

## BUILDING SKILLS IN THE PERSONAL SELLING COURSE THROUGH ACTIVE LEARNING EXERCISES

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### ABSTRACT

Marketing educators face a daunting task of preparing marketing students for a career in the business world. Much of what educators focus on is the teaching of content knowledge in their courses. However, there are a wide range of skills that marketing graduates must possess to be successful in business. The purpose of this paper is to describe how additional skills have been incorporated into a personal selling course.

### INTRODUCTION

Marketing educators face a daunting task. Not only must they stay abreast of a continually expanding base of marketing knowledge, but at the same time industry, accrediting organizations and public policymakers are demanding more accountability in terms of the quality of marketing graduate that is being produced. A major challenge involves the student audience itself. Student attention spans are getting shorter and the priority they place on education seems to have fallen relative to the need to work and family obligations. These challenges have forced marketing educators to evaluate how, what, when and where material is taught in a class. In addition to the standard pedagogies of lecturing, cases, and student projects, various forms of technology are being used to enhance the presentation of class material and facilitate student learning by increasing student interaction with the learning environment (Smart, Kelley and Conant 1999).

Active learning has been proven to be one of the best methods of instruction by having students apply concepts they have learned to "real world" situations (Bush-Bacelis 1998). Due to their relevance to everyday life of the student, marketing classes are fertile ground for use of active learning exercises to accomplish course learning objectives. The purpose of this paper is to highlight some active learning exercises that can be used to "polish" the skills of students in a personal selling course.

### BACKGROUND

Attempts by marketing educators to add to the skill set of their students are not new. Lamb, Shipp and Moncrief (1995) suggested marketing educators should spend more time building skills and less time

on disseminating knowledge. There is a large body of literature that deals with skill development in team building (e.g., Bobbitt, Inks, Kemp and Mayo 2000), problem-solving (e.g., Cooper and Loe 2000), and computer proficiency (e.g., Siegel 2000). In the personal selling course, Parker, Pettijohn and Luke (1996) reported sales representatives and sales professors differed somewhat in their view in how skills should be taught in a personal selling course. Sales practitioners felt active learning via guest speakers and role-playing were the most effective way of developing skills. Sales professors rated lecturing nearly as important as role-playing and ranked guest speakers well down the list.

Jones and Kelley (1999) conducted a content analysis of the personal selling course syllabi distributed at the 1999 American Marketing Association Faculty Consortium on Professional Selling and Sales Management. They found few courses emphasized skill building beyond verbal communication. For example, only one course covered business etiquette skills. None of the syllabi addressed business dress, although the topic could be covered as part of how to do a sales presentation or nonverbal communication. None of the syllabi included such topics as building business relationships on the golf course, evaluating of compensation plans, personal budgeting and retirement planning.

A review was conducted related to the coverage afforded the topics of interest in this paper by recent personal selling textbooks (Futrell 2000; 1996; Manning and Reece 2001; Marks 1997; Quigg and Wisner 1998; Weitz, Castelberry and Tanner 1998). Most of the textbooks cover compensation plans. However, the treatment of compensation is primarily restricted to describing different plans such as straight commission, straight salary and combination. Marks (1997), Futrell (2000) and Manning and Reece (2001) address business etiquette, although Futrell, and Manning and Reece only have a one half-page box on the topic. Quigg and Wisner (1998) provide ten pages on the business wardrobe. Personal budgeting, retirement planning and building business relationships on the golf course were not covered by any of these textbooks.

## ACTIVE LEARNING EXERCISES

### Evaluation of Compensation Plans

Almost all entry-level sales positions provide some sort of commission or bonus component of the compensation package. However, many students may be unsure how to evaluate different plans. For example, how does one plan that offers a 10% commission on sales net of list price compare to another plan that pays a bonus on an increase in market share in a sales territory. In addition, some companies provide company cars and other companies pay a car allowance. How much is each one worth? Salary and commission schedules also change as the sales person becomes established. What is the value of a particular compensation plan over a five-year period of time? To answer such questions, an active learning assignment can be required where students gather compensation information on five sales organizations in five different industries. Each compensation plan is evaluated for its value at the end of the first, third and fifth year. Since some companies will keep their compensation plans confidential, students may be encouraged to contact career counselors for information on company compensation plans.

### Personal Budgeting

Students choosing a position as a commissioned salesperson need to develop strong personal budgeting skills since there is likely to be some variance in earnings over time. For example, a newly hired salesperson may have to work against a draw or face a compensation schedule of say 60% salary and 40% commission. In this context, budgeting may be challenging even for students that have paid 100% of their college tuition and living expenses.

An active learning exercise designed to hone budgeting skills is to require students to use a spreadsheet program to establish a personal budget for the first year in a sales position. Included in the budget will be projected income from wages, income from other sources (e.g., commissions), expenses for the household, food, clothing, entertainment, automobile, taxes, and savings.

### Retirement Planning

Many business programs require students to take a course in Business Finance. Typically this course is designed to teach corporate finance, not personal finance. In addition, the personal selling course may attract marketing or business minors, or majors from

other parts of the university.<sup>1</sup> Therefore, it is very likely that many students have not been exposed to retirement planning. Yet many companies that recruit students for entry-level sales positions offer part of their hiring package at least one 401k plan. Students are expected to understand what these plans are and how to choose one. (As anecdotal evidence for the need to cover the topic of retirement planning, a recent student who was taking the author's personal selling course asked the author whether a company 401k plan where the company matched a dollar for every dollar that the employee put into the plan was a "good deal." It took a little time to explain that the student would receive a 100% gain just for putting a dollar in the plan!).

An active learning exercise designed to teach retirement planning is to have students use a spreadsheet to find the value of a mock 401k plan over their working life. The second part of the assignment is to have students gather information on five company 401k plans and evaluate them relative to potential returns and flexibility (e.g., borrowing against the account balance, employer matching funds, investment options, and transferring the 401k to something else if one changes employers).

### Business Etiquette

Kelley (1992) discussed what, how and where business etiquette skills could be incorporated into the marketing curriculum. Schaffer, Kelley and Goette (1993) reported the results of a survey of marketing practitioners regarding the need to incorporate etiquette skill-building in the marketing curriculum. The respondents indicated that etiquette was important in being successful in business and it should be part of a business school's curriculum. Mausehund et al. (1995) found that students at three AACSB-accredited colleges of business were the most uncomfortable with protocol related to interviewing, building interpersonal relationships and dealing with social occasions. McPherson (1998) presented how to organize and implement a business dinner to teach dining etiquette. Harrington (2000) described a class offered by MIT's Entrepreneurship Center that teaches networking and cocktail-party skills to its students

Students may be instructed in proper business etiquette including networking and dining in a variety of ways. The instructor may use class time to cover

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<sup>1</sup> Students from majors such as Communications Studies, Biology, Teacher Education, English, Engineering, Government and Criminal Justice have enrolled in the author's personal selling course over the past three years.

basic aspects of etiquette in class through role-playing. Alternatively, an etiquette dinner or lunch can be set-up on campus. Unless funding can be secured from private, department, college or university sources, students may be asked to pay for the meal. The instructor or a professional company recruiter can "teach" the etiquette of dining and networking as the meal is being consumed.

### **Business Dress**

The idea of dressing for success is nothing new. An excellent way of involving students the right and wrong way of dressing for the business world is to invite professional sales associates from an upscale department or men's/women's store to give a program where they can bring samples of business clothing to illustrate the correct and incorrect way to dress in today's business world.

### **Building Business Relationship Through Golf**

Since professional sales people must build business relationships exposing sales students to how to build business relationships on the golf course make intuitive sense. Macnow (1996) suggests that many business people learn to play golf as a business tool as the game provides insights into a potential clients character. Furthermore, Macnow cites a 1996 survey of senior management women that found the respondents thought playing golf helped them fit into the corporate culture and gave them a chance to network with the 'right people.'

One way to teach these skills is to organize a one-day seminar that includes a round of golf. A "Building Business Relationships on the Golf Course" seminar may begin with a panel of sales managers discussing with students how to build business relationships through golf. Then students and sales managers would be put into foursomes and play a round of golf on an Executive nine hole golf course. The day could end by inviting students and sales managers to a lunch.

## **INTEGRATING NEEDED SKILLS INTO THE PERSONAL SELLING COURSE**

### **Corporate Sponsorship**

In an era of tight budgets it is unlikely that most marketing departments will have the resources to implement a series of courses to build these extra skills in students. In addition, individual classes are already packed with learning outcomes that fit a traditional classroom experience. Therefore, an alternative to integrating all of these active learning

exercises into one class is to develop a seminar series that local businesses can sponsor. At the author's school, Lucent Technologies, ARAMARK Uniform Services, Fastenal, Wallace, Pepsi and Enterprise Rent-A-Car have made cash donations to sponsor the individual skills as part of a Management Development Seminar Series partially tied to the personal selling course. These cash donations are used to offset costs of paying for seminar leaders, dinners, green fees, and workshop materials.

### **Student Involvement**

Success of skill building activities offered outside the personal selling course requires the support of students regardless of whether they are enrolled in the course. The student chapter of the American Marketing Association has helped insure the success of the Management Development Seminar Series by participating in the organization and implementation of the Series. Former students and alumni can be asked to participate in the experiential activities which has a secondary benefit of building stronger alumni ties with the marketing department.

### **Faculty Involvement**

The third ingredient needed for success is faculty involvement in the development of other skills in other classes. Successful implementation of extracurricular skill building activities requires the commitment of a faculty member willing to serve as a product champion. For example, the building business relationships on the golf course require students to know how to play golf. The author approached a local municipal golf course to offer a group beginner golf lessons for four weeks prior to the event. Students then enrolled in the lessons so they could play the Executive nine hole course. Another approach would be to work with the physical education department or golf team coach (if the university has one) to offer a one-unit course on beginning golf.

## **CONCLUSION**

Teaching the personal selling course allows the students to build skills in many areas. Of course selling skills need to be the focal point of the course. However, the course lends itself to teaching many of the peripheral skills that are useful for a successful career in sales. Active learning exercises related to evaluation of compensation plans, personal budgeting, retirement planning, dressing for success, business etiquette and building relationships on the golf course are not only fun for the student to participate in but extremely relevant to everyday life

in the world of sales. Incorporating exercises to build these skills allows instructors to provide needed nuances when preparing their students for a career in professional sales.

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