Sales Force Automation (Information Technology) Performance and Organisational Profitability

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ABSTRACT

This paper examines the impact of sales force Automation (information technology) on the organization efficiency and performance. The study is a survey research design with a sample size of 135 employees randomly selected from Friesland Nig. Plc. (maker of peak milk) and promasidor Nig. Plc (Makers of cowbell, Loyal, Milksi Milk) in Nigeria i.e. 65 employees of promasidor Nig. Plc and 70 employees of Friesland Nig. Plc. An instrument titled sales force Automation (information technology) towards the performance of employees; five hypothesis and one research question was formulated to guide the study. Descriptive Statistics (Pearson correlation) was used to analyze the research question why Pearson correlation was used to test the significance difference relation to the hypothesis at 0.05 level of significant. The result of the analysis shows among others that the sales force organization profitably has been increased as a result of the adoption of new and emerging automation (Technology) that if employee aptitude level is high, the will perform better, that automation (Information Technology) cause higher satisfaction level of employees. In conclusion, the exploratory study suggest for the positive relationship between information technology and sales performance.

Keywords: **Sales Force Automation, (Information Technology) Performance, and Organisational Profitability**

Introduction

The word automation (information technology) which means using machines to do work previously done by people is as the result of new and emerging technology. This technological development is putting off manual labour by people in organization and industries making job faster, thereby increasing the sales force performance and profitability. This study explores whether selling skills, sales, opportunity development, sales call productivity and direct communication with the customers has the potential to predict sales person performance. Because the growing intensity of the competition in virtually all spheres of business activities, sales force are increasingly aware of the need to stay abreast of and applying new and emerging technology to improve sales force and increase order. Sales force performance is an important topic both for

social researchers and those interested in sales as an economic activity and for professional who practice techniques of selling and sales management. The objective of this paper is to determine whether selling skills, sales opportunity development, sales call productivity, direct communication with customers can improve sales performance in respect to the use of automation (information technology). In pursuance of this objective, one research question formulated. That is, what are employees performances towards the adoption of information technology in their organization? In other to give statistical relevance to the opinion arises from the research question, the following hypothesis was raised, and that the use of automation (Information Technology) increases employees' performance and profitability. This study is significant to the extent that the information gathered during the course of study is useful to other related organization, as it reveals the importance of sales force automation (Information Technology) toward selling skills, sales opportunity development, sales call productivity, direct communication with customers.

Literature Review

Sales person performance is an importance topic for both social researchers and those interested in sales as an economic activity and for professionals who practices the skills of selling and sales management. Previous research has focused on examining difference approaches to measuring the performance of sales people (e.g. Avila, Fern & Mann, 1988; Behrman & Perrault, 1982; Morris, Davis, Allen 1991; Muczyk & Gable, 1987; Patton & King, 1985)or an identifying and evaluating relationships between determinant factors such as aptitude, motivation and skill level and salesperson performance (see Churchill, Ford, Hartley & Walker, 1985, for a better analysis of these studies) Although sales researchers and practitioners approach the area of salesperson performance in different ways, the effort of both groups tend to reflect the fact that sales is a success- driven profession (Grove, La Forge & pickett, 1985; Jackson, keith & Schlacter, 1983 Szyrnaski & Churchill, 1990). This approach is the, in part, the relative with which performance can be measured in sales, the competitive nature of the selling task, and the fact that successful sales force has a direct and fairly immediate impact on organizational performance. (Chuchill, Ford, hartly and walker, 1990; Ingram La Forge, 1997; Morris, Davies)Allen, Avila chapman 1991].while considerable empirical research has focus on explaining sales person performance in general only relatively weak association have being found between what were thought to be determinants of performance and measures of performance [Churchill *et al*1985].Thus there is need for further exploration of the determinants of performance [swenson Herche 1994].This study explores whether selling skills sales opportunity development sale call productivity and direct communication

with the customers have the potential to predict a sales person performance. The relationship between information technology and sale performance remains primarily unsubstantiated; many organizations spends considerable human and financial resources in equipping their sales force with information technology. Yet, organization needs justification for this substantial investment and cannot afford to continue to invest in sales technology as a matter of blind faith alone Moncrief *et al* (1991) study confirms this thought. The study revealed that there is upfront investment in technology. And that expected performance increases. These were the most cited reason for company to invest in laptop for sale force. Hence it is surprising that academic research on the effect of information technology on sales person performance is lacking. In fact, Marshall et al. (1999, p. 98) state that very little research has been devoted to investigating the impact of technology on individual sale person effectiveness. Hence this study overcome the major imitation that previous studies in and outside the field of sales management have faced. This study takes place between two companies and mixes multiple data sources (i.e. combine use of multi-source survey data and company records) rather than mere self reported perceptions. We first hypothesize and test a direct effect of information technology on sale person performance. The role perception component as attached to the position of sales person n any firm represent the set of activities and behavior to be performed by any person occupying that position, the position is defined largely through expectation and pressures communicated to sale person by people both within and outside the firm who have a vested interest in how the sale person performs the job sales representatives perception of these people's expectations and demand strongly influence their definitions of their role in the company and their behavior in performing the job. The major variables in the role perception component of the model are role perceptions, perceived role ambiguity and perceived role conflict. The term role accuracy refers to the degree to which the sales representatives believed that the role demand of their immediate supervisor and top management are in compactable and they cannot possibly satisfy them at all at the same time. Perceive role ambiguity occurs when the sales person feels that they do not have the information necessary to perform their jobs adequately. All three roles perceptions variable inaccuracy, ambiguity and conflict are likely to have a negative impact on a sales man jobs performance, both through their impact on their level of jobs satisfaction and because of their effect on motivation to performed technical knowledge are things to the development and use of technical expertise such as producer application and customer use situation (Behrman and Perreault 1982). Market knowledge reflects sales representatives' knowledge about the industries generally (e.g. competition and rends) (Ahearne & Schilleweart 1999). Several authors have indicated that the ability to apply knowledge is prerequisites for

effective selling (Weitz *et al*. 1986; Sujan *et al*. 1986; Behrman Perreaut 1982).

Testable Hypothesis

- Automation (Information Technology) causes increase in the motivation level of employees
- If employee's aptitude level is high then they will perform better.
- If employee boss relationship is strong then they will perform better.
- If automated (Information Technology) is adopted then the organization profitability is increased.
- Automated (Information Technology) system cause higher satisfaction level of employees.

Methodology

The research is a survey research designed because it fit the study of the respondent who is basically employed with knowledge and opinions. It also help the respondent to react to issues relatively topics when they are alone, it has ability to cover a wide range of information as representative sample which permits inferences and generalization to the study (Yomere and Agbonifo 1999) the population consist of employees from Friesland Company Nig. Plc and Promasidor Nig. Plc in Nigeria. A sample of 135 employees randomly selected from all branches of Lagos, Anambra, Delta and Oyo States in Nigeria as an area under study, which account for 30% of the area under study, which was quite adequate and justified by the statement of V. Peretomode (1996), Yomere and Agbanifo (1999) and Owojori (2002) which recommended at least 10% sample size to be adequate for scientific studies. A total questionnaire to one out of every three employees contacted. The statistical tools used for this study is Pearson correlation. The study was carried out with the instrument on two commercial organization bodies selling similar product and this product is milk. The sample study used tells the variable and reliability of the biographical data of the respondent. The procedure used to gather data is the hypothesis and the statistical techniques used to analyze the data. The gathered data is analyzed through statistical package for social sciences (SPSS). The statistical method used is the descriptive statistics. The people who are directly involved in the sales of the organization were contacted because the sales force automation (Information Technology) deals with the organizing and collection of the sales data from the distributors. The study has shown that the motivation perspective relationship between Friesland and Promasidor companies is 58% and 48% respectively, the relationship between automation (Information Technology) and satisfaction of employees is 53% and 44% respectively. The result of this test was reliable.

Data Presentation and Analysis

In analyzing the data for the study, the responses of employees on their adoption to information technology to the job performance are statistically analyzed in line with the related objectives of the research question which they were intended to address. The responses are presented in table and their variables, means, standard deviation based on the various options used in the hypotheses are test with the questionnaires. The response of the employee on the adoption of the information technology was accessed from the point of view of the employee in terms of the performance, motivational level, aptitude level, employee–boss relationship, and their relationship of automation (Information Technology) with profitability and also to satisfaction. Looking at the summarized table below, one will be left with the impression that sales person performance were really favour with the adoption of information technology into the organization. Table 1 illustrate that the mean value of automation is 85.45, its standard deviation is 13.903 and the number of value computed is 70, similarly in case of motivation, aptitude & Role perception mean values are 80,80,79.38,66.61 respectively and standard deviation are 16.802, 10.281, 11.748 respectively and the number of dependent variable satisfaction is 35.71, 48.262 and 70 respectively.

Table 1 Diagram

Variables	**Means**	**Std. Deviation**	**N**
Satisfaction	35.71	48.262	70
Motivation	80.80	16.802	70
Aptitude	79.38	10.281	70
Role Perception	66.61	11.748	70
Automation (IT)	85.45	13.903	70

A Correlation between Dependent and Independent Variables

Table 2 Diagram

		Satisfaction	Motivation	Aptitude	Role perception	Automation (IT)
Pearson Correlation	Satisfaction	1.000	0.690	0.812	0.462	0.718
	Motivation	0.690	1.000	0.870	0.847	0.939
	Aptitude	0.812	0.870	1.000	0.763	0.907
	Role perception	0.456	0.847	0.763	1.000	0.874
	Automation	0.718	0.939	0.907	0.874	1.000
Sig.(1talled)	Satisfaction		0.000	0.000	0.000	0.000
	Motivation	0.000		0.000	0.000	0.000
	Aptitude	0.000	0.000		0.000	0.000
	Role perception	0.000	0.000	0.000		0.000
	Automation	0.000	0.000	0.000	0.000	
N	Satisfaction	70	70	70	70	70
	Motivation	70	70	70	70	70
	Aptitude	70	70	70	70	70
	Role perception	70	70	70	70	70

Table II illustrate the value of the correlation between dependent and independent variation and all are very close to 1 or I which indicate that there is strong relation between all variables and shows that all correlations are significantly valueless than 0.05 which indicates that all correlations are significantly different from zero. As all variables have positive correlated and directly related to each other, this means that the positive change in the independent variable and the negative change in the independent variable will negatively affect the dependent variable thus, the correlation between automation (Information Technology) and motivation is 0.939 and automation (Information Technology) and aptitude is 0.907, which is close to 1, similarly, correlation between automaton (Information Technology) and role perception is 0.874, the correlation between aptitude level and motivation is 0.870, also correlation between role perception and motivation is 0.847, the correlation between (Information Technology) and satisfaction is 0.718, correlation between perception and aptitude is 0.718, correlation between role perception and aptitude is 0.763. This indicates that they are all positively correlated, the value of correlation between motivation and satisfaction is 0.690. The lowest value of correlation is between role perceptions and satisfaction which is 0.456 and it is also positively correlated, meaning that for one degree change in role perception, there

is 0.456 degree changes in satisfaction. The null hypothesis cannot be accepted since as observed here, the sales person (sales force)of the organization could be said to be satisfied with the adoption of the information technology in their industries/ organization within Nigeria. The null hypothesis could thus be ejected

Findings

From the hypothesis formulated and tested, it is obvious that employee agreed that they will perform better with he adoption of information technology in their various places of work. These finding is as a result of opinion expressed by the workers (employee).

- Automation causes increase in the motivation level of employee.
- If employee aptitude level s high then they will perform better.
- If employee boss relationship is strong they will perform better.
- If automation (Information Technology) is adopted, then the organization profitability increased.
- Automated (Information Technology) system causes higher satisfaction level of employees.

Discussion of Findings

The observations from the data collected for this study related some significant factors in the sales force automation of information technology in the Nigeria industry organization. Information technology has evolved as an indispensable device in sale force performance. In the organization, the relationship between the motivational perspective of Promasidor and Friesland companies shows that motivational level in Promasidor and Friesland companies is 42% to 58% respectively. This is because it articulated more monitory reward and by creating friendly environment in the organization to provide a convenient work environment. The aptitude level of Promasidor sales person is 48% and that of Friesland is 52% because the employees are adopting a more professional approach, they are keen in taking guidance from the boss or the supervisor, moreover they have more grips on their work. The employee and boss relationship of Promasidor Nig. Plc and Friesland companies has proved that Friesland maintains 51% association of employees and boss while Promasidor maintained 49% association of employee and boss relationship. All these are boss employees are more efficient to respond to boss order and also to fulfill the boss expectations. The competent nature of Promasidor and Friesland employees to attack their customers resulted from the relationship of automation (Information Technology) and profitability of an organization that the efficiency of Friesland sales person 52% and in Promasidor companies, it is seen from the questionnaire analysis that it is 47%in Promasidor and 53% in Friesland companies because Friesland sales person and employees are more efficient in adopting new ways for organizing, collecting data which is very helpful in generating sales.

Conclusion

Information Technology is charging the organizations (Industries) from manual services and network sells this exploratory study suggestive for the positive relationship between information techno and sales person performance. The model tests the mediating affects of sales skills, smart selling and call productive on the direct effect between information technology and sales person performance. Our data find support for the fact that information Technology helps sales people to work smarter. It seems that relying on an array of information technology tools prompt sales people to engage in more thorough planning behaviors this study took a look at Friesland and Promasidor companies and found that a strong correlation exist the independent and dependent variables which is very close to 1 meaning that they are strongly related to each other any positive change in dependent variable, similarly, a negative change in dependent variables are strongly and positively related to each other.
The exploratory study suggest for the positive relationship between information technology and sales person.

Recommendation

This study makes contribution through investigating the possibility of a relationship between sales forces performance and organizational profitability through information technology in Friesland and Promasidor. It is recognized that further research needs to be conducted to determine the determinant factors of performance, generic sales force performance audit. The findings from such study could be compared with those of this study to identify which components of sales force performance are more important to sales profitability through information technology.

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