information surrounding this topic. Therefore, the most widely accepted theories were presented to provide support for the necessity to motivate sales personnel, as well as, driving prominent figures who developed these theories. Stewart comments, "It documents both statistical and behavioral background for different types of sales personnel." Today, managers neither have the time or the energy to wade through numerous documents of motivational theory, however, a condensed, accurate version may prove to be very helpful. Woodruff comments, "As a sales manager, it covers the theory, as much as, the need. It leaves you with a comfort level that the topic has been researched." Based on this reaction, it is reasonable to assume the background information section is addressed sufficiently.

The section regarding a sales managers role in motivation revealed two suggestions for improvement to the manual. The addition of a tracking sheet or check list for use by a subordinate to follow the progress of a manager concerning motivational improvement was added to this section. This document is intended for managers to provide to their sales personnel and returned or discussed in an effort to gauge their own performance in this area. Additionally, this may be viewed as a good faith gesture on behalf of the manager and prove to be a motivating factor in itself. Many times managers are viewed as being non-motivating and this checklist would allow a manager's subordinates to really examine what the manager actually does for them in this area. The sales representatives may not understand how good their situation may be with respect to being motivated to perform.

The second suggestion centers on personality identification and the need for additional information in this section. This is obviously an important area of concern for managers, but personality identification is quite complex. A detailed explanation for this subsection of the manual would not be consistent with the scope and the purpose of this manual. However, there are references located in the works cited that



explain in greater depth personality identification. This suggestion, although not incorporated into the manual, reaches a goal with respect to the purpose of this manual. That goal is stimulating and provoking the thoughts of managers as to the necessity of personalizing the management of sales personnel down to the individual level.

Even though the section on a sales managers role in motivation had a few suggestions, each evaluator responded favorably to the question. Stewart comments, "It gives a good outline to follow for motivating employees." On the same note, Woodruff comments, "Good discussion on the non-motivational nature of annual reviews."

The section regarding the sales representatives role in motivation received favorable comments with one suggestion for improvement. The suggestion centers on the idea of the many "pitfalls" that sales representatives may be subject to during their respective tenure. This should help management personnel understand this issue more clearly. Woodruff gives the "rumor mill" as an example of a potential issue that may be counterproductive to motivation. Therefore, an addition to this section was made in an effort to inform managers of some common issues, as

well as, inform the sales personnel who read this manual of hazards or traps involved in this area and the non-motivational effect it can have on the individual.

The different motivational techniques section of the manual received favorable remarks plus one additional point of interest concerning the legal aspect of differential treatment for individuals. This is an important issue in today's environment, however, many companies handle this issue differently. Depending on a manager's specific situation and that particular corporations stance on this issue, the latitude of differential treatment will vary across the country. Therefore, a subsection regarding this topic was not included in this manual due to the variety of application and the scope of this manual. It is, however, an important issue that managers must be aware of and seek out the answer for their respective situation. On a positive note for this section, Stewart comments, "The manual adequately covers monetary and non-monetary motivational rewards (many managers seem to forget the non-monetary rewards)." Once again, a goal of the manual is to remind managers about the impact of the different kinds of rewards (extrinsic - intrinsic). Based on the previous

comment, one may assume that this section will contribute to the overall goal of the manual.

The final aspect of the questionnaire seeks an opinion regarding the "Real World" application of this manual. The responses were favorable, which in turn, leads one to believe that there is a need for information on this subject. Furthermore the evaluators, in general, found it helpful and that it would serve its purpose. For example, Woodruff comments, "There is 'Real World' application of this manual. The topics are thoroughly covered in theory." Additionally, Stewart comments, "This manual is thought provoking to a sales manager who is trying to improve performance through motivational avenues."

In summary, the previously discussed additions to the manual will prove to enhance the final product and accomplish the goals set forth in the purpose for which this manual was written. It is important to remember that this manual is not all inclusive in nature and certainly will not answer every question a manager has with regard to motivating sales personnel. However, based on the data gathered through the implementation of the questionnaire, it will stimulate and provoke managers to understand the necessity of motivation and

the powerful impact of creative rewards on individual motivation and performance.

### Limitations

There are four areas of concern regarding the limitations to this project. First, the sample size of evaluators of the manual is very small. This is not to suggest that the information gathered from the two evaluators was not accurate or beneficial. However, a topic of this kind is highly individualized and a larger sample size may have provided additional support for the general use of the manual.

Second, the structure of the questionnaire may be leading the evaluator to respond in a specific manner. For example, all the questions asked for a yes or no confirmation of the question while asking for a list of reasons explaining their answer. This format was used to gather as much personal knowledge and experience from each evaluator as possible. In an effort to be motivating, the evaluators may have responded positively to most of the questions. Therefore, the structure of the instrument may need to be evaluated in depth prior to further use.

Third, and closely related to the previous limitation, the potential for evaluator bias is a

factor in the project. This aspect, in part, is due to the personal relationship the researcher shares with each evaluator. Regardless of the design of the instrument, evaluator bias must be addressed to strengthen the credibility of the project.

The final limitation centers around the perspective from which the manual was written. A researcher who writes about a subject with no personal experiences to draw upon or a limited perspective is subject to harsh criticism. Granted, the majority of information within the manual is drawn from outside sources, but the personal experiences of a researcher have proven to be extremely valuable in this particular area.

#### Suggestions for Future Research

There seems to be no question as to the validity of this subject and the impact motivation has on the sales environment. Therefore, it is prudent to suggest that ongoing research is a must in the always changing world of sales. One aspect deserving of attention consists of the sales representatives evaluation of the proposed manual. A researcher might include this data to balance out the spectrum of the motivational interchange, as well as, illustrate the agreement of or

disagreement with respect to the information within the manual.

Additionally, an evaluation of the manual by a corporate human resources department may be necessary to substantiate an initiative for formal training of managers and sales personnel in the area of motivation. There is no question that people who are motivated to perform, outperform the competition. Successful implementation of a program of this magnitude will definitely prove beneficial to the company willing to invest in this undertaking.

Appendix A

MOTIVATING SALES PERSONNEL

January 6, 1997

by

Kel Denker

## I. Purpose

The purpose of this manual is to provide a reference for managers to examine and refresh their memories on "How To Motivate Sales Personnel." To accomplish this goal, the manual will cover the following topics:

- Motivational Theory
- Personality Types
- The Role Managers Play
- Sales Personnel Responsibility
- Different Motivational Techniques

The benefits derived from this manual may, in fact, be numerous, depending on the degree to which an individual manager seeks to improve the performance of the sales representatives he/she manages. The individual who needs additional incentive to read on will understand the positive effect increased sales projects to the bottom line and in the long run increases stock performance. This, in many companies, affects a manager's financial compensation through stock option plans. Therefore, this manual will not only return a great deal of personal satisfaction for the manager who develops successful sales people, but also delivers the potential for financial gain. A



famous author and motivational speaker in the business world, Zig Ziglar once said, "You can get anything in life you want, if you help enough other people get what they want" (40). ***This is a powerful message!***

## II. Motivational Theory

Motivation has been defined as the urge to push toward a specific goal. The psychology behind motivation is fascinating and has been studied for years. Most people are familiar with a few concepts, however, there are many. For example,

- Skinner's behaviorism theory (1953).
- Maslow's need theory (1954).
- Freud's psychodynamic theory (1955).
- Vroom's expectancy theory (1964).
- Allport's and Cattell's trait theory (1961 and 1966, respectively).
- Herzberg's two factor theory (1966).
- Porter and Lawler's expectancy theory (1968).

Although this representation is not all-inclusive, it does reveal a vast cross-section of human behavior. The most notable theories relevant to the field of sales include:

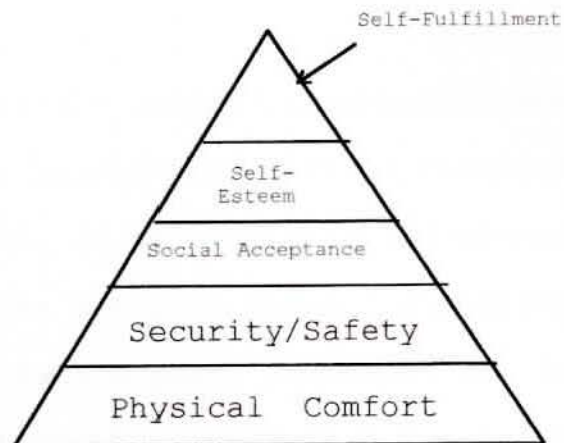
- Maslow's Hierarchy of Needs
- Herzberg's Two Factor Theory
- Skinner's Theory of Human Behavior
- Vroom's Expectancy Theory

Maslow's theory (Figure 1) relates to individuals seeking to satisfy their needs in a specific priority system.

Figure 1

### Maslow's Hierarchy of Needs

---



---

Source: Compensation and Motivation. Exhibit from "Intrinsic Incentive Compensation," by Thomas J. McCoy (1992).

This system includes:

- Physiological needs - relating to physical comfort and basic biological functions of the body satisfied, for example, by eating and sleeping.
- Safety needs - relating to protection from harm.

- Social needs - relating to belonging and affection.
- Self-esteem needs - relating to the feeling of one's importance and self-worth.
- Self-actualization needs - relating to the attainment of one's ultimate goals in life (McCoy 29).

Although Maslow's theory is second nature to most people due to the widespread coverage received in the educational system, it is simplistic in nature when extrapolated to the field of sales. Historically, many companies' compensation plans addressed the lower echelon of the hierarchy, however, McCoy notes, ". . . many employees in the 1990s have shown themselves to focus less on the . . . lower levels of the hierarchy and more on the higher levels, which provide psychic rewards" (30). Therefore, one might expect that successful salespeople in the 1990s continue to strengthen Maslow's theory by their insatiable desire to satisfy one need after another.

Herzberg's theory, on the other hand, ". . . believes that we have two sets of needs: one for positive satisfaction . . . (motivation) and the other to avoid physical deprivation . . . (hygiene)" (28).

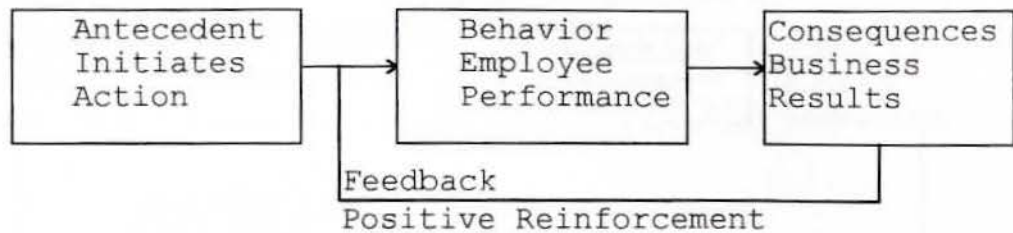
Even though the hygiene aspect of his theory is based on avoidance and escape from deprivation, Herzberg's theory hinges on the individual fulfilling an intrinsic need for psychological growth in the workplace. Therefore, one might say that the action taken by the individual to seek employment is two-fold in this theory.

In comparison, the two theories have similarities and differences. For example, the first three levels of Maslow's hierarchy of needs are similar to Herzberg's hygiene's category because both relate to the basic needs for existence. Additionally, Herzberg's motivators category may be compared to Maslow's self-esteem and self-actualization needs. The similarities are very generalized, while the differences are more specific. Maslow concludes, based on the hierarchy, that needs must be met in a certain order. Herzberg, alternatively, does not specify order in his depiction of motivation (28-29).

The work of B.F. Skinner (Figure 2) identified, ". . . that on an individual level, a stimulus will initiate behavior that will, in turn, generate a result" (33).

Figure 2

### B.F. Skinner's Behavior Model



Source: Compensation and Motivation. Exhibit from "Intrinsic Incentive Compensation," by Thomas J. McCoy (1992).

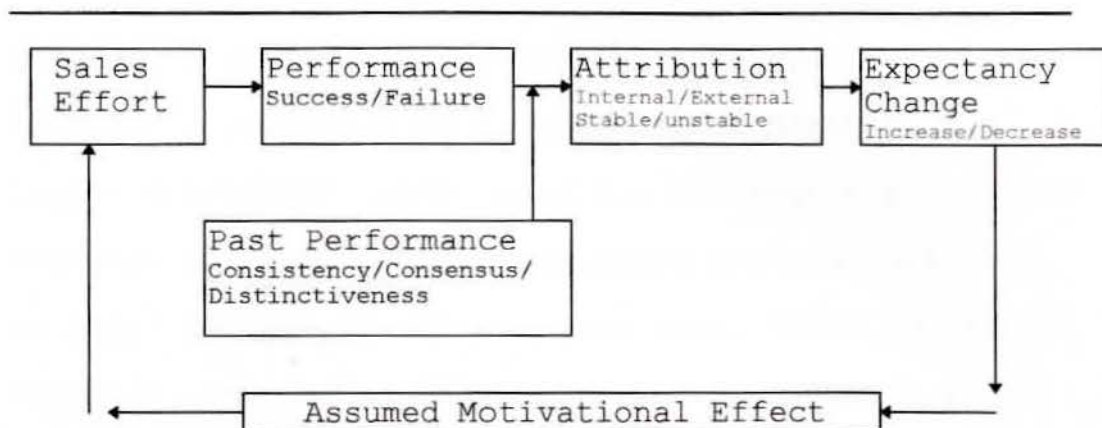
This finding is extremely important and relevant to the sales industry due to its behavior modification tendencies. In other words, sales people that engage in a positive experience because of a specific incentive, tend to repeat the behavior. Obviously, this is a form of positive reinforcement and will be discussed in future sections.

Vroom's theory of expectancy (Figure 3) in simplistic terms is ". . . the willingness to expend effort on a task depends on two variables, expectancy and valence" (Johnston 68). In other words, a salesperson examines the probability of reaching a higher performance level in relation to the effort that must be put forth to attain the improvement and the

individuals view or desire to reach this level of performance.

Figure 3

**Expectancy Theory Model**



Source: Journal of Marketing. Exhibit from "Performance, Attribution, and Expectancy Linkages in Personal Selling," by Wesley J. Johnston and Keysuk Kim (1994).

In addition to several motivational theories, a discussion of a few different personality theories is prudent for the development of the relationship to the field of sales.

### III. Personality Types

Personality is defined as the way one thinks, acts, feels, or behaves. Anastasi notes that the assessment of personality, ". . . most often refers to measures of such characteristics as emotional states, interpersonal relations, motivation, interests, and

attitudes" (17). The data collected from this type of assessment can be very helpful for the manager who is searching for specific interests and motivations of individual subordinates.

The root of individual personality rests with the concept of one's self or personal construct. Loevinger, a researcher in the area of personality traits during the 1960s, used the Washington University Sentence Completion Test to measure the trait of personal perception and proposed that, "With increasing maturity, the individual progresses beyond such a stereotyped concept to a differentiated and realistic self-concept . . . and accept themselves for what they are" (636).

The Coopersmith Self-Esteem Inventory combines self-concept and self-esteem and proposes that, ". . . this research relates to the effect of the individual's self-evaluation on his or her performance" (637). Coopersmith began this research in the 1960s, and revisited or revised the approach in the early 1980s along with many other researchers fascinated with area of self-esteem and self-efficacy.

Delving further into the psychological aspects of salespeople, an introduction of personality styles is prudent. A recent article published in "Sales and



Marketing Management" groups salespeople into four categories. **First**, the competitor is qualified by the person who truly hates to lose at anything. This type of person loves to beat the competition and even colleagues. For this individual to really be satisfied, someone has to lose or there has to be a clear cut order of placing. **Second**, the achiever is classified by the person who is goal oriented and self-motivated. This person is rarely out to satisfy an ego and is driven to accomplish the objectives that have been set. **Third** is the ego-driven salesperson who craves much more than plaques and trips. This person loves to give advice or be considered a mentor to someone who will place them on a pedestal. **Finally**, the service oriented salesperson possess strengths in their ability to form relationships and show empathy for their client's situations (89-92). The Gallup Management Consulting Group says that, "All four salespeople are top performers. All regularly surpass quota. All are equally driven - but by different needs" (89).

Geoffrey Brewer, in an article "Mind Reading: What Drives Top Salespeople To Greatness" agrees three fold with the Gallup Management Consulting Group and cites Harvey Mackay, Chairman and CEO of Mackay Envelope

Corporation and author of, Swim With The Sharks Without Being Eaten Alive, "But all great salespeople have one thing in common: an unrelenting drive to excel. . . . There's a hunger in them to continuously improve" (84). The most important concept underlying these comments reverts back to the necessity of the manager to gather all the mechanisms and tools made available by the company, tailoring a plan for each salesperson. This plan should be on an individual basis to challenge and motivate the individual and satisfy their respective needs. Suggestions for stimulation include:

- The competitor - any symbol that shows they have won - monthly standings, plaques, trips.
- The achiever - identify areas of strength and weakness and set goals together. Sometimes the goals they set for themselves are more stringent than company expectations.
- The ego-driven - use the mentor avenue to increase production or seek advice about decisions to be made.
- The service oriented - tell their success stories publicly or give them larger expense accounts because entertaining customers is important to them. (89-92)

Brewer adds an additional management perspective in an effort to illustrate the importance of these concepts: "Sure, understanding the psychology of your best salespeople sounds great in theory. But frankly, some

sales executives might think this is nothing but New Age psycho-babble. We've got widgets to sell, dammit!" (88). Who has time to play shrink? Well, this is far more than some academic exercise. Simply put: Managers who make a concerted effort to understand what motivates their top performers get *results*. (88)

The background information previously discussed is a brief synopsis of scores of information and this is not a suggestion that a psychology degree is a necessity to motivate sales personnel. However, the information does provide a reference for the psychology behind why people do what they do and serves as a prelude to the depth of knowledge manager's must possess in an effort to effectively motivate people.

#### IV. The Sales Manager's Role

First, and foremost, it is extremely important to recognize that the aspect of motivation of employees is only a fraction of the complete expectations of managers. Managers are responsible for:

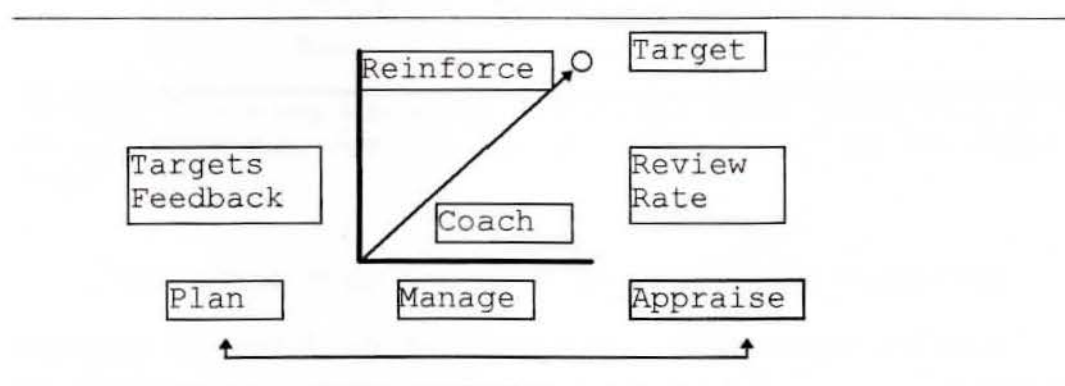
- Planning
- Organizing
- Staffing
- Leading
- Controlling

These specific functions occur at all levels of management and motivation of employees falls under the controlling category. Although only a small part of the duties performed by management, it consumes approximately 50% of a manager's time. Motivating employees can have a dramatic effect on the other responsibilities and in other words, people are a company's most valuable asset and complete communication and trust between the team makes the other aspects of the manager's duties more easily accomplished.

The 1990s have seen many companies restructuring their compensation plans and how employees are evaluated. A few of the common formats consist of

total quality management and management by objectives. There seems to be a recent trend toward pay for performance or performance management. The evaluation process is a logical place to begin in consideration of motivating factors. Historically, the appraisal process took place on an annual basis and managers would spend a few weeks before the end of the year collecting all the information they believed they needed to complete the task. Some managers would even ask employees to fill out their own performance appraisal and consider that a completed exercise. Performance management, which may be the best process to this date, stresses a continual process during the year. The process includes planning, feedback and coaching, and reviewing (see figure 4).

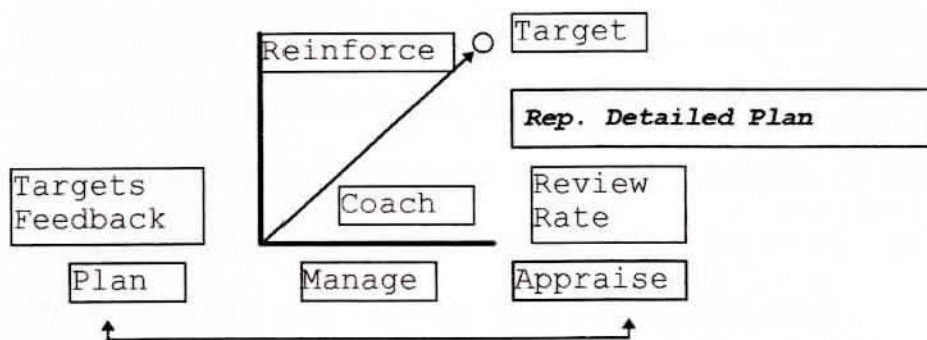
Figure 4  
Performance Managing



Source: Training Magazine. Exhibit from "Performance Management: Not Just an Annual Appraisal," by Kathleen Guinn (1987).

This format may be extremely motivating in terms of constant attention for the sales person to continually develop and meet their need for mutual involvement in the process. Additionally, this process allows for inaccurate assessments to be addressed at an earlier stage and alleviate misperceptions that might exist on behalf of both parties. Figure 5 illustrates the performance management model in an adapted manner to add one additional step for the manager.

Figure 5  
Performance Managing



Source: Training Magazine. Exhibit from "Performance Management: Not Just an Annual Appraisal," by Kathleen Guinn (1987).

The added step includes an additional planning process in addition to coaching. This requires the manager to develop a detailed plan for each sales person. Factors that should be included in the detailed plan are as follows:

- What type of personality does this representative exhibit.
- What motivates this person to excel.
- What opinion does this representative have of the Company's goals.
- What influence does this person have over the sales team.
- What can the manager do to help this person obtain career goals.
- What can the manager do to make this person's job more satisfying.

A plan so detailed that the manager will know how to reach each individual in the team and obtain optimal performance from everyone. This is great in theory, but will not succeed unless the manager makes it a PRIORITY. This concept may change the focus for many managers, but it is sure to prove significant. The clear understanding of the objectives and measurement tools will add to the ease of administering the process and can be quite motivating if approached in an appropriate manner.

In addition to the performance management process, there seems to be little room for subjective information in assessing individuals. Every manager

will be challenged at some time or another with respect to the other things a sales representative brings to the group and what value this should have in the evaluation process. This requires the highest degree of responsibility and honesty on behalf of the manager because the pay for performance is negated when undue influence is placed on subjective contributions.

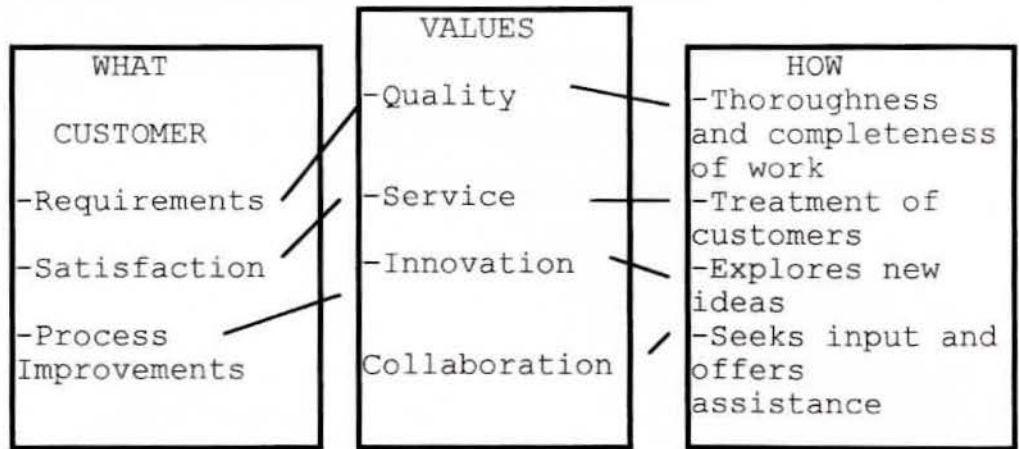
The manager is also responsible for noticing problems that exist. The issues may include, but are not limited to:

- Personal problems or Work/Family issues
- Travel schedules/territory
- Political disagreement with company policy
- Time management issues
- Fundamental problems with sales process

All of these will challenge the manager to accurately assess each situation and proceed in the most tactful manner in an effort to retain the confidence of the employee, but yet address the situation. Figure 6 and 7 will help to illustrate the necessity of linking performance to values and coaching for results.

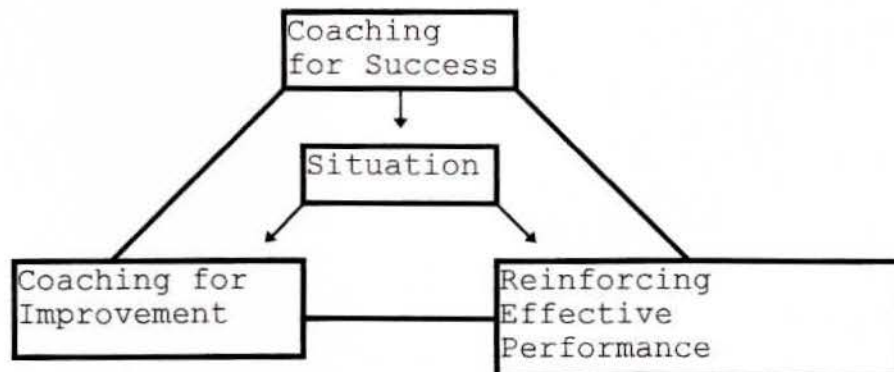


Figure 6  
Link to Values



Source: Exhibit from "The Perfect Performance Management System . . . Well, Almost," by Robert W. Rogers.

Figure 7  
Coaching for Results



Source: Exhibit from "The Perfect Performance Management system . . . Well, Almost," by Robert W. Rogers.

In addition to the linking performance to values and coaching for results figures, figure 8 consists of a checklist for evaluating how well a manager is currently motivating his or her sales team. This form is intended for use by the sales representative to give feedback to the manager about his or her motivational efforts.

Figure 8

## Motivational Checklist

How does your current management motivate you to outperform the competition and the company metrics?

## NON-MONETARY REWARDS (Intrinsic)

1. Your manager writes personal note of thanks for a job well done.	Yes	No
2. Your manager gives good public recognition to individuals.		
3. Your manager's superior calls to thank you for a job well done.		
4. Your manager has a leader of the month list.		
5. Your manager publishes articles about individuals in Company newsletter.		
6. Your manager gives time off for a job well done.		
7. Your manager celebrates successes of all magnitudes.		

## MONETARY REWARDS (Extrinsic)

1. Your manager gives small cash reward for outstanding performance.	Yes	NO
2. Your manager sends a small cash reward to a spouse for continued support.		
3. Your manager has granted a stock option or event tickets.		
4. Your manager has made a mortgage payment or car payment for you.		
5. Your manager has arranged for a house cleaning service for a month.		
6. Your manager has given gift certificates for a variety of uses.		

Figure 8  
Continued

---

This list is not all inclusive, please make any suggestions to either category that would motivate you specifically!!!

NON-MONETARY (Intrinsic)

1.

2.

3.

MONETARY (Extrinsic)

1.

2.

3.

The different types of motivational techniques can help this process run smoothly and will be discussed in a later section, however, the next logical step would be to recognize the flip side to the equation and discuss the sales representative's role in motivation.

## V. Sales Representatives Role

There are six areas needed to clearly understand or communicate effectively to the sales representative in an effort to optimize results of the evaluation process and to maximize the potential of the individual.

**Motivate Thy-Self** - Sales representatives are generally self-starters and goal oriented, however, all go through periods when sales are volatile and questions regarding ability creep into one's mind. The representative must recognize these times and take the first step in getting back on track. A few suggestions for getting re-motivated include:

- Reading books or articles that are motivating
- Listening to audio tapes that refresh the memory
- Communicating thoughts to colleagues and seeking advice
- Reflecting on the successes and accomplishments attained in the past
- Confiding and trusting in management to hear your thoughts and concerns in a non-biased fashion

- Look for the other rewarding aspects of the job ie. (servicing customers beyond expectations and the gratitude received for doing so)

These are only a few suggestions that might help the sales representative that is in a slump, but the recognition of this issue must begin with the individual.

**Communication** - This aspect should be second nature to most sales people due to the fact that it occurs so frequently in their job. This means free open lines to management and peers to talk about aspects of the job that may be troubling at times. The burden for this process, once again, rests with the individual. They must be willing to seek advice and begin the communication process. Additionally, the sales person must also understand that there may not be a clear cut answer for their issues, however, the need to vent frustrations will be fulfilled and the individual can move onto more productive actions.

**Educate Thy-Self Continually** - This aspect of the salespersons role goes hand-in-hand with that of motivating thy-self. Education is the basis for excelling in any type of job. Challenging individuals to increase knowledge whether it be self-education or

attending formal classes can be enlightening and serve a definitive purpose in seeking to improve one's competence and capability. Those who do not continue to learn become stagnant and ineffective.

**Accurately Assess Thy-Self** - This may be one of the hardest goals to accomplish for both managers and sales personnel. People inherently perceive themselves differently than other people. Therefore, the sales representative must be completely honest with him or herself and seek opportunities to improve. The manager, on the other hand, must play this role delicately. A complete detailed plan for sales personnel, as previously discussed, will allow the manager to handle each personality type differently and most appropriately. The burden for this process still rests with the individual, but the concept can be cultivated by the manager through knowledge sharing with sales representatives.

**Do more than is expected** - Finally, but not the all inclusive list, sales representatives should strive to exceed expectations of management. Managers should be very willing to mold and shape the ambitious individual into greatness. The ultimate requirement for success is the desire to be the best that you can be. Sounds like an advertisement for the Army, but is



extremely powerful in its message. A manager who can convey these principles and gain agreement from his or her sales representatives is well on their way to shaping a great team.

**Beware of The Motivational Pitfalls** - Sales

representatives are subject to numerous outside sources of influence during their everyday tasks of selling. The following presents potential areas for non-motivating issues to arise:

- The "Rumor Mill"
- Peer illusions or perspective
- Management Non-consistency or attention to issues
- Drugs, alcohol, and depression
- Procrastination
- News Media
- Neighbors, relatives, close friends

This list is by no means complete, however, it should bring to the manager's attention several areas of potential influence. A manager may not have control of this situation, but may be able to counteract the damaging thought processes, if keenly aware of the psyche of each individual sales person.

## VI. Different types of Motivational Techniques

In addition to the implementation of the evaluation process and numerous other tasks, managers have the opportunity to use different tools to motivate their sales people to optimize and reinforce successful behaviors. It is important to remember, Motivation is the urge to pursue a specific goal. Ken Blanchard, co-author of the One Minute Manager, said:

"If there's one thing I've learned in my life, it's the fact that everyone wants to be appreciated. This goes for managers as well as employees, parents as well as children, and coaches as well as players. We never outgrow this **need** and even if it looks like we are independent and self-sufficient, the fact is we need others to help us feel valued" (ix).

Wow! What a true statement. The following section is designed to give managers thought provoking ideas gathered from many sources on how to satisfy additional needs of their sales representatives above their current compensation plan and evaluation process.

There are two areas for consideration: Additional monetary or extrinsic rewards regarding the form of materialistic positive reinforcement of cash, for example. Secondly, non-monetary or intrinsic rewards regarding self satisfaction and a positive self image.

**Monetary Rewards (extrinsic)**

- A small cash reward for outstanding performance
- A small cash reward sent to a spouse for continued support
- Make a mortgage payment or car payment
- Pay for tutoring of a child
- Stock option
- Event tickets
- Pay for a night on the town with significant other
- Buy a gift certificate
- Pay for a house cleaning service for a month
- Give a small (but permanent) unexpected raise

There are numerous rewards and recognition a manager can achieve with cash. The limit is placed on the creative mind of the manager and the policies put in place by the organization.

**Non-Monetary Rewards (intrinsic)**

This area is used more and more due to budget cut backs and renewed efforts to add as much to the bottom line as possible. Although not the same as cash, this method can still carry a great deal of weight in reinforcing positive behavior and the increased

potential for repeated performances. A few suggestions include:

- Writing personal notes to employees who do a good job
- Public recognition for a job well done
- Have the manager's superior call the sales person and thank him/her for a job well done
- Leader of the month list
- Invite the person to your home for dinner
- Publish article in Company newsletter about employee
- Give time-off for job well done

This section too, is only a fraction of what managers can do to motivate sales people and the only limits here is the creativeness the manager possesses.

Bob Nelson in his book, 1001 Ways to Reward Employees, cites Rosabeth Moss Kanter and the six guiding principles for delivering a meaningful reward:

- Emphasize success rather than failure.
- Deliver recognition and reward in an open and publicized way. If not made public, recognition loses much of its impact and defeats much of the purpose for which it is provided.

- Deliver recognition in a personal and honest manner.
- Tailor your recognition and reward to the unique needs of the people involved . . . .
- Timing is crucial. Recognize contributions throughout a project. . . . Time delays weaken the impact of most rewards.
- Strive for clear, unambiguous and well-communicated connection between accomplishments and rewards.
- Recognize recognition. That is, recognize people who recognize others for doing what is best for the company.

These aspects of positive reinforcement are often forgotten in the day to day pace of managers. They may seem simplistic in nature and probably heard before, but the constant reminder will help many managers to more effectively manage and motivate their sales people. Furthermore, it is important to recognize the potential benefits gained from the use of negative reinforcement of behaviors or more specifically punishment to attain certain goals. In the realm of motivation in the sales field, these measures are obviously a last resort, however, serve a purpose. If

and when this situation occurs, a manager with limited experience should not only seek the advice of his or her peers, but also the advice of the human resources department with regard to the latitude allowed within legal limits. Additionally, a well thought out plan of action will prepare the manager for discussion with the necessary parties.

### **The DO NOTS of Motivating Sales People**

This section might be considered common sense, but a few suggestions will project a thought provoking mentality when reviewing current practices managers use. For example,

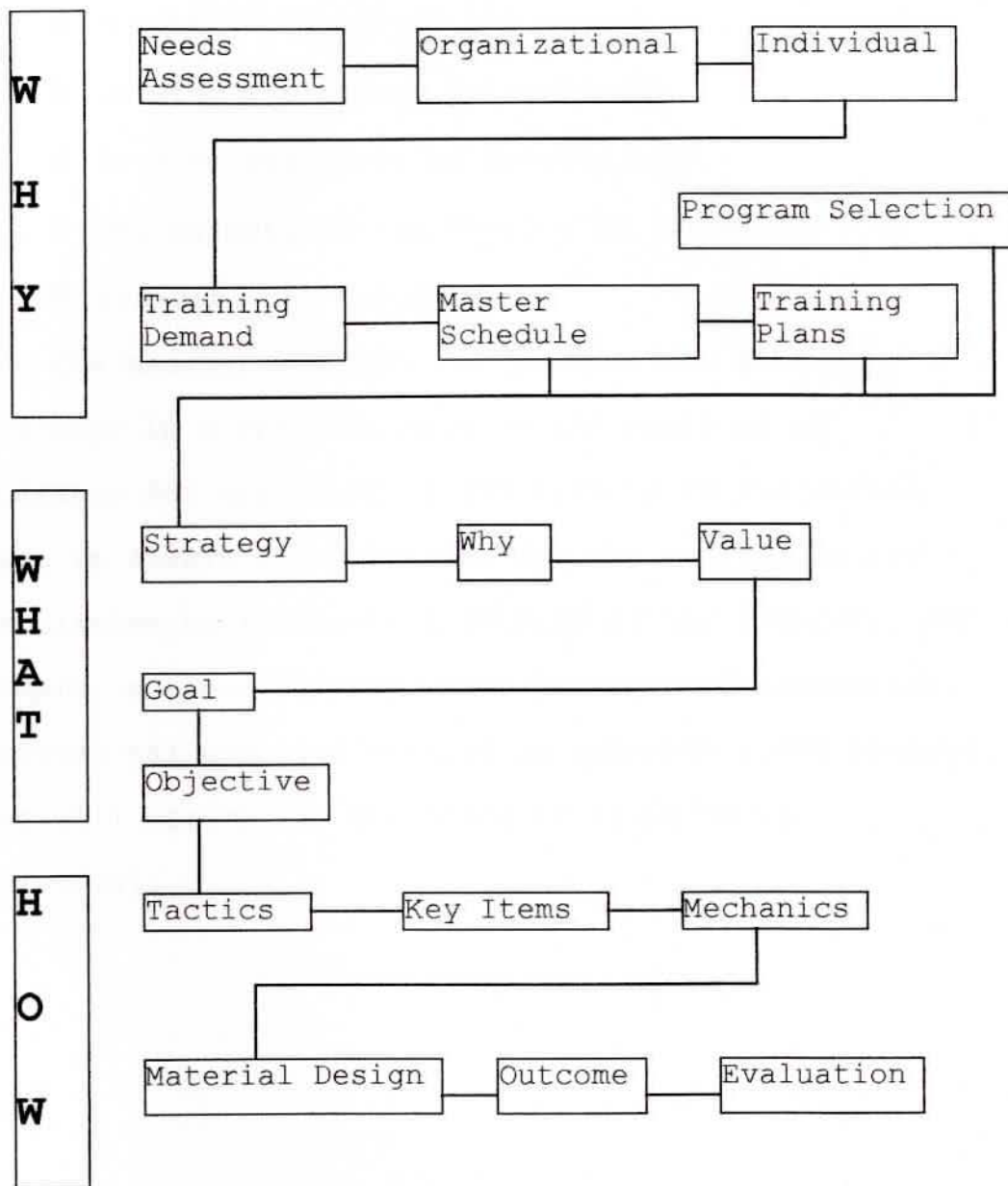
- Do not exclude sales representatives from the planning process.
- Do not get into a rut by using the same idea over and over. This breeds expectancy and complacency.
- Do not allow a long period of time to elapse before issuing the reward.
- Do not reward sales people with something that motivates you, match the reward to the person.
- Do not under reward for a particular achievement.

The best rule of thumb for managers to consider when looking to reward or recognize an employee for performance is to make sure there is sincerity and honest appreciation for the work completed and place some thought into the best way to accomplish the goal at hand.

### **Investing in Sales People**

The final section of this manual deals with a concept that really does not fall into monetary or non-monetary rewards, but relates to training and investing in employees to improve themselves. This is extremely motivating because someone else who believes in a person and is willing to recommend an investment in this person reinforces a confidence and energizes the employee to put their best effort forward to meet the challenge and expectations gained from the training. Figure 9 is a training flow chart from Dr. William Hendricks' book, Secrets of Power Presentations, including the why, what, and how steps for training people.

Figure 9  
The Training Flow Chart



Source: Secrets of Power Presentations. Exhibit from chapter 14 "The Art of Training," by Dr. William Hendricks, et al, (1996).



Before a manager can embark on a training session, he or she must prepare appropriately by following these suggestions:

- Assess the needs of the people being trained
- Develop a strategy for delivery
- Develop the goals to be attained
- Set objectives and tactics to reach the goal
- Evaluate the outcome

For the manager who does not possess the skills or knowledge in a specific area or the training is necessary for only part of the team or an individual, there is always the potential for the company to pay for classes or instruction outside of the company. For example, college courses, Dale Carnegie, Toastmasters, professional computer courses or numerous other avenues that will accomplish the goals of training an individual.

## VII. Conclusion

In summary, this manual is provided as an instrument to refresh and stimulate the minds of managers who are responsible for motivating sales people. The topics discussed include:

- Motivational Theory
- Personality Types
- The Role Managers Play
- Sales Personnel Responsibility
- Different Motivational Techniques

The information provided is not all inclusive and will serve the manager best if used in a thought provoking manner and a reminder of the constant battle he or she faces when motivating other people toward a common goal.

## Appendix B

January 6, 1997

Dear Evaluator,

I would like to take this opportunity to thank you in advance for evaluating my manual on motivating sales personnel. This manual is part of my culminating project for a Master of Business Administration degree at Lindenwood College. The purpose of the manual is to provide a brief synopsis or review for managers interested in motivating sales personnel.

Before reading the manual, please complete the "Background data sheet" for my records. Please remember that anything you give me during the evaluation may be published. Therefore, do not include anything that may be considered confidential. After completing this data sheet you may read the manual. Please mark up the manual with any comments or corrections. After you have read the manual, please complete the "Manual questionnaire," and return both questionnaires and the manual to me in the pre-addressed stamped envelope. I would like to get your feedback within two weeks of receipt of this material or January 31, 1997.

After completion of my project, I will send you a copy of the updated material. Please contact me at (314)-939-5039, if you have questions. Once again, thank you for your time.

Respectfully,

Kel Denker

Appendix C

Background Data Sheet

Evaluator's Name \_\_\_\_\_

I. Educational Background

<u>School</u>	<u>Degree</u>	<u>Date</u>
---------------	---------------	-------------

1.

2.

3.

II. Work History

<u>Company</u>	<u>Position</u>	<u>Date</u>
----------------	-----------------	-------------

1.

2.

3.

III. How long have you been in a sales management role?

IV. Have you had any training in the area of motivation? (please list)

- 1.
- 2.
- 3.

V. What resources does the company you work for offer with regard to this topic?

- 1.
- 2.
- 3.
- 4.
- 5.

VI. Describe some of the problems you have encountered during your tenure with regard to motivating people.

Appendix D

Manual Questionnaire

1. The manual covers the appropriate material?

         Yes               No

If yes, cite three areas or reasons why you believe that this manual covered the appropriate material:

a.

b.

c.

d.

If no, please offer at least three suggestions of the type of material you believe to be pertinent for this manual.

a.

b.

c.

d.

2. The manual was presented in a logical format.

         Yes               NO

If No, please explain.

3. The manual would fulfill the purpose for which it was written.

         Yes               No

If yes, please cite at least three reasons you believe it fulfills the purpose.

a.

b.

c.

d.

If no, please offer at least three suggestions you believe would help this manual fulfill the purpose.

a.

b.

c.

d.

4. The background information with respect to motivational theory covers this subject adequately.

       Yes             No

If yes, please cite why you believe this information would be helpful for managers.

If no, please offer at least three additional areas you believe necessary to complete this section.

a.

b.

c.

d.

5. The manual addresses a sales managers role in motivation accurately and completely.

       Yes             No

If yes, please cite at least three reasons you believe this information is accurate and complete.

a.

b.

c.

d.

If no, please offer at least three suggestions for additional information to be included in this section.

a.

b.

c.

d.

6. The manual addresses the sales representatives role in motivation accurately and completely.

           Yes                                 No

If yes, please cite three reasons you believe this information is accurate and complete.

a.

b.

c.

d.

If no, please offer at least three suggestions for additional material to be included in this section.

a.

b.

c.

d.

7. The manual addresses different motivational techniques adequately.

           Yes                                 No

If yes, please cite three reasons you believe this information is adequate.

a.

b.

c.

d.

If no, please offer at least three suggestions for additional information to be included in this section.

a.

b.



c.

d.

8. The manual would prove to be beneficial in the "Real World".

       Yes             No

Please comment on your answer.

Please feel free to make any additional comments that you believe would improve this manual that may not have been covered in the previous questions!!!

c.

d.

8. The manual would prove to be beneficial in the "Real World".

       Yes             No

Please comment on your answer.

Please feel free to make any additional comments that you believe would improve this manual that may not have been covered in the previous questions!!!

## Works Cited

- Anastasi, Anne. Psychological Testing. New York: Macmillan Publishing Company, 1988.
- Bardwick, Judith M. Danger In The Comfort Zone. New York: AMACOM, 1991.
- Brewer, Geoffrey. "Mind Reading: What Drives Top Salespeople To Greatness?" Sales and Marketing Management May 1994: 82-92.
- Dubinsky, Alan J., Francis J. Yammarino, Marvin A. Jolson, and William D. Spangler. "Transformational Leadership: An Initial Investigation In Sales Management." Journal of Personal Selling and Sales Management 15.2 (1995): 17-31.
- Dunnette, Marvin D. and Leaetta M. Hough ed. Handbook of Industrial and Organization Psychology. 2nd ed. 3 vols. Palo Alto: Consulting Psychologists Press, Inc., 1992.
- Henderson, Richard I. Compensation Management: Rewarding Performance. 5th ed. New Jersey: Prentice Hall, 1989.
- "How To Motivate Sales Stars." Sales and Marketing Management May 1991: 89-90+.
- Johnston, Wesley J. and Keysuk Kim. "Performance, Attribution, And Expectancy Linkages In Personal Selling." Journal of Marketing Oct. 1994: 68-81.
- Keenan, William Jr. "The Man In The Mirror." Sales & Marketing Management May 1995: 95-97.
- Lissy, William E. and Marlene L. Morgenstern. "Currents In Compensation And Benefits." Compensation and Benefits Review 27.6 (1995): 15-25.
- "Management Pros Urge 'Conceptual Leadership'." Editorial. USA Today 26 Aug. 1996, 3B.
- McCoy, Thomas J. Compensation And Motivation. New York: AMACOM, 1992.

- Myers, David G. The Pursuit Of Happiness. New York: William Morrow and Company, Inc., 1992.
- Nelson, Bob. 1001 Ways To Reward Employees. New York: Workman Publishing, 1994.
- Novick, Harold J. "Balanced Commission Income May Mean Lost Opportunity." Agency Sales Magazine 24.11 (1994): 11-13.
- Schellhardt, Timothy D. "It's Time To Evaluate Your Work, and All Are Groaning." The Wall Street Journal 19 Nov. 1996, A1+.
- Schuster, Jay R. and Patricia K. Zingheim. The New Pay. New York: Lexington Books, 1992.
- Shula, Don and Ken Blanchard. Everyone's a Coach. New York: Harper Business, 1995.
- Strutton, David and Lou E. Pelton. "The Relationship Between Psychological Climate In Sales Organizations And Sales Manager-Salesperson Solidarity." Mid-Atlantic Journal of Business June 1994: 153-74.
- Quinn, Judy. "Mr. Fix-it." Incentive Feb. 1995:18-21.
- Tallitsch, John and John Moynahan. "Fine-tuning Sales Compensation Programs." Compensation and Benefits Review 26.2 (1994): 34-37.
- Wehrich, Heinz and Harold Koontz. Management: A Global Perspective. 10th ed. New York: McGraw-Hill, Inc., 1993.
- Ziglar, Zig. See You At The Top. Gretna: Pelican Publishing Company, Inc., 1983.