

**Notre Dame University**  
**Faculty of Business Administration & Economics**

**Graduate Division**  
**&**  
**Bordeaux Management School**  
**Institute of International Business**

**Importance of Building an Intelligent Sales Team in a Starting  
Company**

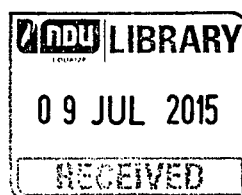
**The Case of Radisson Beauty s.a.r.l**

**A Thesis Submitted in Partial Fulfillment of the  
Requirements for the Joint Degree of the Master of Business  
Administration (M.B.A.) and the Master of Science in  
International Business (M.I.B.)**

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**2012**



# Approval Certificate

Importance of building a sales team in a starting company

The case of Radisson Beauty s.a.r.l

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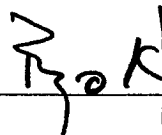
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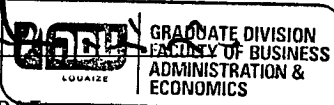


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## DECLARATION

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## **ABSTRACT**

The main purpose of this study is to show the importance of building a sales team in the business, and how crucial it is to maintain a solid commercial strategy, accurately tailored and professionally supervised, driving the company to success. This study summarizes the results of Radisson beauty s.a.r.l starting with its formation, and the different processes that the company took to create a well-organized and successful sales team. Throughout this process, each member of the sales team was required to submit a questionnaire and was deeply interviewed to assess his progress, the collected information served as primary data for this research. The primary data was used to analyze what positively and negatively impacted the team's performance and what can be done to improve it. This research will also emphasis on the importance of intelligent sales teams, and how they can dramatically improve the firms sales and performance.

Keywords: Sales team, Radisson Beauty, Intelligent sales, sales performance.

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# **1 Introduction**

## **1.1 Background about the topic**

Sales force, commercial development, account management, business development and many other terms guide us to one aspect: Company's profit generation.

A sales department is among the most important departments operating in any organization as it is the only one that brings money to it and because it's straightly related to the return on investment (ROI) .The sales department of any corporation or business is the medium of how well the products are introduced into the marketplace. A business cannot last long without sales of goods and services. This makes the sales department the most important part of supplying markets and answering demands on a product. As a direct consequence, the sales department has several duties and responsibilities within the company. Consequently, and due to their importance to companies' survival, we chose this topic to state the full process and approach through which a sales team can be formed, from hiring till becoming productive in excellence.

Intelligent sales management and sales teams are the key to success in any market; this requires the collaboration between the members of the team to accomplish certain action, activity, or projects participation and identification are a main key to success. Equilibrium should be established regarding the tasks and responsibilities; and when the work organization is conceived and applied, each individual will take his/her place in the production chain. We shall therefore remind that every work is a synchronized chain of distinct tasks.

Another important concept is commitment; each member has the responsibility to commit to his/her accomplishments. In this respect, the concept of identifying oneself to the team and to the organization as abstracting oneself is a certain necessity. Everyone's total participation shall be conceived with no consideration to personal criteria that might interfere. As well, individual abilities shall serve the team and the tasks related to a defined activity in order to reach a common success. Personal implication is required and beneficial for everybody. Here too, a collectivity of intelligences is conceived: the Identifying Intelligence is associated to the Implicative Intelligence and the Implicating Intelligence. The "we" concept replaces the "I" concept.

This study will be discussing the various steps we went through when we were given the responsibility of forming a sales team in Radisson Beauty s.a.r.l and leading it to success. A sales manager is the person responsible for leading and guiding a team of salespeople. A sales manager's tasks often include assigning sales territories, setting quotas, mentoring the members of her sales team, assigning sales training, building a sales plan, and hiring and firing salespeople.

One always dressed to the chief leader's pompous title, whether he has or not, all required qualities. Why shouldn't have an active member inside the team? Certainly, he is active, but in most cases, he is isolated from his teams in his preparations, his decisions and his conceptions.

Thus, let's give him the developed qualifications of:

- Of Leader, that means the one that makes all others follow him, with the qualities of confidence, credibility, human, moral and social values, and charisma.
- Of limitation, that means he is the one that delimits the space of action so that all energies are not uselessly spread, and knows how to concentrate them toward the objectives, the goals and their realizations,
- Of coach, that means the one that knows how to train, to develop expertise and competencies, the ability to make them how to do and to perform. The one that knows how to transform the inert potential energy in effective creativity,
- Of pacemaker, that means the one that knows how to encourage and that knows to create inside each one the will to succeed.
- Of member of the team, that means he is the one that works in the middle of all, with all and for all. It is also the one that knows the importance of the exchange relation as much human that professional. The man to the open doors...

The following figure will enhance those qualifications:

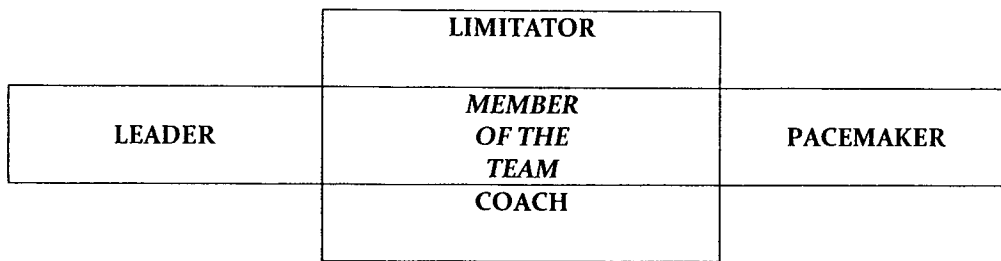


Table 1: Qualifiers of a chief

## 1.2 Objective and main purpose of this study

The main purpose of this study is to show the importance of building a sales team in businesses, and how crucial it is to maintain a solid commercial strategy, accurately tailored and professionally supervised, driving the company to success. Radisson beauty is a good example to show the value of the sales team approaches in the life of a starting company. But the way of building such a team is not easy at all. Starting by setting the convenient plan, the recruiting process is the next stage; the selection of appropriate members to fill their convenient positions is very critical and is well highlighted in this study.

In this purpose, management functions will be of a highly importance in the recruiting process:

- Planning: identifying the required competencies,
- Organizing: selecting between required competencies, offered competencies and effective competencies, according to the type of job to fulfill.
- Directing: orienting acquired competencies towards performance,
- Controlling: comparing and analyzing acquired competencies with job objectives.

After that, the stages of the team building shall be closely monitored by managers to build a synergetic team, able to lead the company to success.

This study summarizes the results of Radisson beauty s.a.r.l starting with its formation. It will help managers learn on the ground how to build a high performance team, including the following areas:

- Learning the definition and importance of a sales team in a company

- Identifying different types of teams
- Developing strategies, plans and processes for building a goal-oriented team
- Promoting trust and rapport while the team is in formation

While at the same time answering the following question: “*What are the key elements that move a team from involvement to empowerment and how to give these elements to the team*”?

If these steps are followed, managers who are bearing commercial deficits in their companies’ performance can overcome it by building a powerful, motivated and ready- to-generate sales team.

### **1.3 Methodology**

In order to meet the objectives of this thesis, we shall consider the following steps:

- An Introduction
- A literature review
- An empiric part
- A conclusion

To answer the research question and achieve the objectives of this study, it is necessary to get information by our own. The collect of primary data is made through a quantitative method: the questionnaire. This questionnaire is also supported by a qualitative way of gathering data interviews. Interviews are particularly useful for getting the story behind participants’ experiences. We will be able to pursue in-depth information around the topic.

### **1.4 Structure of the study**

**Chapter 1** is a wide introduction to this topic. Its aim is to show the reader the purpose of this study using micro and macro information. As mentioned before, and due to the importance of the sales environment in each business selling products or services directly to the end user or

through e-business, a very professional strategy should be set in order to meet the corporation's targets.

In the background, the reader is introduced to every major point objective and purpose mentioned in this thesis.

**Chapter 2** is a theoretical assessment and a strategic plan for what is called “developing a sales team”. It begins with a wide definition and importance of the sales. Then, the role and activities of the sales team are defined. Afterwards, the issue of the sales aspect in the Lebanese market and its challenges are tackled as well. Then, there is a step into the recruiting and hiring process and the recent approaches that should be followed to succeed in this mission. Furthermore, the general steps of the team formation were launched while focusing on the role of management in each step.

**Chapter 3** is a live example and an application of the experiment we went through when we were given the responsibility of forming a sales team. While focusing on the major aspects encountered during the four steps of formation and the role of the supervisor in each part of this long trip, we have noted down all challenges and barriers to overcome in order to form a team in the future, this part includes our methodology, data collection and analysis.

**Chapter 4** : In this part, the information collected from the questionnaire and interviews will be discussed. Such as what the sales team praised and criticized in their sales manager personality and performance. And what positively and negatively impacted their performance as a whole in the team and company.

**Chapter 5** includes a short conclusion where we have noted down my point of view about the major areas of this study. Also are mentioned some recommendations for further studies and researches in order to reach a point where companies can become highly competitive with experienced and well-prepared teams.

## 2 Literature Review

In the first part of the literature we will discuss the different concepts of sales, selling, relationship management and marketing, especially in Small and Medium Enterprises (SME's).

### 2.1 SALES CONCEPT

By the early 1930's, mass production became very common, competition increased, and there was little unfulfilled demand. At that time, companies began to practice the sales concept (or selling concept), under which companies not only had to produce the products, but also had to try and convince customers to buy them through advertising and personal selling. Therefore, two key questions rose:

- Can we sell the product?
- Can we charge enough for it?

In this optic, let's remember what lead, in history, to the concept of sales:

- With the industrial revolution, organizations were producing and selling what already existed on markets and what represented, in their point of view, the *demand*. But they had to face a major problem: *all productions were not totally sold*. Surpluses appeared and represented a loss in income, and profits were reduced. Managers realized that products were *unsalable* for two main reasons: First it was *more* than what was demanded and secondly products were not meeting consumers' expectations and not answering need. It was the *product period*.
- By trying to find a solution to this problem, organizations thought it was *a question of lacks in selling abilities*. They entered in deep training in sales techniques, focused on the organization's products. But salespeople did not know how to answer objections issued from price comparison or competitors products. Surpluses were not reduced as expected. It was the *selling period*.



- By the middle of the XXth century, organizations decided to question the markets. Investigations, surveys, studies and analysis of information pointed out that *consumers were not alike*. Each one of them, had different choice patterns and criteria's, trends, preferences, tendencies, etc. and had psychological stimulators during the choosing and buying concept. Selling behavior started to be a research domain, in which psychology played an important role. It was the *marketing period*. This period was of great importance and influence on marketing management thinking, and strategies took a new and more effective orientation.

The sales concept paid no attention what so ever to whether the product is actually needed by consumers; the goal basically was to beat the competition to the sale with least regard to customer satisfaction. Marketing was a function that was performed after the product was developed and produced, and many people came to associate marketing with hard selling (Cron, W. & DeCarlo T., 2012).

The backbone of the sales concept in many western countries was the transitional stage from the "seller's market" to the "buyer's market". Between 1920 -1945, the phenomenon that the supply had surpassed the demand in the market slowly emerged, mainly because technological advancements in the production lines led to a rapid increase of products offered in the market. As a result, competition between firms became fierce, and enterprises began to practice the sales concept, mainly during the economic crisis of 1929 and 1933. At that time, companies became aware that it was not necessary to produce the products only; they had to try and convince customers to buy products through advertising and personal selling (Cron, W. & DeCarlo T., 2012).

In today's competitive market environment, most markets are buyer markets and sellers have to work hard for customers. People are bombarded with commercials, print ads, direct mail, web marketing, telemarketing, sales calls and SMS's. At every turn, a person is trying to sell you a product or service. Unfortunately, as a result, the public often

identifies marketing with hard selling and advertising. Marketing that relies on hard selling is unhealthy and carries high risks, especially customer dissatisfaction ( Kotler P. & Armstrong G., 2009).

### **2.1.1 A sales points of view**

Selling is "To exchange or is to give something against something else ". The term "exchanges" can apply to all types of relations that create a movement of products, goods, services or ideas between two definite parts. This movement of products is not necessarily based on "one against one". All is going to depend on the value that one grants over a product, and one can consider "one against one" as to "one against several."

This movement takes two different names, when it is about products or tangible goods, or even of services:

1. *SALE*, when an element leaves from one point of origin, (human, enterprise producer or distributor), toward a recipient anxious to appropriate the topic or the matter of the offer in order to satisfy a defined need, while giving another element representing a value of exchange.
2. *PURCHASE*, when the recipient accepts the appropriation of the topic of the transaction to the proposed conditions, while transferring to the point of origin a counterpart, in even matter, or in an equivalence in different matter, (for example money).

According to Manning and Reece (2004) the products, goods or service, especially have a value of use, but have tendency has adopt a "social" value following the targets to which they are destined, (identification of the social layers and tendency to belong to the superior layers), or a value "bargains" if need be according to the efficiency of their answer calm. It introduces the concept of value as:

- *The Value of Use*: All consumers create its own scale of value that questions the intervention of internal factors, (need that it is necessary to satisfy before within time determined), or external, (influence of the social, professional, communal environments, etc...), and the one of variables descended of the behavior and attitudes facing the product. This *value of use* depends mainly on the consumer's perception on the contribution of its expectations, (needs), and on the seeking of a new lifestyle or a new quality of life *with the same revenue!*
- *The Value of Exchange*: In the consumer's mind the term "exchange" means replacement first, then transaction of goods or products. In the first case, it refers "to replacing" a product:
- showing a defect by a same product,
  - by another product whose performances have been increased, whose qualities are more numerous, whose use is made simpler, etc...

This replacement shows a certain predisposition to a total change of behavior and attitude. It creates a new personality.

- *The Value of Bargain* It concerns the consumer's availability to accept to pay for a certain asked price. Affectively, the consumer has the tendency to appropriate for himself the best, without considering the monetary equivalent in deed. But when the process of purchase begins, the reasoning dictates a conduct according to his material availabilities. In some cases, the perception of the superior quality and the opportunity of the purchase could prevail over all other material considerations.

The transaction (get and give) is based on a stallion of reference who serves to measure the value of goods. This value depends on:

- the producer, when it studies the product selling price, the demand, etc.

- The purchaser according to the felt immediate need and its disposition to pay to satisfy this need.

### **2.1.2 The concept of personal selling**

Personal Selling is the introduction of human elements into marketing & sales actions. There is a necessity to create a close relationship between the firm & the consumers. This is the role of salesmen who often, inspire confidence & trust. They are dealing with consumers & customers face-to-face. The Human Element is, thus, crucial!

By developing long-term customers' relationships, firms use modern sales approaches, like:

- Partnering : salespeople & customers share same values, salespeople understanding needs, wants, desires & affordability of products cope with customers through product accessibility, (mutual support),
- Relationship selling : developing associations with customers by providing more services, satisfying needs et developing personal contacts,
- Team Selling : Companies needs should be approached by coordinated of sales efforts by a team of sales people, as needs are various & complex.
- Value-added selling : Salespeople should provide value-added services such as after sales contacts, installation, training & product adaptation,
- Consultative selling: Salespeople often play the role of consultants, advisors & problem solvers. They, then, have to adapt products & service to customers needs.

### **2.1.3 Sales and entrepreneurship**

Entrepreneurship is the spirit if developing new businesses inside businesses. It needs drive, self-confidence, action orientation, persistence risks evaluation & taking...

#### 2.1.4 A marketing point of view

“Relationship marketing plays a big role in modern sales management. The only valid definition of business is to create customers. It is the customer who determines the nature of business, (needs). As the worldwide political and regulatory climate continues to be increasingly liberal towards the encouragement of free trade, it becomes more difficult to sustain market leadership based on short term, sales oriented transactions.

Sellers must, then, engage in building and maintaining long-lasting relationships with customers, as the first sale can be the beginning of long lasting transactions. As competition intensifies, companies are seeking to differentiate their products not only **via the actual** marketing mix, by styling, packaging, brand image & personality, quality and price benefits, but at the level of the augmented product.

This leads to the notion of **customer care**, which is a philosophy which ensures that a product and the **aftercare** associated with serving customers needs, meets and exceeds expectations. New customers expect that a company’s product should be in harmony with their lifestyle and values”.

#### 2.1.5 From Relationship Marketing to Relationship Selling

The most important feature of the seller-buyer relationship revolves around price.

Certain tactics are needed to implement relationship marketing. It is about the strategic thinking that accompanies the new view of Marketing. It is contended that relationship selling concerns the tactical features of securing and building up the relationships implicit in relationship marketing. *What establishes a firm’s competitive advantages is its ability to serve customer’s present and future needs.*

The role of marketing and selling is changing, as the marketing environment is changing. The massive increase in competition and increasing choice has meant that customers have, and continue to, become more sophisticated and demanding. Even when product

are satisfactory, customers go from one supplier to another for a better price or to experience change and variety.

### **2.1.6 Tactics of Relationship Selling**

Customer retention constitutes a prime objective of relationship selling. It can be achieved only by focusing on customer's needs and by working on trustworthy relationships. Internal Marketing should focus on long term relationship and employee retention towards external customers.

The pressure on salespeople will focus on the long term goal of customer retention rather than sales targets and quotas. The attitudes of buyers towards salespeople will also need to be taken into consideration. It is also necessary to take into consideration two activities:

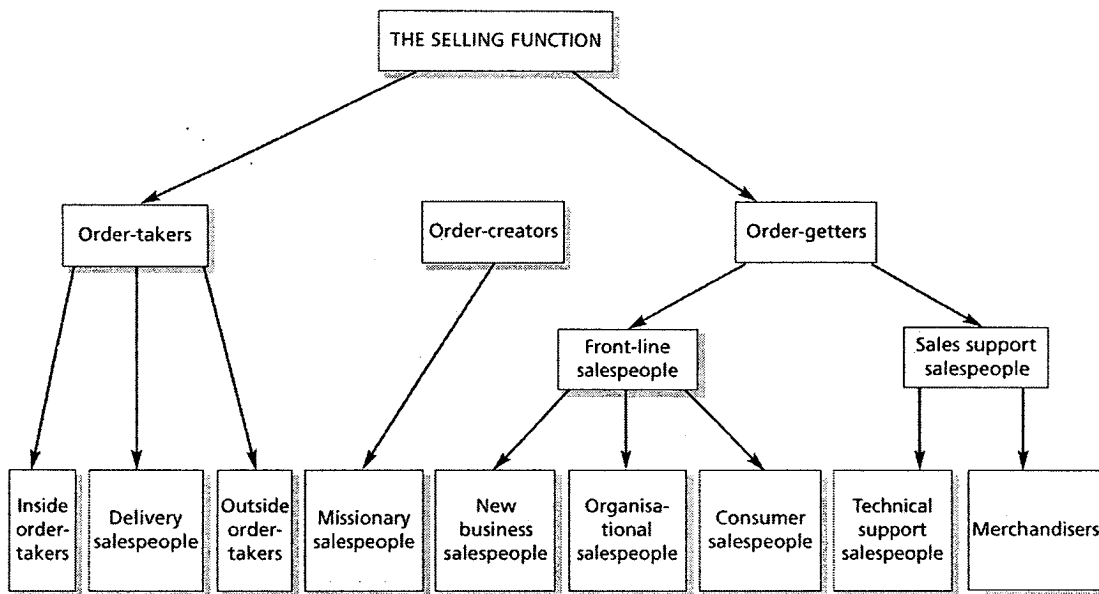
1. Information gathering: Information gathering in terms of collecting market information and intelligence is becoming an increasingly important part of the task of selling. A company's marketing information system, (MkIS), has 3 inputs:
  - Marketing Research: captures data from primary or secondary research,
  - Market Intelligence: relates to information about competitors, products, services, and about the "how" their performance with customers is done, and finally "who" are the competitors' customers.
  - The company's internal accounting system.
  
2. Servicing: Servicing is an area in which the role of a salesperson will become invaluable. Product application and product knowledge will help better servicing the customers on a highly individualistic basis. It also includes the provision of technical advice in:
  - Quality,
  - After Sales services,

- Establishing improved customer care programmers,
- Offers of consultancy services.
- Agreeing on delivery schedules,
- Expediting individual orders,
- Progressing payments.

The ability of becoming customer oriented opposed to sales oriented, and to determine whether or not the salesperson uses motivation to achieve the results is ascertain. The personal values of achievement, self-direction, self-respect, and self-accomplishment are the key factors for successful people. For the future, regular skills will still be needed:

- Selling skills,
- Prospecting skills,
- Sales presentation skills,
- Negotiation skills,
- Communication skills,

## OHT 1.1



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Figure 1: Types of selling

### 2.1.7 SALES CHANNELS

*A sales channel is the route a good takes through the selling process from suppliers to customers. When selecting channels, the company must take into consideration:*

- *The market:* to ensure as many customers as possible
- *The channel cost:* the type of investment in the sales force, transportation and warehousing.
- *The product:* low-technology items are more suited for longer channels often requiring extra service, while narrow product line is more suited to longer channels as it can be combined with complementary products.



Services provided by sales channels, must also satisfy needs. But benefits are less tangible as they cannot be stored or displayed and satisfaction is achieved through activities. The service marketing mix includes the 7 P's concept (McCarthy, 1960):

- *Product*
- *Price*
- *Place*
- *Promotion*
- *People*: involved in sales or customers relationships,
- *Process*: related to how the service is provided, so consistency and quality must be well planned,
- *Physical evidence*: highlighting the nature of the service

#### **2.1.8 SALES AND PUBLIC RELATIONS ACTIVITIES**

Selling needs PR to assist in its daily operations and selling is often called upon to disseminate a PR message. Pr is a set of activities that concern any public with which the firm has contacts: the community, the suppliers, the employees, the government, the distributors, the consumers and the opinion leaders.

According to Hindsson (1965), "*PR practice is the deliberate, planned and sustained effort to establish and maintain mutual understanding between an organization and its public. (Institute of PR).So, PR consists of all forms of planned communication, for the purpose of achieving specific objectives concerning mutual understanding*".

#### **2.1.9 SALES PLANNING**

Sales strategies and tactics may only be arrived at, implemented and assessed against a framework of objectives and strategic planning processes. The nature of the Sales Planning Process includes:

- Operating : setting operations

- Establishing procedures : determining operations
- Choice of resources : organization
- Implementation
- Measuring results
- Re evaluation and final control

## **2.2 ABOUT MARKETING**

It is a surprise to most people when they learn that selling is not the most important part of healthy marketing. Selling is only one part, be it an integral part, of the marketing mix. As management and marketing guru Peter Drucker states: “There will always, one can assume, be a need for some selling. But the aim of marketing is to make selling superfluous. The aim of marketing is to know and understand the customer so well that the product or service fits him and sells itself. Ideally, marketing should result in a customer who is ready to buy. All that should be needed then is to make the product or service available”.

What is marketing?

‘Marketing is a societal process by which individuals and groups obtain what they need and want through creating and freely exchanging products and services of value with others’ (Kotler, 2000, p. 8).

‘Marketing is the management process responsible for identifying, anticipating and satisfying customer requirements profitably’ (United Kingdom Chartered Institute of Marketing (CIM), 2003).

‘Marketing is the creation and adaptation of products and services to provide greater utility of value to customers than do competing products and services. Marketing involves selection of potential customers (target markets) and management of the marketing mix (product, price, place and promotion)’ (Gross et al, 1993, p. 5).

For Susan CORNISH, (1997), *“Marketing is the process of acquiring and analyzing information in order to understand the market (both existing and potential customers); to determine the current and future needs and preferences, attitudes and behavior of the market; and to assess changes in the business environment that may affect the size and nature of the market in the future”*.

All these definitions make a good attempt at capturing concisely what is actually a wide and complex subject. However, entrepreneurs and small-business owners interpret marketing in ways that do not conform to standard textbook theory and practice (Stokes, 1998). They tend to be “innovation-oriented” rather than customer oriented. They target markets through “bottom-up” self selection and recommendations of customers. They do not conduct “top-down” marketing approach: segmentation, targeting and positioning (Stokes, 1998).

Marketing is a lot more than the physical process of distributing goods and services. It is the process of understanding and translating consumer wants and needs into products and services they will be ready to buy. It begins with the customer and ends with him.

The span of marketing can be understood in terms of the processes that companies have to do. These include the process of exchange, summarized by buying; assembling and selling a product. The physical supply that include transportation, storage and warehousing and finally the process of facilitation including product development, marketing research, packaging, branding, sales and financing.

### **2.3 THE MARKETING CONCEPT**

The marketing concept states that in order to achieve organizational goals, a firm must rely on market research to understand the needs and wants of consumers and determine the target markets. This will allow the company to deliver the desired satisfactions more effectively and efficiently than its competitors

Under the marketing concept, selling satisfaction is more important than selling a physical product. The objective of marketing is not to maximize profit through sales volume, but profits through the satisfaction of customers and enhancing brand image. The consumer is the center of all the company operations and marketing activities. It is, therefore, essential that the entrepreneurs identify the customers, establish a rapport with them, identify their needs and deliver the goods and services that would meet their requirements.

The basics of marketing concept are as under:

**Satisfaction of Customers:** In today's markets, the customer is the focus of the organization. The organization main goal is to produce goods and services that will lead to the satisfaction of customers.

**Integrated marketing:** The functions of production, finance and marketing should be integrated to satisfy the needs and expectations of customers.

**Profitable sales volume:** Marketing is successful only when it is capable of maximizing profitable sales and achieves long-run customer satisfaction.

## **2.4 Marketing Vs Selling**

The main disparity between marketing and selling is in the approach towards business. The selling concept takes an inside-out perspective. It starts with the factory, focuses on the company's existing products, and calls for heavy selling and promoting to produce sales. The marketing concept takes an outside-in perspective

It starts with a well-defined market, focuses on customer needs, coordinates all the activities that will affect customers, and produces profits through creating customer satisfaction.

The main difference between Selling and Marketing, when it comes to profits, is that an organization makes profits:

- In the selling process by selling quantities.
- In the marketing concept through customers satisfaction.

## **2.5 Importance of Marketing in small business**

According to Stokes (1998), marketing theory was developed from studies of large corporations. However, there is still considerable evidence that marketing decisions play a major role in the development and survival of a small business. For example Siu and Kirby (1998) state that the basic principles of marketing appear to be equally valuable to both large and small firms. In his studies, Hill (2001a) found that SMEs did marketing planning and had formal marketing practices whereas Blankson and Omar (2002) and Blankson and Stokes (2002) found that SMEs marketing is an informal and unplanned activity that relies on the intuition and energy of the owner manager.

Only a small percentage of small firms stay in business for a longer period. Marketing provides an important interface between the organization and its external environment when business is new and vulnerable (Stokes, 1998). It is important to keep searching for new market opportunities and broad the customer base of the business. For that reason, marketing is seen a key management discipline, which differentiates between survival and failure of small firms (Blankson and Stokes, 2002).

Gibb and Davis (1990) state that there is no specific theory that can adequately explain the growth of a new business. However, they list four main types of approach for company growth:

- the impact of the entrepreneur's personal characteristics

- the strategic factors affecting the firm's performance
- sectors and broader market led approaches
- organizational development approaches

Marketing activities can be included in the strategic factors that have an influence on company growth.

Small and Medium Enterprises (SMEs) marketing philosophy is more innovation oriented than customer oriented. Entrepreneurial marketing activities do not easily fit into traditional four P's (product, place, price, promotion) model of marketing mix. Stokes (2000) states that SME managers do not determine their marketing mix according to the four Ps, except in promotions. Amongst the SMEs managers, marketing is often simplified to "selling" or "promotion". SME managers promote by direct interchanges and by building personal relationships. Tanner (1999) asserts that trade shows are a good place for promotion to SMEs. However, researches are often limited by the entrepreneur's lack of perception of the wider range of marketing activities that they are often involved in.

Stokes (1998) even offers the model of "4 + 4 I's" rather than the model of "4 Ps" as a marketing strategy approach for SMEs. This approach reflects the reality of entrepreneurial marketing. This includes Innovation, Informal information gathering, Interactive marketing methods (word of mouth, image building, involvement and incentives) and Identification of target markets.

Carson et al (1995) identify six marketing advantages of SME culture: speed of response, loyalty, SME or customer interface, opportunity focus, flexibility and ease of access to market information. Investing to these factors steers the marketing of the company to the right track.

### **2.5.1 Conditions and Problems in SME Marketing**

There are differences between small firms and large companies such as size, organization structures and functional frameworks. These issues impact to SME marketing, because of the lack of human and financial resources and especially marketing expertise (Carson, 1985; Gilmore et al, 2001; Turunen, 2004).

Stokes et al (1997) have found some problems and identify six characteristics of small firms and their marketing problems: targeting of innovation, limited customer base, lack of formalized planning and evolutionary marketing, limited activity, niches and gaps and the owner-manager's marketing competency.

SMEs marketing management is much affected by the marketing competency of the owner (Carson and Gilmore, 2000). Marketing competencies mean that SME managers must have many competencies that can be utilized and employed in a variety of ways. These competencies are, for example, leadership, the ability to communicate and a vision of future plans. The competency of the SME owners varies a lot in these areas, as does the marketing performance of their firms. The core competency for marketing is still mainly based on experiential knowledge.

These problems often mean that product development is limited and market research is inadequate (Brassington and Pettitt, 1997). However, entrepreneurs shy away from such formal research methods. Blois (2000) and Stokes (1998) state that the SME managers "gather information" instead of doing marketing research. According to Stokes (1998), in each stage of the traditional marketing process, whether strategic or tactical, formal market research plays an important part. Strategic segmentation and targeting is determined by market research. The marketing problems of the SMEs not only have to do with how to develop innovative products or services, but also on how to defend their competitive advantage with limited resources. Large corporations have their own business units for market research and R&D. Generally, the problems of the small

business vary depending on the industry type and the different size of the company (Huang and Brown, 1999).

According to Brassington and Pettitt (1997), B2B marketing research differs mainly in two ways from consumer markets: the actual design and implementation of marketing research. There is a small number of customers, and hence the sampling is also too small. There are close buyer-seller relationships where informal discussions are better than formal research. On the other hand, this can lead to a narrow view of the market. Simkin (2000) states that competitive intelligence is more difficult to attain in B2B markets, because it needs surveys of rival management teams.

The information is gathered through informal network monitors on the marketplace (Carson et al, 1995). The information, which managers generally have scanned, is somewhat narrow and too focused on the nature to be considered a true environmental scan. They focus on the immediate state of specific industries and leave long term trends and effects almost without attention.

SMEs are typically dependent on less than 10 customers and some on only one buyer (Stokes, 1998). Dependency on a relatively small customer base makes their environment more uncontrollable and more uncertain than the environment of larger organizations. Often these customers are located on a small geographical area and therefore their business fortune depends on the cycles of the local economy. The bargaining power of buyers is one of the Porter's (1980) five forces that drive industry competition.

According to marketing theories, market needs assessment comes before new product development (Kotler and Armstrong, 1996). SME business owners often do it the other way around. The same situation is in marketing strategy, which involves the process of segmentation, targeting and positioning. Instead of this top-down strategy, SMEs are often using bottom-up strategies (Stokes, 1998). SME identifies a specific group of customers whose needs are known to them and first start to service the needs of these few customers. They expand when their experience and resources allow it. On the one hand,



this bottom-up process is suitable for SMEs because of small requirement of resources. This is also the only possibility for the SMEs that have resources to produce only one product. On the other hand, this is uncertain of success and needs quite a long time to penetrate the potential market (Stokes, 1998).

Porter (1985) suggested that a focused strategy is most appropriate for smaller businesses. By selecting a segment of its industry and customizing its strategies to service this segment, the business gains a competitive advantage, despite not having one for the whole market. This niche market strategy avoids direct competition from large and small rivals.

Hogarth-Scott et al (1996) noticed that product differentiation and attempts to find niches was a source of competitive advantage. The dangers lie in mistaken selection of a segment or choosing too small a segment. However, SMEs need to understand that there has to be enough demand so that the niche can generate a sufficient volume of business. Littunen (2001) emphasizes the know-how and changes in the strategic behavior of the entrepreneur and the firm's environment. O'Gorman (2001) states that the first key managerial choice is "where to compete" and second "how to compete".

SME decision making processes are different from those of large companies. In large organizations, decision making process is structured and has a clear hierarchy. Therefore time scales are long and need planning. Sometimes large organizations have problems that a various part of the organization does not know what the others are doing (Blois, 2000). In SMEs, most decisions are made by the owner manager, who is involved in all aspects of company activities. She or he does not need structures and framework, but will intuitively and very quickly make the decisions (Chaston, 2000). Decisions are sometimes made in an even haphazard or chaotic way (Carson et al, 1998).

## **2.6 Creating and maintaining relationships**

Morgan and Hunt describe relationship marketing as all marketing activities focused towards establishing, developing, and maintaining successful relational exchanges.

In their definitions of these key constructs, Morgan and Hunt draw from social and clinical psychology, namely, social exchange theory, and the marriage literature. In their model, commitment and trust are the key mediating variables because they encourage exchange partners to preserve relationship investments, resist attractive short-term alternatives, and maintain the belief that partners will not act opportunistically.

These factors relate to the quality of relationship interactions and their definitions are presented in Table 1.

Business Marketing Relationship Factors	Definition  (Iacobucci and Hibbard pages noted)
Commitment	Implicit or explicit pledge of relational continuity between exchange partners; adoption of a long term orientation toward the relationship – a willingness to make short-term sacrifices to realize long term benefits.
Trust	One party's belief that its needs will be fulfilled in the future by the actions undertaken by the other party.  Contingent on presence of uncertainty.
Power	Ability of one party to get another party to undertake an activity that the other party would not normally do.
Control (part of power)	Outcome of power and results when a party is successful in modifying its partner's behavior.
Balance of Power	Balance = symmetric power  Imbalance = hierarchical; one party has

(part of power)	dictatorial abilities over the other (23).
Interdependence <sup>0</sup>	Mutual state of dependence.
Communication	Formal and informal sharing of meaningful and timely information between firms.
Cooperation	Similar or complementary coordinated actions taken by firms to achieve mutual outcomes.
Idiosyncratic Investments	Sunk costs that would not be recoverable in the event of a termination.
Conflict Resolution	Functionality of dispute resolution stimulates more creative and effective partnerships.

Table 2: Business marketing relationship factors . Source:(Dwyer et al., 1987)

## **2.7 INTRODUCING THE CRM CONCEPT IN SALES**

### **2.7.1 The CRM**

The Customer Relationship Management is a tool for managing the relationship between the company-customer/company–consumer and which main function is to gather all types of information not only with respect to the exchange that may exist between the company and the human environment surrounding it, but as well with respect to the behavior of the consumer, the customer, the product and the brand in order to find out the best approach in establishing long-term relationships.

This is mainly to build an ongoing relationship based on the needs and interests of each to work on a equitable basis of exchanges and mutual benefits.

The CRM is then a tool that the company creates in order to better understand the customer or consumer, his way of thinking, choosing and acting. For the company, it comes to understand the different processes that drives the customer or the consumer, (in their choice, decision-making and purchase), in order to be able, very concretely, to predict their future movements.

Inevitably, the company will need to use its Knowledge Strategy of the functioning of the mind of the customer or consumer. To understand how the process of reflection is formed in order to be able to anticipate future movements of the consumer and the customer. This strategy also has the advantage of the knowledge of the thought process of competition.

However, **the collection of information is only valid** starting from the time when the test results are used operationally and the strategy is adapted to all the chosen marketing activities.

Contrary to what SCHMITT-WILEY, (1997), has suggested in his book *Customer Experience Management*, the CRM is a mode of management since it takes in consideration a principle of management of information.

### **2.7.2 The Customer Experience management (CEM)**

Customer Experience Management mainly means to understand and to take in consideration the experience customers have developed in their purchase history. The CEM is based on several factors:

- The factor of the experience of products, mainly from the habit of use and as comprehensive as possible knowledge of the functions and features of these products. If the first experience is positive, adoption, habit of purchase and regular use will follow. On the contrary, if it proves to be negative, abandonment will be immediate with a negative consequence of discouraging other consumers of the surrounding environment from consuming such products. To note that sometimes, abandonment is due to a lack of knowledge of the product as a result of incomplete or poorly developed instructions which are difficult to comprehend. In this case, the responsibility of the company is complete since consumers differ in their manner of understanding the conveyed messages from the manner in which the company wishes for them to do so.
- The factor of relational experience, that is to say, the human contact of the company with its public, either directly or through intermediaries and outlets. Only individuals are

capable of creating human relationships, thus contact experiences. It would be interesting to develop this approach, which main features are borrowed from the sales and negotiation techniques.

The relational experience is also the experience of the consumer / user. Each individual in his process of selection, purchase and consumption or use will experience a relational experience first by-product communication, in which he will draw enough information that will lead him to act, by the contact established with the point of sale and his own assessment of the consumption / use of the product.

Thus, the consumer expects that the company:

- would be interested in him, in the meaning that (often through its own sales force), it will inquire not only of his needs but, more importantly, of what could make his life easier, away from the stress of the daily routine. The personal attitude will be responsible for the continuity of the relationship. The friendliness shown, the existing kindness should not show any "commercial" attitude which may often appear as the trap to be avoided.
- will offer him something useful to more or less long term. Something that ultimately will serve him for something. It should not then be the case of presenting a superfluous need, but to explain that if we live well, we can live better. The responsibility for personal selling is engaged and the "person to person" relationship will determine whether the individual will accept or not the company and what it is offering. We find here the thought of Don Peppers on his approach to the "One to One Marketing".
- will make him discover not only a different lifestyle, which responds better to unconscious wishes, stifled aspirations, unspoken dreams, but also a new quality of life of his own and dependent on products of better performance. The responsibility for the formulation of carrying messages is vital here. The words, the vocabulary used, the figures of speech, the examples should not focus on a make believe but a letting know in order to lead to wanting to be able to stimulate

a well developed and strong enough power so that the consumer adheres to what is suggested to him. To be part of the real dream requires a foolproof knowledge. .

- will show him how to do better, how to live better. The information circulated must be able to convince, suggest and persuade. The responsibility of promotional communication is present at each stage of the presentation. In essence, the promotion has the function to present (to Introduce), a product to a consumer. The main goal is not to sell by force, but to initiate a voluntary act of buying emanating from understanding the features of a product so that the consumer derives maximum satisfaction. The common error encountered is that for some not consumed products belief is that who does not consume, does not buy, as well as who does not buy, does not consume.

The question that arises now is: How do individuals unconsciously conceive their expectations? From the acquired experience, personally or following the close social environment, from the communication released by the company, through the media, from that given by any vendors or brokers, from what the competition offers, the individual expects to receive something. This something is an added value that may be tangible or not , which must confirm the right choice.

The answer proposed by CREGO and SCHIFFRIN, (1995) suggests a three-step process:

- The definition of a model of values: the company lists all the factors relating to products and services that may affect the perception of value among consumers / users.
- The creation of a hierarchy of values: having determined the influencing factors, the company will assign them into four groups: basic factors, expected factors, the desired factors and the anticipated factors.
- The decision to create a package of values: the company will choose a combination of tangible and intangible elements, experiences and outcomes in

order to surpass the competition in terms of performance and earn the loyalty of individuals.

The company must also consider and pay attention to an important point which is that of the comparison that an individual consumer or user makes between **the perceived service, the expected service and the received service:**

- In the first case, the individual relies and basis himself on commercial communication (advertising, etc.) that he receives from the company. He constitutes a part of illusions in his mind.
- In the second, he relies on what he believes is adequate as benefits that he thinks he ought to receive from the company,
- In the third case, he is either disappointed by what he receives, he remains then unsatisfied, or he is surprised and pleased by the benefits of which he will enjoy, resulting thus in a higher and unexpected degree of satisfaction.

The company will thus delegate to its vendors, employees, intermediaries or points of sale advisory powers. A consumer constantly needs guidance on product usage. Without them, it will be difficult for him to optimize purchasing, use and consumption.

Relational need is then common to both parties: the company and the individual. The first needs the second in order to sell its products, and the second needs the first to satisfy his needs, whims and social image.

However, the company needs to manage the sensitivities of the consumers. It must therefore demonstrate a certain skill, a certain tactfulness in its approach and let us say the word, to courting its target, knowing that in principle we only buy from those we like, appreciate or persons who are likable, where the increasingly prominent role of the CEM, since it focuses on the emotions of the individual and hedonic aspects of consumption. It is to understand how and why a consumer gets a certain pleasure from the use or consumption of a product.

c) - The trust factor that transforms consumer experience into continuous commitment. If we refer to Hachette dictionary, the word trust is defined as a sense of security.

For the company, the experience is not only the product, service or value, but the knowledge and understanding of what the individual is living. If trust becomes synonym of safety, in the context that interests us, the question is where to put this sense of security that the company wishes for it to be constantly present in relationships with internal and external environments:

In the internal environment:

The relationship between the company and its human resources, often rubbed the relationship between them and the customers and consumers. We still talk here of relational or transactional marketing. If social policies applied by the company are sufficiently attractive and stimulating (accountability, different rewards, consideration of efforts, respect for individual identity, etc ...), the employee-customer relation will be marked by enthusiasm, relaxation, patience and concern. Here, the sense of security will result from a balanced exchange and convincing explanatory communication and the product, the brand and the company will benefit from definite and decisive advantages.

On the other hand, when stress, disappointment, social **inequity** and discontent lead to lack of motivation or loss of interest, the relationship will also be marked with distrust, discomfort and refusal, if not rejection. The company is then responsible for its brand image through its relationship with its human resources. A feeling of insecurity will be felt by the client-consumer who will reject then any proposal, even it means depriving himself of a high quality product at a price that is more affordable than usual.

In this case, the product, the brand and the company will not be able to have strong grips of the consuming market. One should not forget as well that dissatisfaction,



rejection or repulsion travel at high speed. The consequences could be incalculable and dangerous.

In both cases, the concept of quality management in the business-consumer relationship is paramount.

#### In the external environment:

Factor "trust and safety" will appear at the level of:

- The brand: we have already discussed, explained and defined in all marketing approaches of the concept of trust in brands, translated by consumer loyalty. Why are we loyal to a brand? Because it is associated in the minds of consumers, with a range of products whose main assets are the functionality, efficiency, quality and price with as consequences, satisfaction, re-purchase, adoption and habit. A brand brings results. This is what the consumer is after: a result and a satisfaction. It is a symbol of "recognition" and "obligation".
- The product: we trust a product because it has been designed to meet a need or solve a specific problem at a given time. It is composed of ingredients that are "credible" adequate and functional.

It is therefore to win a bet: for the company, to know how to insert this feeling of confidence in the product, that is to say, starting with the five phases of its life cycle. As follows:

- In the **conception** phase, it's about determining the motivations of choices and purchase and here the argument of confidence has its greatest importance.
- In the **introduction** phase in a market, it's about creating confidence in the new product by a real and living communication.
- In the **development** phase, confidence should be strengthened by changes depending on what the consumer aspires to have.

- In the **maturity** phase, confidence must be maintained by an assisting communication, in the sense that the consumer should be provided with help in order to discover other aspects of the product and, more importantly, maintain his interest in the face of the more or less immediate reaction of the competition which will neither applaud nor stand idle across from the applied strategy.
- In the fifth and final phase, the **decline**, the company should avoid losing the trust of consumers in transferring it in which it intends to introduce as a replacement. Or simply transfer it to the company itself.

The act of transferring confidence in the product and the brand to the company is a matter of **strategy**. If one considers that a strategy is a set of actions destined to achieve goals and objectives, the company should establish a strategy for the transfer of the trust capital acquired by the brand and the product to its personal entity.

### **2.7.3 THE PRM (Partnership Relationship Management):**

Partnership Relationship Management or relationship partnership established between the company and its customers, on one hand, and on the other hand between it and other companies with which it has or does not have a professional relationship. In the latter case, it will share with its competitor's values and policies for the protection of managerial decisions, of economic and / or social decisions.

By definition, a partnership is a system involving social and economic partners. It has, as a principle, strengthening the companies both at the internal and external level.

Companies therefore need to develop a creative relationship in the search for partners in order to fill their gaps, minimize their weaknesses, increase their strengths and develop then new opportunities and ultimately create a new danger on the market. New alliances will therefore allow them to optimize their presence and impact at a cost much lower than what it would be if they were to do it separately.

The analysis of existing events on the market will lead to the search for a distinct competitive advantage, often known as the USP (Unique Selling Proposition) which will mainly focus on the Research of PRM linking the competition to the different human actors in the market. The objective, therefore, is to create a kind of special relationship with the aforementioned actors. This relationship must be truly competitive and creative in the sense that it will be difficult to the competition to apply the same principles and benefits.

- According to Porter (1985), "The competitive advantage proceeds mainly from the value that a business or company can create for its customers in addition to the costs incurred by the firm to create them. The value is what customers are willing to pay, and a higher value may be obtained in applying lower prices than the competition for equivalent benefits or by providing unique benefits that will do more than compensate a higher price. "
- The company will therefore analyze the information collected following three complementary perspectives:
- The perspective of the analysis of the competitive offer: definition of perceived, expected and received benefits and search of included motivators.
- The perspective of the analysis of concurrent communication and isolate the used motivating arguments. What was said and how was it said?
- The perspective of the determination of the influencing factors that enable or promote choice and act strongly on the process of choice and decision.

If the history of marketing is rooted in the study of needs and demand, the history of management comes from reflection on the best possible way of thinking, producing and delivering what the market expects, wants and looks for. Thus, the management of the partnership must be of a distinctive contribution to make more visible the difference between the offer of the company and that of its competitors.

#### **2.7.4 The PEM (Partnership Experience Management):**

Partnership Experience Management, established with all the non competitors or non-competitors companies and the experience of partnership with the customers who are the consumers.

However, the PEM can only be complete after having considered the experience of external relations, and if we do not include in our thinking, internal partnership, that is to say the experience gained from the relationship between human resources of the company and its management.

Are there any perfect internal policies? If so, why aren't the companies more creative of general added value to their entity, identity and brand image which is essential to them? If not, how and why do these companies still exist?

Internal policies of these days, in the companies, revolve around traditional functions of human resource management. Efforts of managers and employers revolve around choices often known and expected (stimulating working atmosphere, pleasant conditions, motivations and incentives of all kinds, skills development ...). Their main objective is the increase of overall performance that is to say that of the company, the participation, commitment and even the internalization of values and the culture of business.

Although necessary, if not vital, information collected on partnership in the three approaches is not sufficient. It must be included in a deep understanding, both qualitative and quantitative, of partnership relations.

*"In a market that is increasingly globalized, where cultures overlap and influence each others, in a context where the consumption of signs is accompanied by a rapid evolution of desires, it becomes increasingly essential to complete by sociological and ethnological approaches, the enlightening and understanding of behaviors ... "* and business partnership.

It also requires taking into account a factor of primordial importance: Cultural and intercultural factors existing on the markets of operations. Taking in consideration what

is tolerated, what is accepted and what is allowed, etc ....in order to avoid missteps which consequences can lead to the disappearance and demise of the company.

Knowledge gathered and experienced by the company will build its portfolio of narrow, wide or elastic partnership experiences. The important point of the concept of partnership experience is the ability of companies to be able demonstrates some flexibility in decision making and in their sense of adaptation to the characteristics of the "Global Village".

In conclusion, we can consider that there is a whole new concept of relationship that develops around the company, somehow a sort of all around and everywhere relational spider webs. It is first necessary to know how to make good use of several strategies simultaneously or alternatively, in a sufficiently effective way to achieve a goal not only to survive in a fiercely competitive world, but to ensure to the company has an access to the future of the markets.

However, nothing can be done without relationships both on a micro level as well as on the macroeconomic level. Basically, don't they complement each other at the limit?

Customer value management is managing each customer relationship with the goal of achieving maximum lifetime profit from the entire customer base. Customer value management enables companies to take full advantage of the economics of loyalty by increasing retention, reducing risk, and amortizing acquisition costs over a longer and more profitable period of engagement.

Although customer value management seeks to increase the aggregate value of the customer base, this is accomplished customer by customer. Not every individual customer will be profitable, but each must be managed to maximize overall profit, **thus a customer is a value to the organization as a source of profit**, even when the management consists of identifying which customers have little value to the business, and focusing development and retention efforts elsewhere

Moreover, as CVM shifts the focus of the enterprise from managing products or marketing campaigns to managing the profitability of each individual customer over the entire life of the relationship. This can and does lead to better product offerings and more targeted campaign, **thus a customer is a value to the organization as a source of innovation and developing activities** to meet shifting consumer needs and the more sophisticated customer of this era.

Moreover competition is also a value to the organization as a source of ideas for products enhancing customers' lifestyles. Competition forces the company to constantly seek to improve their product offering and increase their activities in the market, thus increasing market integration and improving relationship with customers.

If correctly identified, the above values are an asset to a company sales and marketing activities.

## **2.8 General definition, importance and tasks of sales teams**

### **2.8.1 Definition**

Companies can live and die by the quality of their sales people. A great sales team can generate profit from an average or below-average product or service, whereas a fragile sales team can cause loss from a -great package.

“Literally, a team comprises a group of people linked in a common purpose. Teams are especially created for conducting tasks that are complex and have many interdependent subtasks.” (Dipankar, 2008)

A group in itself does not necessarily form a team. Teams naturally include members with similar skills who generate synergy through matched efforts. This allows each member to widen his strengths and minimize his weaknesses.

A sales team differs from other teams in many ways. Due to the fact that teams in general act in synergy to perform one task divided into subtasks assigned to each individual – which is considered the basic goal of the team thus their corporate goal – a sales team

instead acts in the direction of the corporate goal, but the cooperation between their members is not crucial; instead, their cooperation with other departments is highly required to execute a good task. Basically, especially in the service sector, sales teams require a high cooperation with the operations department at first, then with the customer service, marketing, accounting and finance. This will lead them to deliver a fully synchronized and professional service.

Consequently, we can define a sales team as an ordinary team executing tasks contributing to the common target. But cooperation between team members is not required as each sales member acts individually in his independent territory. Instead, the cooperation with other departments is crucial for their quality based deliverable service.

More specifically, a sales team in a retail business is a group of people chosen to execute the business development process that usually requires more individual than team work. Markets are mainly divided into territories and each salesperson is assigned the responsibility for a specific region.

Lebanese retail companies generally consider the sales team as a major player in the business growth. Maximizing profit is a general goal. And it can be usually reached through sales department efforts. Sales teams differ in the number of members. The greater the opportunities and potentials allocated in the market, the larger the team would be. Maximizing the number of members is directly related to ROI where each person is supposed to generate a certain amount of profit based on his package value; and he/she will be evaluated accordingly. For example, Expeditors Company in Lebanon requires from each sales member a ROI of 8 times his package value.

In conclusion, and based on the various articles reviewed in this regard and to my personal experience in this industry, we can say that Lebanese business mentality does not differ from the general ideology that companies pursue worldwide. Globalization proved to be its major driver.

## **2.8.2 Tasks and responsibilities of a sales team**

Before embarking on the recruiting and hiring activities, we have to carefully determine the role we want our sales people to play in the organization. In previous years, the salesperson was responsible of the whole selling process. However, in the majority of today's organization, a variety of people became involved in this process.

### **2.8.2.1 Prospecting and locating new sources of business**

Prospects are people who had never heard before about the company or the service it provides, and it is the task of the management line to introduce the service that salesmen are selling and to promote the image of the company to the selected market. This should be done through various advertising and Public Relations programs; and this should happen before embarking in the implementation of a prospecting technique.

When it comes to creating new business, like anyone involved in sales, the first big challenge will be to reach the right end-users. "To successfully find new prospects for the products and services, we need a hard-working prospecting program that reaches out to qualified prospects and moves them through the sales cycle from cold to warm to hot. The program must incorporate a range of marketing tactics that, over time, brings prospects gradually closer to a decision to use the promoted service". (Chasek, 2000)

After presenting what the sales management should do to insure the right environment for the sales people to operate efficiently, the Account Managers (sales) will be responsible to implement the prospecting techniques that Management had selected for them. We need to clarify here that the salesman will be given the freedom to choose between all the techniques of sales where he feels more comfortable and more efficient.

### **2.8.2.2 Qualifying prospective clients**

The qualified prospects also called Hot Prospects are the ones we have successfully chosen during the first stages of the sales cycle. After reaching this step, the closure of the deal will be considered. The challenge of the sales people will be to close the deal in



good terms meaning that he/she should secure the mutual interest of the two parties, buyer and seller. Then, preparing for the final step is very important. This step will lead the sales to harvest the fruits of his efforts. After acquiring all useful information from the target prospect through previous contacts, the sales will be ready to study well the possibility of presenting the solution for the prospect's problems, or the advantages the latter might get while utilizing the offered service.

### **2.8.2.3 Retaining existing business**

The third important issue that sales team should focus on are securing the continuity of the existing clients. Loyalty to the company and to its staff is not easy to win; especially that the fierce competition and the low-pricing strategies are highly considerable in our market. The follow-up techniques are very relevant to reach the long-term loyalty of the operating customers.

Once we've begun calling on top prospects lead from the advertising and public relation programs, we need to arrange a database using customer management software. This will help us maintain continuous contact with selected prospects with whom we have previously met. The importance of the follow-up remains in the fact that the cost of selling to an existing customer is about 1/10 to 1/5 the cost of selling to a new customer. All the major costs occur with new customers; existing customers need only to be given correct customer service so that they are informed with the whole product offering process.

According to the Customer Service Institute, "65% of a company's business comes from existing customers, and it costs five times as much to attract a new customer than to keep an existing one satisfied". Moreover, a study at Harvard University by researchers Reichheld and Sasser calculated that "5% reduction in customer defections increases company profits by 25% to 85%." According to Gartner CRM analyst Adam Sarner, "obtaining a new customer is 10 times more expensive than retaining an existing one".

Finally, the McKinsey report (2003) puts the cost of rescuing defected customers 100 times more than keeping existing customers. (Thompson, 2008; Fischler, 2009)

#### **2.8.2.4 Developing accounts to increase account share**

Giving the above mentioned criteria to protect the sales' outcome from declining, evolving the pipeline should be considered. Due to the fact that each salesperson is assigned to gradually increase target on a monthly basis, and developing a new account will be his major task.

“In most cases the investment in customer acquisition is heavy, scattered, unmeasured and unplanned. The money spent on this type of effort consists of advertising dollars, sales, salaries and expenses, phones and administrative time”. (Liraz, 2006)

#### **2.8.2.5 Managing client relationships at multiple levels**

Managing client and prospect relationships is critical in any business. As the business grows and evolves, attention to managing relationships becomes even more important and complex. In a business built on interaction, a well-coordinated contact strategy and access to accurate data are critical, especially when multiple locations and different clients are involved. An effective relationship management solution can create lots of opportunities, from better productivity to increased sales.

#### **2.8.2.6 Integrating technology into business management**

Employees in today's organizations are becoming increasingly active and facing more and more severe time and performance pressures. These characteristics apply particularly to sales executives who are always active. Exchanging emails, promoting the company's website, using the CRM software and other information are exchanged through the use of internet and computer technologies.

Salespeople mainly use emails to send introductory mails to prospects; then, they promote their e-mail address in order to receive all queries from their customers. After

quoting them, prompt reply is highly appreciated by end users. Emails are considered to be the lowest cost and high efficiency medium to professionally executed sales transactions. CRM is the next technology medium a sales is required to use. It is efficient software that is mainly used to store up database. This information is crucial to pursue a good follow-up strategy with the customer, and it is used by the sales managers in order to supervise, coach and advise all necessary advices and corrections to the implemented approaches and sales tasks.

### **2.8.2.7 Providing solutions to clients problems**

One of the best approaches and most successful ones in generating profit from new customers is when the salesman succeeds in providing the prospect the solution for his business challenges and the advantage of using his service. The question remains: how can we identify the prospects' problems? The answer is very simple, a face-to-face meeting plus open-ended questions most probably leads the sales to discover problems the potential customer is facing, thus the gaps in the competitor's service. All details regarding these approaches are listed in the Sales Process here below. Afterward, offering the right solution is needed to close the meeting successfully.

### **2.8.3 Importance of a sales team in a firm .**

In general, having an efficient sales team is essential for the success of the company. From making sales calls, and getting business for the company, to servicing the existing customers and maintaining records: people in a sales team play a crucial role.

Members in the sales team are the company's representatives to the outside world. They represent the company in the market and should create a great impression to the clients and close the deal correctly. The investment made in creating a competitive service and issuing a great marketing and management plans will not be successful unless the right sales team in the right place is selected.

Everyone knows that sales approach occur when a member connects with the prospects and clients. But in order to connect with them on a solid base, a sales man should be on the ground to really understand their business and the challenges they face. That is what successful salesmen usually perform to win their clients' trust and delegation of their business.

Getting the most out of the sales team efforts is essential if we are aiming to reach our company's overall potential. But it is not that easy. Sales people can be operating in a stressful and non-healthy environment where they are exposed to rejection and disappointment. Effective organization and motivation of the team is very important. But the most vital is that managers should communicate a clear strategy pushing sales members form real clients out of prospects.

Achieving sales volume goals for the business is one of the biggest challenges any manager faces. Many aspects away from managers' control can affect the final dollar sign: the economy, the circumstances, the competition, etc... But one manageable factor is the people resource in direct contact with the clients; we are talking about the sales team.

Regarding the importance of sales teams in the Lebanese retail businesses, we can confirm that they are given a special care and a considerable appreciation for their role. They are considered to be the companies' competitive advantage. And this is mainly due to the fierce competition these companies are facing and to the standardized quality of service they are offering. Consequently, they are left with one differentiation strategy which is forming a better-quality sales team.

Many organizations in Lebanon are dealing with this issue very seriously. Teaching salesmen to be efficient will create an advantage over competitors. Developing their skills, their technical expertise, their problem solving proficiency, their fast response and the know-how are presented to salesmen through excessive trainings, seminars and other development programs.

## **2.9 Planning**

### **2.9.1 Setting plans, goals and strategies**

Planning is an essential issue to business success. We have all heard of the old saying: “If you fail to plan, you plan to fail.” (Hamilton, 2005)

We live in a fast-moving world; change is the title of the day, planning should occur at several levels and in numerous dimensions.

#### **2.9.1.1 The strategic level**

It is when the general direction of the company is set through planning the outcome heading to long-term profitability of the business.

#### **2.9.1.2 The managerial level**

This is the level where managers plan at this level to make sure that the daily tasks and actions are appropriate with the long-term business goals. It is recognized as being necessary to the successful operation of the business.

Planning is a constant process. No matter how well we trace our tactics, they are pointless unless we use them to push our business in the desired direction. This means that our plans need to be updated often. Due to the nature of the transportation sector which is usually considered as a medium speed changing environment, operational plans need to be updated weekly, whereas strategic plans should be updated monthly.

### **2.9.2 Developing a Sales Process**

Definition of a sales process by Webster: “A series of actions, changes, or functions bringing about a result (Increasing Sales Revenue)”

Importance of a well defined sales process

a) It's absolutely vital to develop a comprehensive, realistic and step-by-step sales process - a clear outline of what the sales people are expected to do.

b) It improves:

- Visibility
- Predictability
- Consistency
- Sustainability

This is often translated into a Competitive Advantage

### **2.9.3 Assessing internal and external environment (SWOT)**

SWOT analysis is a tool for auditing an organization and its surroundings. It is the first stage of planning and helps to focus on primary issues. SWOT stands for strengths, weaknesses, opportunities, and threats. Strengths and weaknesses are internal factors. Opportunities and threats are external factors.

Strengths	Internal elements of the business which are useful to achieve the objective.
Weaknesses	Internal components of the business destructive in terms of achieving the objective.
Opportunities	External conditions which are helpful to achieve the objective.
Threats	External conditions which might damage to the business's performance.

Table 3: SWOT analysis

### **2.10 Recruiting and hiring**

Finding a good employee is not easy at all. Even professional recruiting companies say it presents an exceptional challenge. When companies strive for new people, they tend only to look at the firm's immediate needs. In order to have a successful approach, it is highly

recommended that the leader of the team, which is the Sales Manager, should be actively concerned in the recruiting process through specifying his needs and wants of certain specifications in order to build synergy and harmony. So the role of the leader shall be through advising specific requirements to the HR department in order to hire suitable personnel.

The ideal applier for this job should have a set of qualifications and experiences that matches requirements. These requirements are either crucial or advantageous. For example: a bachelor degree in Business is a must, whereas major in Marketing is a plus.

## **2.11 Leadership identity and skills**

Before starting to tackle the important steps of team building, let us discuss a little about the identity of the leader who will drive this team to the expected glory.

### **2.11.1 Definition:**

A leader is defined well by Jack Welch, founder of the Jack Welch Management Institute, as a creator of aim, changing old strategies and approaches that made leaders only managers having an aggressive authority over employees with long distance. The leader challenges the status quo, in the most diplomatic way.

### **2.11.2 Identity of a leader (Thomas, 2008)**

Good communication skills which is the answer to be a great leader; if anyone fills all leadership qualities but fail to communicate positively, he won't be a leader. Vision is being able to look beyond the current position, knowing where the business is going, and being able to use that vision to move the company ahead. These could be summarized in many points such as having the ability to motivate, i.e. when the leader must always keep motivating his team members for good work and should maintain healthy environment. A leader should be consistent and develop a unique approach to deal with companies issues. Essential change shouldn't occur in form of surprise. Things should be kept simple and consistent. Integrity is a major characteristic of a good leader; it's when his/her action

matches his/her words. If it doesn't, the leader loses credibility towards the staff. Integrity leads to justice; and justice is when the leader acts ethically and rejects corruption. Finally positive focus allows leaders to see solutions to different problems, and discipline is the ability to do the right thing regardless of the moment, the persons involved or the personal benefits.

### **2.11.3 Leadership skills:**

Leaders' aim should be to create a certain revolution while they are on the head of a team. His/her main purpose is to create the difference and not to gain money. To create something of good value is to introduce to the work environment something valuable that all members stick to it. A leader should spread out positive energy by influencing team's members through charisma, passion, confidence and his/her will for accomplishment. Moreover leaders does not only dream; they make their dreams come true through actualizing the vision they have and are always ready for change; leaders welcome change as they know well that it is a certain way of progress.



**2.11.4 Basic role of leaders in forming a team**

<b>Stage</b>	<b>Activity of the leader</b>
<b>Forming</b>	Leading the team clearly. Establishing objectives clearly
<b>Storming</b>	Establishing process and structure, and working to eliminate conflict and build good connections between team members.  Providing support, especially to the team members who are facing security issues.  Remaining positive and strong in the face of various challenges.  Explaining the “forming, storming, norming and performing” idea to members so that they understand why conflict is occurring, and understanding that things will get better in the future.
<b>Norming</b>	Helping the team take responsibility for progress towards reaching the corporate goal.  Taking time to arrange a social or team-building event
<b>Performing</b>	Delegating power as much as possible. Once the team has achieved considerable performance, it will be the right time to start focusing on other areas.

Table 2: Basic Role of Leaders in Forming a Team Source: Tuckman (1965)

**2.12 Stages of team building and characteristics**

A team exists mainly in order to achieve a task or set goals that cannot be achieved by one person; for example: football team, R&D team and of course sales team. There are huge similarities between, for example, a sports person playing for his club and a member of a sales team. We believe the same dynamics, the same issues and the same priorities

can exist in these different groups, and if well supervised they will greatly increase the success of the team (Egolf, 2001).

While operating a business, managing a branch, supervising a team, these issues are not often discussed and still, everyone is surprised when the team doesn't accomplish as expected.

Wide research has shown that all teams go through four stages related to instinct. Those stages have been called: Forming, Storming, Norming, and Performing. While the different stages are not so exact in terms of steps, they are distinct, and all teams go through them.

Members can boost the process by being aware of which stage the team is in and acting appropriately. This requires great attention to the indications and signals. If the team seems to be skipping a stage, managers should check again to be sure they haven't missed anything; teams almost never bypass any of the stages.

Once the team is formed and starts to work solely on a common goal or purpose, individual team members usually begin to deal with these issues. It is this act of beginning to work together, manage any conflicts (internal and external) and growing that has led to the following 4 Stages of Team Growth.

### **2.12.1 The Forming stage**

In the first stages of team building, the forming of the team takes place. The team meets and learns about the opportunity and challenges, and then agrees on goals and begins to tackle the tasks. Team members tend to behave quite independently. They may be motivated but are usually unaware of the issues and objectives of the team. Team members stays usually on their original behaviors but very focused on themselves. Mature team members begin to act in a proper behavior even at this early phase. Sharing the knowledge of the concept of "Forming, Storming, Norming, and Performing" is

extremely helpful to the team. Supervisors of the team need to be directive during this phase.

This first stage of any team is very significant. That's because all elements of the team get to know each other and make new links. This is also a great opportunity to figure out how each member works individually and how they react to a certain pressure.

### **2.12.1.1 Assessing Psychological behaviors of team associates**

During this crucial stage, it is normal that little progress will be made towards achieving the goal; after all, this objective brought the team together in the first place. Moreover, individual team members will be looking towards the team leader for direction and guidance so it is principal that he/she recognizes this. But the most important issue the superiors should focus on is differentiating the positive from the negative attitude employees.

The manager can't afford to have negative, weak-performing employees in his team.

“3M discovered that when management laid off the bottom 10% (their poorest performers) at one facility, their productivity increased up to 18%. When they laid off another 10% (the next poorest set of performers), productivity went up another 4%. 3M learned that negative employees not only produce less, but they also cost more.”  
(Zimmerman. 2007)

Negative employees affect negatively the atmosphere of the company and destroy development by taking negative approach. They do the minimum required to stay inside. They don't have a lot of motivation or creativity, and they rarely take initiative.

Here are four characteristics of a positive employee that a manager should look for in his team:

**Positive employees know that solid efforts are good for their soul.**

All employees know well that hard working is good for the welfare of the company, good for their pocket and good for the whole micro economy. But only positive employees know that good work is good for the soul.

Best-selling author Rabbi Harold Kushner says it so well. He says: "Work hard, not solely because it will bring you rewards and promotions, but because it will give you a sense of being a competent person. Something corrosive happens to the souls of people who stop caring about the quality of their work...and begin to go through the motions." (Zimmerman, 2006)

**Positive employees get pleasure from their work.**

There are always things to complain about in any position or work. But enjoying work is only a personal decision that each one should take. It is a personal issue each employee should take while overcoming all psychological defects caused by environmental challenges at work.

Usually, positive employees know how to enjoy their work which leads them to produce good outcome.

**Positive employees are able to produce in challenging environments.**

Positive employees seek the advantage in challenges whereas others are blocked with the difficulties. Strong employees are those who turn the disadvantage into advantages. They see the good in each and every condition.

**Positive employees strive to generate more than expected.**

Employees who think positively are never satisfied with the minimum required by their job position. What they actually do is finding out what expected and achieving more through extra efforts. They are in basic need to dazzle their superiors and to shine in the working place.

### **2.12.1.2 Management's role**

Teams don't have to be aligned with the goals of the organization. Teams can work on what they believe to be the right things. They can work carefully on creating the results they think it matters. They can be completely committed to success from their perspective.

An independent team could enjoy each other and their work. They could accomplish much, and all of that could be completely opposed to what the organization aims to. Sometimes leaders aren't thinking about this issue in a serious way or are too optimistic. They think they hired good people so they will figure out how to succeed. In fact, leaders must align clear strategies and they must include a clearer view in the organization, so people and teams can direct their efforts to the important strategies of the organization.

Usually, it is hard for the managers to make a team aligned with the company's goals and policies. The presence of such guides is not enough; teams can't get the right track they need without communication. It is the responsibility of leaders to create a healthy environment; it gives the mutual understanding which offers the team the right environment they need to simplify their goal and make the decisions suitable during their work.

### **2.12.2 The Storming Stage**

#### **2.12.2.1 Challenges facing team structure**

Every group will then enter the storming stage in which different ideas compete for concern. The team raises matters such as what challenges they are supposed to overcome, how they will function independently and together and what type of leadership they will bear. Team members get close to each other and communicate with each other's ideas and point of views.

In some cases, storming can be quickly conquered. In other cases, the created team stays at this level and cannot leave it. Overcoming such stage requires a great degree of

maturity of their members. Members which are not matured enough will not perform correctly but instead, they show off their capacities and ideas trying to convenience their colleagues that they are the “kings of the game”. Some team members will focus on non significant details to escape from available facts.

The storming stage is crucial to the development of every team. It can be uncertain, terrible or painful to members of team who take part of the conflict. Patience is a very important element to be present in each team member so the team will not fail. This phase can become a failure to the team and shall decrease motivation in case leaders do not control well the process.

Managers of the team should be ready to interact with members in full at this stage and communication should be held daily in a healthy environment. Moreover, supervisors should show confidence to staff and welcome them for any discussion.

Another issue to enlighten at this level is the conflicts coming from dealing with personality style differences.

“Of course we know that people in a team have different personalities. This can be good when people use their various talents, all necessary functions and tasks. Also, a team needs a balance of approaches. For example, the team needs both change and tradition, both vision and common sense, big picture and details, fast-paced and more slow pace, risk taking and caution, creativity and structure, people focus and task focus, process focus and content focus, outgoing style and reserve style”. (Smallwood, 2004)

As these differences occur in the interactions of the team, team members can challenge each other to expand their growth and development. There is a chance for synergy inside the team, and this does not involve everyone doing the same but rather implementing all different ideas and thoughts to be stormed together.

### **2.12.2.2 Management's role and responsibilities**

This is the most suitably named stage. Individuals become more and more irritated due to lack of growth and can be frightened of the company and its management.

What to recognize as manager is considerable changes in attitude such as lack of personal involvement, panicking members of a team, and arguments and internal clashes.

Another important aspect is to recognize when dominant members seem to take control over weak ones, in this case the team may begin to be divided, there is a lack of respect for other members or leaders, the team members blame each others for problems and does not believe in the companies goals and objectives and their validity,

### **2.12.3 The Norming Stage**

#### **2.12.3.1 Characteristics of this stage**

This is considered as the decision point of the whole process, opposition between members will be transformed into collaboration, members start to welcome and support different ideas and statements given by others, personal disagreement are reduced, principal guidelines are well-known and decided, tasks and responsibilities are visibly set and agreed upon. Now the team is behaving as single, working as one, members are well appreciated and their suggestions too, goals are obvious, individuals completely appreciate their functions and the roles of their colleagues, troubles are being handled and decisions are put into practice.

Members will exhibit an enormous sense of relief, they will show an increasing belief in the group and its objectives, the individuals will begin to trust themselves and others team members

The team will exhibit positive criticism, by decreasing doubt of other colleagues and having a more united sense of principle, they will show enthusiasm to resolve conflicts and matters, and try to achieve a sense of accomplishment. A sense of belonging the

organization and team will be felt, personal development will be achieved throughout involvement.

### **2.12.3.2 Management's tasks in this stage**

Leaders now should protect major guidelines and rules of the company; they should also proceed in supporting members of the team till reaching suspected progress. Moreover, they must continue to develop their loyalty towards the team, communicate in a healthy way with them, and most importantly, proceed in empowering members to overcome any challenge they face so the whole team move to the fourth stage.

In more technical words, and in order to reach the expected achievements, leaders should direct the team to create what we call a Consensus Decision Making

The rules for this agreement are as follows:

Leaders shall intervene in coaching the team to make everyone give his opinion and make his voice heard. Everyone must feel like they have had a chance to speak and tell his arguments.

All members must know well that any decision taken by the team shall be well respected, although it might not be the individual's choice, but it is the decision adopted and it should be well followed.

All information given inside the workplace and all debates handled there should be kept inside this place and members should not talk about any decision outside.

Each member has the right to stop the decision to be taken even if he's the only one to oppose it. Consensus differs from voting in this way. But there are rules to be taken by individuals to block a decision. These rules are:

Members should participate in full in debate before blocking a decision



The member must analyze and include all members' interest as well as his own

All members must clearly explain the reasons for refusing or blocking the decision and they should show the disadvantage if going through it.

When a group is heading towards a consensus, the leader shall require suggestions from the members. He gathers these proposals and chooses the convenient one, of course after amending it till it becomes fully suitable. Then, he calls for consensus. If there were opposing ideas, the members shall proceed in the debate till reaching the desired agreement.

Issues to be considered at the current level to create an efficient team

Members should be, faithful, well focused on the goals and objectives of the team, compassionate, professional and skilful, collaborative and caring, healthy communicators, able to build confidence, positive and flexible, finally able to learn

#### **2.12.4 The Performing Stage**

##### **2.12.4.1 Characteristics of this stage**

At this point, the team enters into the Performing stage. Behaviors are adjusted to form a healthy and friendly atmosphere where each member understands and appreciates his colleagues. Team members usually start by supporting the system, the standards, the professional performance, joint techniques and methods. During this phase, team members start to trust each other.

Generally, the team members might lose their creativity during this phase especially if the team spirit overcomes their individuality in a brutal way.

Leaders in this stage are required to be more involved with the team. They usually participate more in all issues and interact with the working environment to induce trust and healthiness. They should boost the members can be expected to take more decision and to take control over their tasks.

#### **2.12.4.2 Elements of a High Performance Team**

Looking at each individual of the team and taking care of him is a very important task for managers. But now it is the most accurate time to look on the team as a whole. There are some traits that need to be well shown inside a team to determine its success. Leaders are requested to follow this set in order to determine accurately the strengths and weaknesses of their team.

##### **2.12.4.2.1 Commitment**

Team members should be well committed to the team. There should be a sense of belonging to the group and to its goal.

##### **2.12.4.3 Confidence**

Team members must trust each other. This is an important value that leads to a healthy environment. This will lead members sustain each other and act in synergy.

##### **2.12.4.4 Rationale**

All team members must know their function very well; they should share a certain sense of ownership and loyalty towards their company.

##### **2.12.4.5 Communication**

Successful teams communicate regularly with each other and in a healthy way. Communication should happen also with other team members. It is crucial for all team because it allows them to take professional decisions, solve problems and teach others from one's mistakes.

##### **2.12.4.6 Contribution**

Everyone should be well involved with the process through his assigned role. Although it usually requires members to perform different tasks, they should experience a sense of partnership with each other.

#### **2.12.4.7 Constant improvement**

Members should know well the important of their permanent development and improvement. Standing still leads to negative outcome. All efforts towards improvement are done in support of the organization's goals and objectives. Members who are on the right track shall evolve the process as well.

#### **2.12.5 The Transforming stage**

Tuckman (1965) later added a fifth stage that engages implementation of the mission. Others call it the phase for mourning.

Consequently, teams at this stage may be transformed to a certain phase of achievement. Managers at this transforming stage can generate major modifications in performance through synergy.

### **2.13 Motivation**

The chapter reviews literature of work motivation and its theories, the chapter reviews and discusses the definitions of motivation, the important factors that influence sales force motivation based on the previous studies showed.

#### **2.13.1 Importance of motivation**

Work motivation is described as the psychological processes that direct, energize, and maintain action toward a job, task, role, or project (Campbell & Pritchard, 1976; Kanfer, 1990). Along with many other psychological constructs, motivation is a very important process in understanding behavior.

Motivation interacts with and acts in conjunction with other mediating processes and the environment. It must also be remembered that, like the other cognitive processes, motivation cannot be seen. All that can be seen is behavior. Motivation is hypothetical construct that is used to help explain behavior; it should not be equated with behavior. In fact, while recognizing the central role of motivation many of today's organizational behavior theorists

think it is important for the field to reemphasize behavior (Luthans, 2011). Employee motivation is major factor in the success or failure for any organization. Without a motivated workforce, productivity, morale, profits, product and service delivery suffers. To stay competitive organizations must invest in effective strategies to motivate the staff.

Firstly, motivation puts human resources into action. Every company requires physical, financial and human resources to accomplish its goals. It is through motivation that the human resources can be utilized by making full use of it. This can be done by building willingness in employees to work. This will help the enterprise in securing best possible utilization of human resources.

Secondly, motivation will improves level of efficiency of employees. The level of a subordinate or an employee does not only depend upon his/her qualifications and abilities. For getting best of his/her work performance, the gap between ability and willingness has to be filled which helps in improving the level of performance of employees, which is motivation actually. It will result into increase in productivity, reducing cost of operations, and improving overall efficiency.

Thirdly, motivation can leads to achievement of organizational goals and personal goals. Organization needs motivation in order to reach its goals. In fact it is one of the most important and driving factor for organization to reaching its goals. The goals of an organization can be achieved if co-ordination and co-operation takes place simultaneously which can be effectively done through motivation, because motivation will help in self-development of individual, the employees are goal-directed and they acts in a purposive manner if there is best possible utilization of resources.

Fourthly, motivation could leads to stability of work force. Stability of workforce is very important from the point of view of reputation and goodwill of a company. If an individual is motivated, he/she will have job satisfaction. The employees can remain loyal to the organization only when they have a feeling of participation in the management. The skills and efficiency of employees will always be of advantage to employees as well as employees. This

will lead to a good public image in the market which will attract competent and qualified people into a company. As it is said, "Old is gold" which suffices with the role of motivation here, the older the people, more the experience and their adjustment into a company which can be of benefit to the enterprise.

### **2.13.2 Definition of motivation**

Many definitions of motivation have been explored which mostly stick to the idea of promoting individual's willingness to invest more efforts to achieve specific objectives. However, motivation has not been uniformly defined in industrial and organizational psychology (Locke and Latham, 1990). One possible reason could be the invisible and hypothetical nature of motivation construct. The interplay of internal and external forces initiates job-related behaviors and ascertains the direction, intensity and duration of motivation (Pinder, 1998). Mullins (1992) defined motivation as the direction and persistence of actions. He has described that the driving force for motivation is to satisfy certain needs and expectations. Conroy (1994) has defined motivation as "a person's active participation in and commitment to achieving the prescribed results".

Wiley (1997) has noted that the following three assumptions of human motivation guided contemporary research: "(1) Motivation is inferred from a systematic analysis of how personal, task and environmental characteristics influence behavior and job performance. (2) Motivation is not a fixed trait. It refers to a dynamic internal state resulting from the influence of personal and situational factors. As such, motivation may change with changes in personal, social or other factors. (3) Motivation affects behavior, rather than performance (Nicholson, 1995). Initiatives designed to enhance job performance by increasing employee motivation may not be successful if there is a weak link between job performance and an employee's efforts." Locke (1976) has indicated that motivation is determined by goal directedness, human willingness, and perceived needs and values to sustaining the actions of employees in relation to themselves and to their environment.

### **2.13.3 Theories of work motivation**

Motivation is a basic psychological process consisting of intrinsic and extrinsic motives. In order to understand organizational behavior, these basic motivators must be recognized and studied; they serve as background and foundation for the more directly relevant work motivation theories. In this study, the work motivational factors are determined with the basis within the context of motivation theory. There are various theories for work motivation.

#### **2.13.3.1 Need hierarchy theory**

Abraham Maslow (1943) thought that a person's motivational needs could be arranged in a hierarchical manner. He believed that human beings have wants and desires which influence their behavior. This theory is based on the assumption that there is a hierarchy of five needs within each individual. Once the lower level of need is at least minimally satisfied, the next higher level of need has to be activated in order to motivate the individual. Maslow's needs hierarchy theory can be converted into content model of work motivation show in Figure 2.1 and the estimated percentages gives by Maslow seem logical and still largely applicable to the motivation of employees in today's organizations. Unfortunately, the limited research that has been conducted lends little empirical support to the theory. But research finding indicate that Maslow's is certainly not the final answer in work motivation.

Yet the theory does make a significant contribution in terms of making management aware of the diverse needs of employees at work (Luthans, 2011 ).



Figure 4: Maslow's hierarchy Source: Maslow (1943)

Physiological needs- The most basic level is the physiological needs, such as air, water, food, clothing and shelter. In other words, physiological needs are the needs for basic amenities of life, for example the pay.

Safety needs- Safety needs include physical, environmental and emotional safety and protection. For instance, job security, financial security, protection from animals, family security, health security, etc.

Social needs- Social needs include the need for love, affection, care, belongingness, and friendship.

Esteem needs- Esteem needs are of two types: internal esteem needs (self- respect, confidence, competence, achievement and freedom) and external esteem needs (recognition, power, titles, status, attention and admiration).

Self-actualization need- This include the urge to become what you are capable of becoming, what you have the potential to become. People who have become self-actualized are self-fulfilled and have realized all their potential. It includes the need for growth and self-

contentment. It also includes desire for gaining more knowledge, social service, creativity and being aesthetic. The self-actualization needs are never fully satiable. As an individual grows psychologically, opportunities keep cropping up to continue growing.

### **2.13.3.2 ERG theory**

To bring Maslow's need hierarchy theory of motivation in synchronization with empirical research, Alderfer (1972) redefined it in his own terms. He reworked Maslow's need hierarchy theory to be Existence Relatedness and Growth theory of motivation. He re-categorized Maslow's hierarchy of needs into three simpler and broader classes of needs, namely, Existence needs, Relatedness needs and Growth needs, totally called as the ERG theory,

Existence needs- These include need for basic material necessities. In short, it includes an individual's physiological and physical safety needs. Relatedness needs- These include the aspiration individual's have for maintaining significant interpersonal relationships (be it with family, peers or superiors), getting public fame and recognition. Maslow's social needs and external component of esteem needs fall under this class of need.

Growth needs- These include need for self-development and personal growth and advancement. Maslow's self-actualization needs and intrinsic component of esteem needs fall under this category of need.

### **2.13.3.3 Herzberg's two-factor theory**

Unlike Maslow, Herzberg concluded that job satisfiers are related to job content and that job dissatisfies are allied to job context. He labeled the satisfiers motivators, and called the dissatisfies hygiene factors. Taken together, the motivators and hygiene factors have become known as Herzberg's two-factor theory or the motivator-hygiene theory of motivation. According to Herzberg, there are some job factors that result in satisfaction while there are other job factors that prevent dissatisfaction. Hygiene factors are those job factors which are essential for existence of motivation at workplace. These do not lead to



positive satisfaction for long-term. But if these factors are absent, if these factors are non-existent at workplace, then they lead to dissatisfaction. These factors are extrinsic to work include pay, company policies and administrative policies, fringe benefits and job security. According to Herzberg, the hygiene factors cannot be regarded as motivators. The motivational factors yield positive satisfaction. These factors are inherent to work. These factors motivate the employees for a superior performance. These factors are called satisfiers. These are factors involved in performing the job. Employees find these factors intrinsically rewarding. The motivators symbolized the psychological needs that were perceived as an additional benefit. Motivational factors such as recognition, sense of achievement, growth and promotional opportunities and meaningfulness of the work (Knights and Willmott, 2007).

#### **2.13.3.4 Expectancy theory**

The expectancy theory was proposed by Victor Vroom in 1964, it states that employee's motivation is an outcome of how much an individual wants a reward (Valence), the assessment that the likelihood that the effort will lead to expected performance (Expectancy) and the belief that the performance will lead to reward (Instrumentality) (Vroom, 1964). In short, Valence is the significance associated by an individual about the expected outcome. It is an expected and not the actual satisfaction that an employee expects to receive after achieving the goals.

Expectancy is the faith that better efforts will result in better performance. Expectancy is influenced by factors such as possession of appropriate skills for performing the Job, availability of right resources, and availability of crucial information and getting the required support for completing the job. Instrumentality is the faith that If you perform well, then a valid outcome will be there.

Instrumentality is affected by factors such as believe in the people who decide who receives what outcome, the simplicity of the process deciding who gets what outcome, and clarity of relationship between performance and outcomes. Thus, the expectancy theory concentrates on the following three relationships:

- Effort-performance relationship: What is the likelihood that the individual's effort be recognized in his performance appraisal? People always hope to achieve their expectant goals through their efforts, if individual thinks that higher probability to achieve his/her goals with higher confidence, then it will motivates them to put best force in work; contrarily, if individual thinks that the goals is too high and it's impossible to be achieved by efforts, then he/she might put less efforts in work with lower confidence, because he/she already lose the intrinsic motivate result in working with passiveness (Zhang, 2005).
- Performance-reward relationship: It talks about the extent to which the employee believes that getting a good performance appraisal leads to organizational rewards. If employee gains the rewards by good performance, his/her work enthusiasm will be improved accordingly.
- Rewards-personal goals relationship: It is all about the attractiveness or appeal of the potential reward to the individual, for example satisfy personal goal needs as promotion. As Zhang (2005) said that the individual goal needs are different, so the same rewards will give different satisfaction for different people, also it will make different motivation for different people.

This process may be illustrated in the following way:

- Force = Valence x Expectancy
- Force is strength of motivation.
- Valence is strength of preference for an outcome
- Expectancy is the level of belief that changes in behavior will achieve the required outcome.

### **2.13.3.5 Equity theory**

As a theory of work motivation credit for equity theory is usually given to social psychologist J. Stacy Adams in 1965. The theory argues that a major input into job performance and satisfaction is the degree of equity (or inequity) that people perceive in their work situation. In

other words, it is another cognitively based motivation theory. The degree of employee motivation and reference from the object of their remuneration and the ratio of investment measure subjective sense of comparison

Adams depicts that occurs when a person perceives that the ratio of his/her outcomes to inputs and the ratio of a relevant other's outcome to inputs are equal as following:

$$\frac{\text{Person's outcome}}{\text{Person inputs}} = \frac{\text{Other's outcomes}}{\text{Other's inputs}}$$

Person inputs                  Other's inputs

Both the inputs and outputs of the person and the other are based on the person's perceptions. Age, sex, education, social status, organizational position, qualifications, and how hard the person works are examples of perceived input variables. Outcomes consist primarily of rewards such as pay, status, promotion, and intrinsic interest in the job. In essence, the ratio is based on the person's perception of what the person is giving (inputs) and receiving (outcomes) versus the ratio of what the relevant other is giving and receiving. If the person's perceived ratio is not equal to others, he/she will strive to restore the ratio to equity.

This striving to restore equity is used as used as the explanation of work motivation; the strength of this motivation is in direct proportion to the perceived inequity that exists (Parsons, 1992). The benefits of the theory derived by the employees are compared with others within the organization meaning that those who get undue benefits at the expense of the others will make the rest of the employees not to perform satisfactorily on the job.

The perception of fairness on the part of employees increases their job security. The equity theory is applicable to the organization's human resources management by ensuring fairness in the treating the employees on their compensation, the work itself, promotion, management, work groups and working conditions. Thus maintaining such equity is important in achieving the motivation of employees.

### **2.13.3.6 Goal-setting theory**

Goal-setting theory is based on the notion that individuals sometimes have a drive to reach a clearly defined end state. Often, this end state is a reward in itself. A goal's efficiency is affected by three features: proximity, difficulty and specificity. An ideal goal should present a situation where the time between the initiation of behavior and the end state is close. Goal achievement is a factor that influences the success levels of individual employees, departments and business units, and the overall organization

A goal is a performance target that an individual or group seeks to accomplish at work.

Goal setting is the process of motivating employees by establishing effective and meaningful performance targets. It is often given as an example of how the field of organizational behavior should progress from a sound theoretical foundation to sophisticated research to the actual application of more effective management practice.

However, a goal should be moderate, not too hard or too easy to complete. In both cases, most people are not optimally motivated, as many want a challenge (which assumes some kind of insecurity of success). At the same time people want to feel that there is a substantial probability that they will succeed. Specificity concerns the description of the goal in their class. The goal should be objectively defined and intelligible for the individual (Locke and Latham, 2002).

### **2.13.4 Motivation factors**

There are many employee motivation factors that a manager must consider. In order to properly conduct business employees need to be well trained and motivated. How a manager goes about this task is extremely important. Based on above mentioned motivational theories, in these theories about motivation as Gagnmld Deci (2005) argued that there are obvious two types of motivation: extrinsic and intrinsic motivation. Extrinsic motivation requires an instrumentality between the activity and some separable consequences. In the workplace, extrinsic motivators include pay, benefits, and

promotions. Intrinsic motivation refers to motivation that comes from inside an individual rather than from any external or outside rewards, such as money or grades. An employee is intrinsically motivated when he/she performs an activity without an apparent reward except for the activity itself or the feelings which result from the activity (Deci, 1972). Or an intrinsically motivated person will work on a solution to a problem because the challenge of finding a solution is provides a sense of pleasure. As Wiley (1997) said both of intrinsic and extrinsic motivation are influenced by many factors where elements such as reward, appreciation, job security, promotion and interesting work are the most important.

Charles and Marshall's (1992) indicated "good wages" to be the most important factor in motivating hotel employees to do their best work, and Simons and Enz (1995) surveyed in 12 hotels across United States of America and Canada perceived "good wages", "job security" and "opportunities for advancement and development" as the top rated motivators. Also Wiley (1997) indicated that employees from diversified industries such as retailing, services, manufacturing, insurance, utilities, health care and government agencies considered the "good wage" is the highest importance to motivate them in their work, the second and third top factors respectively are "full appreciation for work done" and "job security".

But for pharmaceutical organization, according to Malik and Naeem (2009) investigated the top job-related motivational preferences of pharmaceutical sales force in Pakistan revealed that the three top factors were pay, job security and promotion opportunity. Summarize the above statement; the study is going to review literatures on the three factors directly.

#### **2.13.4.1 Pay**

How important is pay in motivating people to work? As Rynes, Gerhart and Minette (2004) said that people are more likely to under-report than to over-report the importance of pay as a motivational factor in most situations. With the social development, the pay is to be a more and more important motivator for most people, as the evidence showed by Rynes, Gerhart and Minette (2004) conducted a survey where they asked people to rank order money and other motivators that do not accurately reflect the important effects that challenges in pay

levels or the way pay is determined actually have on people's decisions to join and leave organizations. However, the often modest survey rankings are at odds with behavioral evidence on the powerful effects that monetary incentives have on the goals that people choose to pursue within organizations and the effort and commitment they exert toward those goals.

Thus, while managers will (and should) consider both financial and nonfinancial tools for attracting, motivating, and retaining employees, it would be a mistake to conclude, based on general surveys, that monetary rewards are not highly important. As Kynes, Gerhart and Minette (2004) have demonstrated, the importance (or potential importance) of monetary rewards in any particular situation can be evaluated by considering both the situational variables (e.g., pay variability) and individual variables (e.g., performance level) that best describe the context of a particular manager's decision.

Locke, Feren, McCaleb, Shaw, and Denny (1980) concluded that money is the crucial incentive, there is no other incentive or motivational technique comes even close to money with respect to its instrumental value. As Huddleston and Good (1999) investigated job motivators for sales employees in Russian and Polish retail firms, the most important job motivators was pay, with the importance means of 4.8 and 4.9 (on a five-point scale), respectively. That pay was ranked the highest by the findings of Dubinsky et al. (1993).

Their study of American salespeople found that pay was ranked as most desirable from a list of seven job characteristics for motivation. Pharmaceutical sales force in Pakistan rated pay and fringe benefits as the most important motivating factor, which is supported by the findings of other studies as well (Wiley, 1997; Dubinsky, Jolson, Michaels, Kotabe and Lim, 1993; Shipley and Kiely, 1988). In addition, results indicate that pay and fringe benefits is highly valued by the sales force of all demographic backgrounds (Malik and Naeem, 2009).

Based on the Maslow's hierarchy of needs theory, it is a possible explanation might be that pay and fringe benefits enable salespersons to fulfill their physiological as well as safety needs and esteem needs.

Snooker (2010) indicated that the level of satisfaction an employee perceives as the consequence of a certain pay situation is positively related to the perceived motivation resulting from this pay situation. He also surveyed that employees perceived a higher level of motivation from a performance based pay scheme than from a fixed pay scheme. As Liu (2007) claimed that pharmaceutical sales organizations' incentive system in China are mostly based on the compensation incentive model. The pay schemes of Chinese companies usually have five models composed, they are pure wage model, salary plus bonus model, commission system, salary plus commission, and base pay, commission and reward payment mixed model (Cheng, 2001 ).

However, Zhang (2005) indicated almost the pay scheme of pharmaceutical sales organization in China is a mixed mode by base pay, commission and reward payment. Commission is based on the employee's performance, it directly from a percentage of sales to reward sales force, it is according to sales to determine the reward (Cheng, 2001). It also can be defined push money, deduct a percentage from a sum of money. Reward payment is incentive compensation.

The model based on the sales performance assessment, the use of commissions and bonuses in order to promote the effectiveness of sales. However, the model of pay scheme whether positive the more effective motivating the sales force? So the study based on this kind of pay scheme that the most pharmaceutical sales organizational pay scheme of mixed model used in China to research that is there whether a positive relationship between pay and sales force motivation?

#### **2.13.4.2 Job security**

Job security is an employee's assurance or confidence that they will keep their current job. Employees with a high level of job security have a low probability of losing their job in the near future. An employee with a high level of job security will often perform and concentrate better than an employee who is in constant fear of losing a job. A lack of job security can be a source of distraction and result in excess stress and low morale that hinders

an employee's overall performance.

Job security can be an important motivator of performance. In order to be a motivator, however, individuals must see a connection between their performance and the retention of their jobs which with job security. However, Job security seems to be obsolete now, but an alternative can be offered to employees in the form of opportunities to gain the inner security of making themselves more employable, especially when they are not offered loyalty in the form of job security (Bagshaw, 1997).

There are many researches that investigated and ranked the job security as a motivator to influence employees in organization. According to Huddleston and Good (1999) who investigated job motivators for sales employees in Russian and Polish retail firms, the important to job security with means of 4.5 and 4.9 (on a five-point scale) respectively.

Simons and Enz (1995) investigated the hospitality employees in 12 hotels across United States of America and Canada perceived "job security" as the second top rated motivators. Wiley (1997) indicated that employees from diversified industries such as retailing, services, manufacturing, insurance, utilities, health care and government agencies considered that the job security is the third job factors important in their motivation. Malik and Naeem (2009) ranked the job security as the second top factors of motivational list through investigated pharmaceutical sales force in Pakistan. As Maslow's hierarchy of needs theory, job security belongs to the security level of needs, so it is a important motivator.

#### **2.13.4.3 Promotion opportunity**

One important aspect impacting one's job perception is one's opportunity for promotion and career advancement. An organization that focuses on promotions and career advancement instills employees with a sense of value from his or her organization, which cultivates an upbeat experience for customers.

Motivated employees should be equipped with the ability to do the job in order to be more productive; in other words they need to have proper promotion and development (Al-



Harchy, 2008). Employee motivation can be enhanced by providing opportunities for challenge and advancement within the organization. Provide professional development and promotion opportunities such as mentoring, attendance at training programs, and job training can be a key motivator for many individuals.

These activities enable staff to achieve work related and professional goals, work towards (or achieve) advancement in the organization, enlarge or enrich their work roles and functions, achieve greater responsibility and trust, gain recognition, and add more interest to their work. As European Foundation for the Improvement of Living and Working Conditions (2007) reported "Quality of working life in the Czech Republic" which showed that the two-thirds of participants surveyed reported that opportunities for promotion and personal growth were extremely or very important motivational factors for them. Employees thrive on opportunities to develop and acquire new skills.

Also Ali and Ahmed (2008) studied employee's motivation and satisfaction among 80 employees of UNILEVER companies which indicated that the mean values for payment, promotion, recognition and benefits were the lowest. These mean values indicate the areas that employees were most likely to be de-motivated. Malik and Naeem (2009) also ranked the promotion opportunities as the third top factor at the motivation list through surveyed 247 salespersons of Pakistan pharmaceutical organization.

#### **2.13.5 Summary**

This chapter through the literature review discussed the several theories of motivation, the basis for this study starting from the theories that are directly related to the study, the variables included for the study which the main research variables to showed the previous studies on employees' work motivation, and based on the previous studies to predicted three main research variables that are important factors that influence sales force motivation, they are payment, job security and opportunities for advancement and development.

### **3 Research approach**

#### **3.1 Hypothesis**

The first hypothesis aims to determine how a sales team is influenced by company regulations. If they are motivated to work following a clear set of rules, guidelines and follow-ups, or they prefer to work in their own way and just achieve the desired sales target.

H0: Follow-ups are not necessary to improve a sales team performance.

H1: Follow-ups are necessary to improve a sales team performance.

The second hypothesis aims to determine if sales people are motivated by increasing their responsibility and involvements towards the company by assigning to them further assignments that are not directly related to sales target.

H2: Increasing a sales team involvement in the company's operations does not enhance its motivation and performance.

H3: Increasing a sales team involvement in the company's operations does enhance its motivation and performance.

#### **3.2 Qualitative Approach**

Qualitative research is designed to reveal a target audience's range of behavior and the perceptions that drive it with reference to specific topics or issues. It uses in-depth studies of small groups of people to guide and support the construction of hypotheses. The results of qualitative research are descriptive rather than predictive. To answer the study research questions, we have to collect primary data by a relevant method. The collect of primary data is made through a qualitative method, the interview guided by a questionnaire.

### **3.3 Data Collection**

Primary and secondary data is used in this research. Secondary data is data collected by other sources and can be used to gain deeper knowledge about the topic, by studying previous literatures and researches related to the field of study. While, on the other hand, primary data, primary data are gathered by the researchers themselves, using tools such as surveys and interviews.

### **3.4 Primary Data**

Primary data is collected by two methods, interviews and questionnaire. Details will be given in the next part about the sampling, the writing and the sending.

#### **3.4.1 The Interview**

In order to make the research as relevant as possible, an interview is the best way. Indeed, according to Aaker (2001), one useful technique to collect data in the qualitative method is a deep interview which is going to be applied in this research. In fact, it is also one of the most common instrument and, therefore, a well-known instrument by companies. The interview which is going to be done will consist of a set of questions presented verbally to respondents for their answers.

As the interview is very flexible, there are many ways to ask questions: It has been decided to make it as a semi-structured interview which is perhaps the most commonly used interview technique in qualitative research. Indeed wanted information are those which can be compared and contrasted with other information collected in other research. As it is a semi- structured interview, it will be conducted by a guideline. A set of questions respecting carefully the research objectives will be used in order not to have irrelevant information for the general aim of the thesis. The kind of questions will be open- end questions, which means that it allows as much as possible respondents to answer in their own words.

### **3.4.2 The questionnaire**

A questionnaire will be distributed to the sales team in order to gather a general knowledge about their opinions; this questionnaire will be used in the interview process in order to further

#### **3.4.2.1 Sample size**

This research is a case study conducted at Radisson beauty, the sample size is the number of people available in the company's sales team for the last year. Currently Radisson Beauty employs fifteen salespeople that will be used to complete the questionnaire and interview.

In order to further generalize the data, we will also gather the data from ZR global. ZR global are Kumho tires agent in Lebanon and Dunlop in Syria, their operations cover the whole region and are good candidates to gather data from to backup our research. Currently the company holds twenty sales people covering Lebanon.

In this way our sample size will be thirty five sales people, from two companies, creating two focus groups.

#### **3.4.2.2 The interview process**

A thirty minutes interview will be conducted; the salesmen will have to answer in written to three open ended questions, than the questions will be discussed more deeply by the interviewer. The respondents will be asked about their opinions towards their team leader, how comfortable they are working under the current company regulations and follow-up process, the degree of responsibilities and involvement they are willing to take and finally about the appraisals forms they expect and about their rating to the whole working experience.

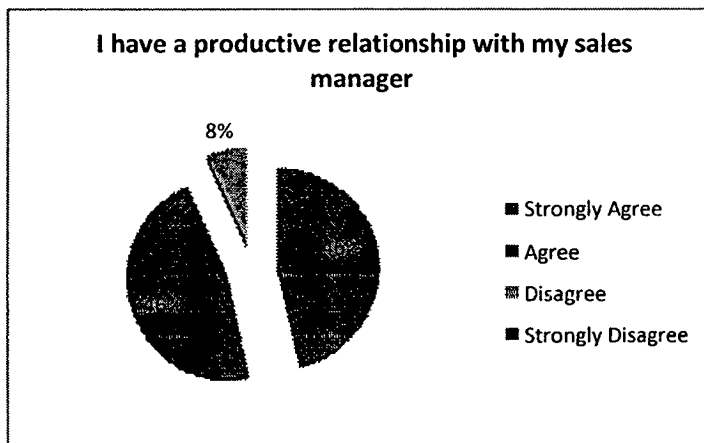
## 4 Findings

In this section of this study, the results from the questionnaire and interview will be demonstrated in the form of tables and graphs.

Table 5 in appendix 1 summarizes the results of the questionnaire that was distributed to the salespeople, it shows the number of employees that selected each category for a specific question.

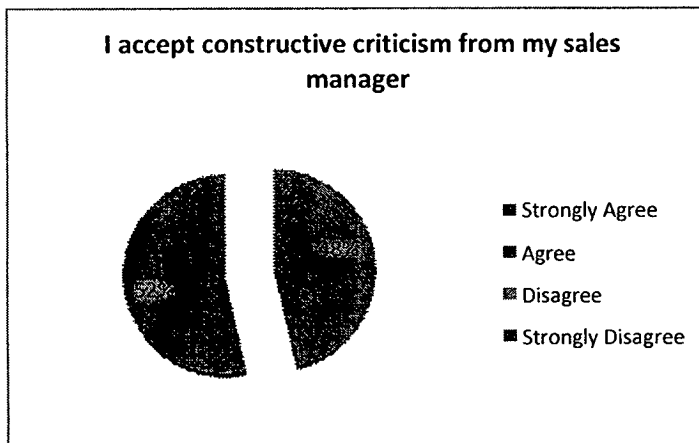
### 4.1.1 Concerning a sales manager characteristics.

The first question aimed at determining if the sales team value a good relationship with their sales manager, 92 percent of the employees agreed on the importance of having a productive relationship with their sales manager (Figure 2).



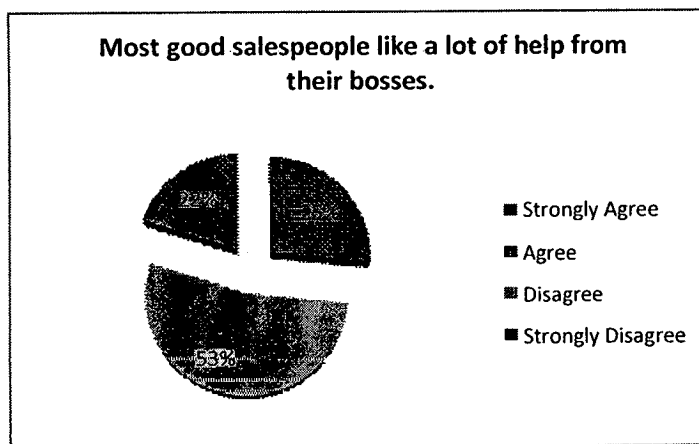
**Figure 2: productive relationship**

This question aimed to determine if the sales people prefer a manager that offer constructive criticism, 100 percent of the employees agreed on accepting constructive criticism from their sales manager (Figure 3)



**Figure 3: Constructive criticism**

Furthermore, the next question tried to determine if the sales team appreciated a lot of help from their sales manager, only 47 percent of the sales team agreed on accepting a lot of help from their bosses while 53 percent disagreed ( Figure 4).



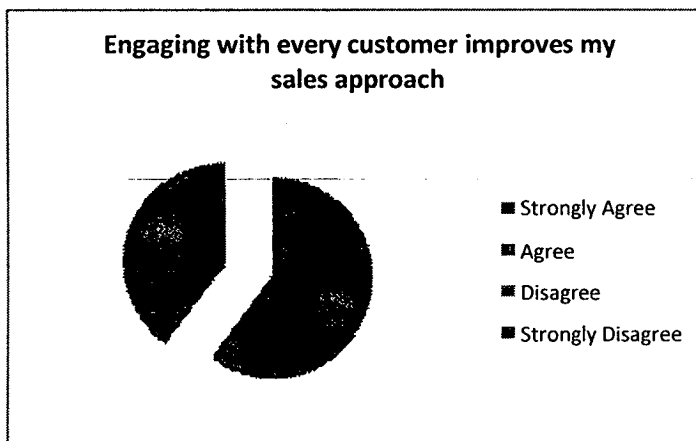
**Figure 4: Help from boss**

Moreover concerning what the sales team considered is a good description of a sales manager, the team considered that a good sales manager should be a perfect salesman with a huge solid technical background, should have perfect communication skills, be able to handle any kind or type of clients mentalities and habits, in addition to that a sales manager should have sales plans (short term and long term); internally should develop a strong sales team and help grow the spirit of interactivity and teamwork between them;

should grow hard effective business relationships with clients and companies in his environment. Moreover, a good sales manager is the one who cares about the company's revenue from a project not about his own. A sales manager should be committed to the team, motivated, have a future vision, the ability to make fast decisions and to take appropriate risks.

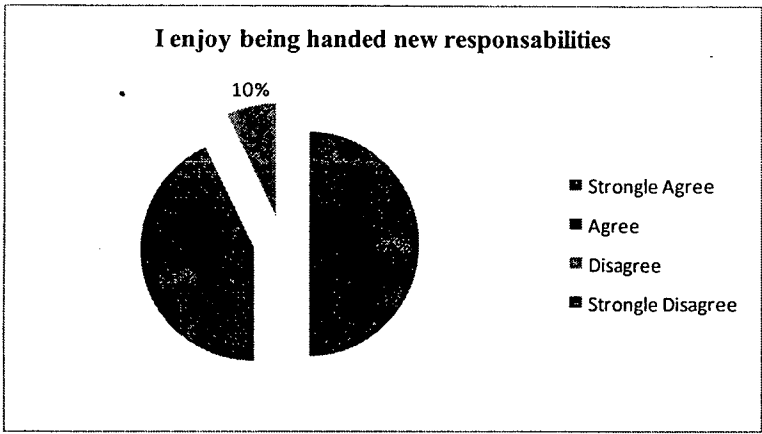
#### **4.1.2 Concerning what the sales team considered will positively impact their performance.**

The next section will determine the sales team acceptance to some work related and performance oriented questions. In The first question, 100 percent of the sales team considered that engaging with every consumer do increase their sales approach (Figure 5)



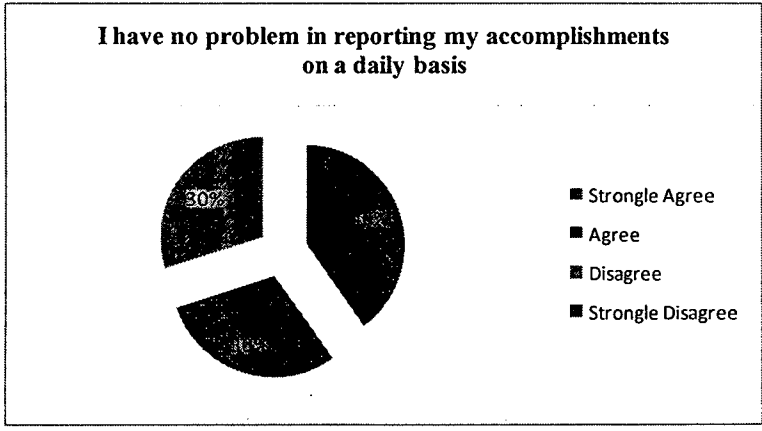
**Figure 5: Sales approach**

Moreover, 90 percent of the sales team enjoyed being handed new responsibilities (Figure 6)



**Figure 6: responsibilities**

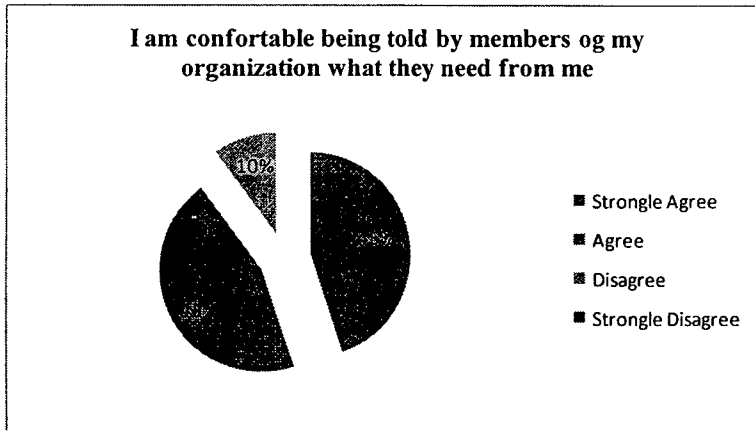
And 70 percent of the sales team agreed on reporting their accomplishments on a daily basis (Figure 7)



**Figure 7: Reporting**

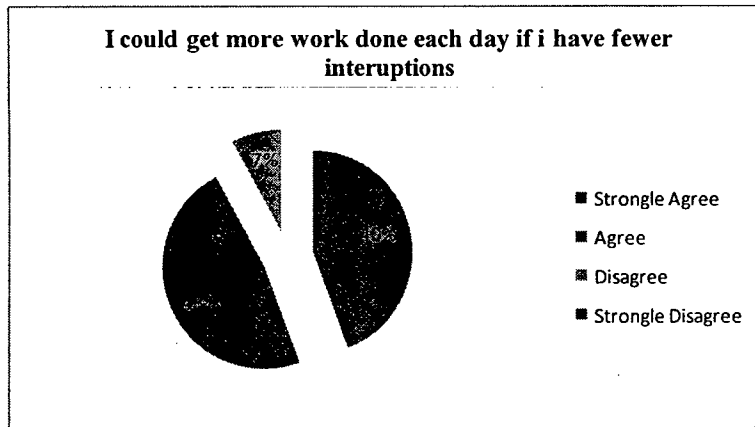
Furthermore, 90 percent of the sales team were comfortable on being told what is expected and required from them by the upper management (Figure 8).





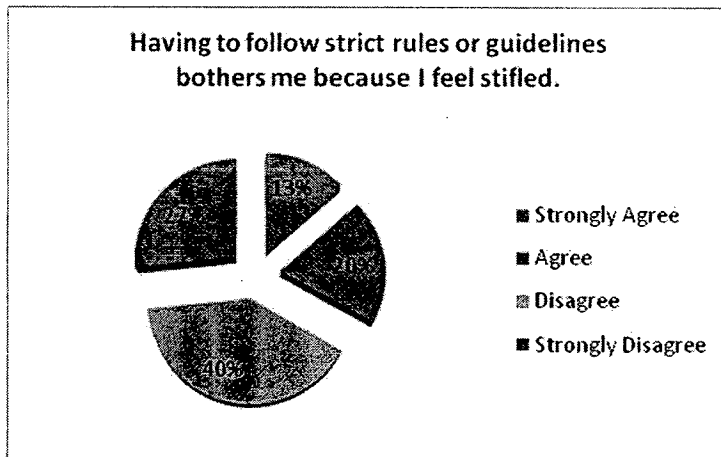
**Figure 8: being told what to do**

And 83 percent of the sales team considered they could accomplish more duties each day if they had fewer interruptions (Figure 9).



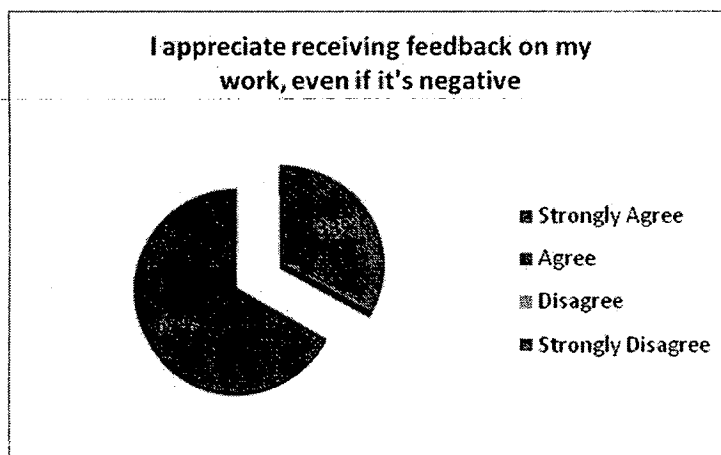
**Figure 9: interruptions**

80 percent of the sales team was bothered by following strict rules and guidelines (Figure 10).



**Figure 10: Rules and guidelines**

Moreover 100 percent of the sales team appreciated receiving feedback on their work (Figure 11).



**Figure 11: Employees feelings towards feedback**

Finally the sales team generally agreed on many characteristics that could help to improve their performance. They wanted their opinions to be considered in many sales decisions and to have a good employee-employer relationship. They wanted their performance to be evaluated and appreciated on a regular basis. The team considered assigning to them challenging work and to increase their level of authority essential to improve their motivation and loyalty. Finally small group discussions and interaction,

communicating the company effectiveness and activities, to care about their life and their needs is also important to increase their loyalty.

#### **4.1.3 Concerning problems that negatively impacted the sales performance.**

The team considered the absence of team work between the sales members in some situation to have a severe impact on their performance. Moreover, the lack of technical background of some of the team members could make them lack behind the rest in some situation and may create certain problems between the members. The lack of experience means the inability to identify the true buyer from the non-buyer and that ensures to focus the resource time on qualification and presenting the value of the product to sincere buyers.

Also, the fear of rejections in many situations is negatively affecting the team motivation, followed by some price objections by the customers and a lack of organization in their tasks and time. The poorly-defined sales process forces sales people to use their own ad-hoc methods, leading to unnecessary variation, confusion, and haphazard results

Furthermore, bad timing in delivery, Shortage in stock, some lack of training on the product, lack of confidence in the product, Inconsistent motivation, not having the right negotiations skills, and some price objections are decreasing.

#### **4.1.4 Concerning the research Hypothesis and research question**

What are the key elements that move a team from involvement to empowerment? and how to give these elements to the team, in this research we discussed four stages the team need to pass through, these stages are the forming, storming, norming, and performing stages with each stage holding a unique set of elements as discussed above. Finally we focused on the importance of motivation in order to build a successful sales team.

Concerning the first hypothesis that tries to determine if follow ups are necessary to improve a sales team performance, questions 7, 8, 9, 10, 11, 13 and 14 in appendix 1 showed that a sales team requires a moderate level of follow-up . Too much follow-up

will decrease a sales team motivation and negatively impact their performance and comfort, while the absence of follow-up will lead to a negligent sales team and negatively impact sales revenues. We can deduct that follow-ups are necessary to improve a sales team performance and thus reject the hypothesis H0.

Regarding H3 and H4, whether increasing a sales team involvement in the company's operations will improve its motivation and performance, questions 3, 4, 5, 6, 12 and 13 in appendix 1 shows that team members do appreciate being handed more responsibilities and getting more involved in the company operations as long as it does not interfere with their sales performance. Moreover increasing the team involvement was necessary to improving their motivation and loyalty to the company. Thus we can deduct that the second null hypothesis H3 is rejected.

## **5 Conclusion**

### **5.1 Conclusions and managerial implications**

The major challenge each company pass through during its life cycle is the formation of a powerful and profit generating sales force. It is a complicated, long and hard process that should be professionally followed. The objective of this thesis is to put at the managers' disposal, an easy and non-complicated way of creating a sales force from A to Z.

After applying all what was incurred in this thesis, there's still a considerable job to do, including a great deal of follow-ups from managers to secure a clear, wide, and professional path to all members complying with the dimensions that had been traced through the strategic process.

And still, sales can never reach perfection without motivation. And there are lots of requirements to keep up a healthy lane. Referring to Maslow's Hierarchy of Needs, One should satisfy employee's Physiological Needs, Safety Needs, Social Needs, Ego and Self-Actualization and all what they include to get a good long-term outcome from his employees. Based on these needs, a manager has a complex task to create an environment where employees can feel motivated.

Maslow said also that employees work to survive in return for financial compensation, to make new friends, to get security, to have a sense of achievement and to feel important in the society, to have a different identity, and especially to have a certain required satisfaction. All employees that have job satisfaction perform efficiently and in their respective workplaces.

According to Thomas J Robert's book "Crucibles of Leadership: How to Learn from Experience to Become a Great Leader", the center of motivation management is to believe that employees are motivated by what they believe it is going to happen, not by what managers tell them what shall happen. Managers are able to motivate employees by raising the three important conditions for motivation: confidence, trust and satisfaction; and by creating a healthy environment that highlight those conditions.

After all, motivation can be well achieved and can improve productivity or it can be absent from work environment and cause negative outcome. Management should know well that they are dealing with people that have feelings, and that motivation involves getting employees to do something because they like doing it. Management should use the appropriate encouragement to achieve the traced goals.

We need to mention here that motivating employees is an ongoing process that needs to be followed daily. Sales people are basically the people that require a great deal of motivation to reach their full capacity. Their direct relation with clients and their daily face-to-face approaches require a certain level of motivation, capacity and peaceful mind. So once managers drive them to their upper level of efficiency, they should protect them from falling down. Sales can never perform without motivation, whereas an accounting person can still do the minimum required due to the fact that he is not required to have a permanent contact with clients. It is the combination of mind and feelings that lead him to close his deals. Thus, any negative sign can be transmitted to the prospect easily and the deal might be rejected.

Although the major parts of this study are based on proven researches and live examples, a great dilemma can be determined here between the process of forming a general team and the process of creating a sales team.

Maybe the big difference lies on the fact that all teams should be fully cooperative to generate the suspected outcome; whereas salesmen act as entrepreneurs performing each one on his own in his independent geographical area to execute his duties without needing the assistance of his sales colleagues. On the other side, he needs the collaboration and the cooperation of the members of the other active departments and the major one is the Operations Department, then the Accounting Department.

And the main issues and conflicts included in the “Storming” and “Norming” stage happen through the relation between a sales member and the Operations Department members and Accounting as well.

Each of the company's departments have different responsibilities, different orientations and finds the company's welfare through his job's perspective. Consequently, a Salesman might

have promised his client to execute his operation in a 4 days transit time; whereas the Operations member might find it unreachable and will conclude that the salesman is acting unprofessionally and pressing in an unreasonable way on his colleague.

On the other side, the accounting department has different goals and thus different perspective from the sales' members; their main job is to reduce debts and collect efficiently cash from the market. A sales man might get into a conflict in case one of his clients required a long payment term or had required to postpone a certain payment.

But still, competition between members of a sales team exists in a remarkable way. The race will prove who will be the future leader of this group and thus, if challenge is managed professionally, it will shape the atmosphere in a positive and healthy way.

After all, struggling to achieve the common goals of the organization leads a team to reach these goals. The performance of a team in any company depends highly on the vision and objective that team members own towards their company, as well as their personal motivation and efficiency, their readiness to cooperate with each other and their desire to lead strategies to success. And it is the leader's responsibility to drive the team towards this glory. Finally, it is a win-win situation. So in case the team failed, the leader who is taking over the supervision will be held responsible for this great failure.

In today's aggressive marketplace, companies require more from their staff members; they need employees who can join the teams to contribute in achieving greater success. Leaders know well that teams offer lots of advantages over non team distribution of labor, and can supply a wealthier, more diverse and creative resolutions to barriers.

According to Khadige C. (2008), everything sounds to progress around the concept of teamwork, and Patrick Audebert-Lasrochas' question "... can we manage without teams, either large or not?" remains unanswered. The issue becomes harder when one tries to

answer it while the means of company management are evolving and developing. The constant revolution of the management concept results mainly from the technology that integrates new reflection factors everyday if we might say.

Therefore, how to understand the concept of team making in its human form? Let's refer to the following definitions:

A number of workers related to a defined task.

A gathering of two, four, or six workers carrying rocks on stretchers inside building workshops.

A group of people doing the same task.

Subdivision of the company considered as an independent cell, selling its services to the company.

Regardless what definition we choose, we will notice that the fact of working together is common between all of them; and doing a task together might mean that we do it either collectively, simultaneously or both collectively and simultaneously.

Therefore, some activities, tasks, and works must, in most cases, be accomplished by many individuals working together. Teamwork consequently offers proven advantages as to continuous sharing and assistance. Sharing ideas or opinions about the current task shows signs of knowledge, experience, specialization, or practice collectivity, a team is thus the ultimate frame of work for it highlights an authentic inter human relation, imperative for enterprise projects. Khadige C. (2008)

Despite each one's independent character, i.e. a result of personal experiences, the enterprise tries to promote teamwork as much as possible: circles, working groups, ad hoc commissions, etc. information exchange, common efforts, reflection, and analysis of critical points are the launch pad of knowledge evolution at first, and of the enterprise later on.



«Regardless of their form and objective: autonomous or semi-autonomous teams, problem resolution groups, creative groups, diagnosis groups, quality circles, expression or progression groups, group work is nowadays a major value of business world, and editors specialized in management and others would regularly publish a new book about the art of team decision making, the good manners in teamwork, and team management».

CHARRIER and KOULICHE, (1994), image this citation in their book saying that: «building a team is not a decision. The objective of every action of team building is to increase the group's efficiency as to productivity, and eventually, the enterprise's global competitiveness. This means that this increased efficiency has to be conceived as a foreseeable result of the step and not as a wished consequence on the long or short run. (...) it therefore implies not to limit oneself to gather in an empty envelope a number of individuals armed with methods of working together and interpersonal communication rules ». Khadige C. (2008)

Teamwork is also a need despite the spirit of independence that some members show. Based on the fact that no one knows everything, and no one can remember everything, the need for exchange is major. We need to know, learn, or simply remember some forgotten things or principles, known that one cannot always isolate himself from others. In his notion of the mythology of teams, Jean MAISONNEUVE stresses on this when he says: « ...the group seems the chosen place for realizing the wishes for strong relationships...». Learn from and through others is often easier than teaching others, therefore, building a team consists of building constructive exchange, « ...this word therefore hides a link, a common goal, an organization, a double dynamism coming from the head as well as from the whole, it is a victory to achieve together ». Khadige C. (2008)

MAX PAGES is one of the first to define the problematic of groups : «a group is conceived as an entity, different from its members ; a constraining entity which is loved and hated at the same time for it represents that fear we try to avoid, yet also links us effectively and affectively to others».

To conclude this idea, let us note that «...enterprises boast themselves for favoring efficiency and rationality for their management. They focus on the collective dimension of the efficiency, and their personnel are dominated by the principle of individualization. The managerial theory is clear and precise: efficiency does not consist of adding up juxtaposed skills, but depends on the ability of its members to cooperate, exchange information, educate each other, and build collective skills ». Think that the real performance of an enterprise is only a result of skills added up voluntarily regarding an enterprise project. Khadige C. (2008)

We shall therefore workout evolution steps in personnel management:

Move from the concept of individual management to the concept of homogeneous groups.

Move from the concept of homogeneous groups to the concept of teams.

Move from the concept of team management to the concept of human resources.

The human capital, first strategic resource of the enterprise, is the major «potential capital» of development. Consequently, investing in people means investing – and this is a forgotten evidence – in skill development. Khadige C. (2008)

According to Khadige (2008), building a team spirit is at first a leader's quality and function. It requires human qualities, charisma, proven patience, deep understanding, self-control, as well as strong and complete communication. Team spirit is in the leader's mind so he/she could constantly modify, adapt, and influence human resources and consumer behavior.

It is also a will to develop it, not only in the enterprise but with the external public (consumers, clients, suppliers, etc.). In order to achieve this goal, one shall accept and understand the existing entities, the will to create an exchange, a totally beneficiary transaction.

It is also important to mention the ability to delegate responsibilities constantly and solidly, and to establish a better accountability for all the parties through coordination

between the different activities, guided by the sense of a great social responsibility.  
Khadige C. (2008)

Developing the principles of team spirit is based mainly on acknowledging and accepting the strength points and weaknesses found in the enterprise in order to favor an evolution in the mind of human beings, a commitment towards the future, and the adoption of a new managerial mentality such as ignoring oneself, becoming and remaining a group element, to believe in others' skills and to work with other in mutual respect and total concordance.

It will therefore be important to respect others' positions, ideas, cultures, lifestyle, and work. To exchange with others. To listen to others, to their advice, analyze and adopt them. To admit that you do not know everything, that other perceptions and conceptions exist and that the others enjoy higher skills.

Then exchange the acquired knowledge and share the proven knowledge with others and the know-how resulting from experience and professionalism, the strategic information essential for achieving tasks, the points of views and opinions regarding a specific problem, the different means of approaching an issue through analyzing and understanding existing factors.

Finally allow to sustain and develop others' creativity, the development of others' initiatives, others commitment to diverse responsibilities based on skill recognition, to grant action margins, and to delegate authority, power, and decision making.

## **5.2 Limitation of the study**

The first limitation is in regards to generalization and subjectivity. In other words, since the researcher is studying a limited case or group very deeply, it is hard to apply what is learned to society in general. This research is a case study conducted at Radisson beauty, the sample of people that where interviewed are limited to the company itself. Thus it is illogical to generalize the results taking the amount of variables that could differ from one company to another.

Moreover, the main disadvantage of qualitative approaches is that their findings cannot be extended to wider populations with the same degree of certainty that quantitative analyses can. This is because the findings of the research cannot be tested to discover whether they are statistically significant or due to chance.

Finally, subjectivity has to do with the nature of qualitative research itself. Since it involves observation, interaction, interview, or content analysis of a particular case, most of the interpretations are made based on the opinion of the individual researcher. Thus the same findings could yield different results once interpreted by another researcher.

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## 6.1 Appendix

### Questionnaire

Table 3: Appendix 1

	Strongly Agree	Agree	Disagree	Strongly Disagree
1 - I often know where I stand in relation to my sales goals.	4	7	4	
2 - I have short-term and long-term sales goals.	8	7		
3 - Engaging with every customer improves my sales approach.	9	6		
4 - I enjoy communicating the value of my product to customers.	5	8	2	
5 - I would serve as a good mentor for new sales staff.	3	5	7	
6 - I enjoy being handed new responsibilities	7	7	1	
7 - I take responsibility for my sales results.	6	7	2	
8 - I have a productive relationship with my sales manager.	6	6	3	
9 - I accept constructive criticism from my sales manager	7	8		
10 - I have no problem in reporting my accomplishments on a daily basis	3	7	5	
11 - I am comfortable being told by members of my organization what they need from me	7	7	1	
12 - I am a valuable asset to my sales team.	7	8		
13 - I could get more work done each day if I had fewer interruptions	6	6	3	
14 - Most good salespeople like a lot of help from their bosses.		4	8	3



Having to follow strict rules or guidelines bothers me because I feel stifled.	2	3	6	4
I appreciate receiving feedback on my work, even if it's negative	5	10		
When I take on new responsibilities, I follow through and complete them.	6	9		

Please answer the following questions.

1- Describe the characteristics of a good sales manager.

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2- Describe what steps the company could take that would positively impact your performance.

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3- Describe the main problems that negatively impacted your sales performance.

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