

UNDERGRADUATE EDUCATION FOR CAREERS IN SALES

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ABSTRACT

This paper discusses the rationale for a college business program designed to educate students entering careers in sales. It identifies some of the skills and knowledge that students completing the program should attain. The nature of the sales task has changed to make it increasingly important for students to develop competencies not only in oral/written presentation, but also in time management, sales forecasting, negotiation, listening and financial interpretation. Suggestions are given on how to encourage these skills in the classroom.

WHAT IS SELLING?

Welch and Lapp (1983) define personal selling as "a process of informing customers and persuading them to purchase products and services they need, can pay for, and/or want through personal interaction in an exchange situation."

Mausser (1977) defines selling as the "process of inducing and assisting a prospective customer to buy goods or services or to act favorably on an idea that has commercial significance for the seller."

Russell, Beach and Buskirk (1974) define selling as "the art of persuading another person (or persons) to do something you want them to do when you do not have, or do not care to exert, the direct power to force them to do it."

The apparent common denominator of such definitions seems to be the act of persuading other human beings to behave in a desired way. To persuade means to prevail on a person to do something, as by advising, urging, etc. Synonyms include: influence, move, entice, impel, induce and convince. The salesperson's responsibility, then, is to help buyers recognize that what they are being offered meets their stated or unstated needs.

WHY EDUCATION IN SALES?

Courses of undergraduate instruction in marketing are available to students at a great number of colleges and universities. Also, two-year programs in business administration and/or business management are available at most community colleges. However, few of these programs provide a comprehensive educational program whose primary purpose is to help students gain the skills and knowledge necessary for entry-level sales positions. Existing marketing and business programs are usually designed to prepare students to become business managers, not professional salespeople. At most, one or two broad-brush courses are offered, designed to give the prospective business manager a brief familiarity with the sales function, as part of the marketing function.

According to Lacznik and Murphy (1979), the business student is offered a course in sales management at about 69% of undergraduate schools and a course in personal selling at about 44% of these schools.

Seldom are either required courses. Hise (1975) noted slightly lower figures of 59% for sales force management and 39% for personal selling. He also observed a trend for some schools to incorporate personal selling concepts, along with advertising and sales promotion concepts, into a promotional strategy course. It is likely, then, that a considerable portion of undergraduate business majors graduate without much more than a brief nod of acknowledgement to sales concepts and skills. Further, very few programs include work experience, or "hands-on" practice of selling skills.

At the same time that the majority of business programs have given selling skills low priority in their curricula, numerous observers have called for business schools to be more responsive to the need to provide students with these skills. Knight (1978) calls for both certificate and degree programs which combine sales skills and behavioral science concepts to lead to better qualified entry-level sales personnel. Coyle (1975) conducted a study asking both marketing executives and recent marketing graduates to identify the tasks most important to the performance of newly graduated college marketing students. Each group mentioned two selling related tasks as most vital: marketing executives mentioned 1) "skill in consummating a sale" and 2) "overcoming sales objections," as did the recent graduate group but in reverse order. As an outgrowth of his findings, Coyle recommended making salesmanship a mandatory course in the marketing curriculum.

Russell, Beach and Buskirk (1974) note that a speaker at an annual meeting of the American Marketing Association severely criticized marketing educators at most colleges and universities, including community colleges, for not providing their students with the skills most needed for their business careers; these skills were selling skills.

Apparently, some of the nation's business schools are swinging to provide instruction tailored more to fit the experiences of the real world (Business Week 1979). Mandt (1982) comments that business education of this sort encourages specialization and premature career commitments, but he also reports that graduates wish they had become more proficient at communication and human relations. Certainly a more practical approach, including selling skills, offers a chance at correcting these perceived deficiencies in the relatively low-risk setting of the classroom.

JOB OUTLOOK FOR SALES CAREERS

The 1973-74 edition of the United States Department of Labor's Occupational Outlook Handbook reported that about 5.4 million people were employed in sales occupations in 1972. According to the 1982-83 edition of this same source, that number had grown to 6.8 million by 1980. For example, selected marketing and sales occupations in 1980 included: Retail trade sales worker, 3,347,000; Cashier, 1,592,000; Wholesale trade sales worker, 1,085,000; Store manager, 962,000;

Manufacturer's sales worker, 437,000; Insurance sales agent, 327,000; Wholesaler, 248,000; Securities sales agent, 63,000; Travel agent and accommodation appraiser 52,000; and Automobile parts department manager, 47,000. Sales occupations are expected to increase by another 19 to 28 percent during the decade of the 1980s, to reach as high as 8.8 million in 1990.

As the number of salespersons employed increases, so will the number of sales supervisory jobs, further adding to the number of opportunities for community college and four year degree institution graduates.

Is there a need now for an educational program to educate people for sales careers? One quick glance at a weekend edition of a local newspaper would indicate that there is. For example, the classified section of a Sunday edition of the Seattle Times listed at least 195 specific sales openings. In no other single occupational category did job listings even come close to this number. Further, not all available job opportunities in sales are listed in the metropolitan daily newspaper classified section. Many more positions may be found listed at State employment services, in weekly newspapers and at commercial employment agencies. Still other job openings are not listed anywhere, but are available when a qualified, trained person walks in to apply for work.

Will employers hire graduates of an educational program for salespersons? Most sources indicate that not only will they do so, but will do so on a preferential basis, primarily because trained sales personnel are more productive. Bender (1971) states employers prefer to hire trained salespersonnel because such employees develop more quickly for more responsible positions with less turnover.

While some firms exhibit a preference in hiring "seasoned" sales personnel who have a sales performance track record which may be evaluated, other firms accept skills-trained prospective salespersons with equal enthusiasm.

THE CHANGING NATURE OF THE SELLING TASK

There is a continuing trend to demand a higher level of ability and personal productivity of salespersons. There has been an evolution in the nature of selling to take advantage of new technologies and to respond to added customer requirements. The field salesperson, for example, is considered more and more to be an account manager for his or her territory acting to coordinate the firm's multi-level selling efforts by engineering, production, research, marketing and upper management (Business Week 1973).

The computer, telephone and audio visual devices have been embraced as valuable selling tools. The computer makes possible a wealth of information about the salesperson's selling performance compared to territory potential. Computer-generated sales analysis reports provide effective guidelines for targeting selling effort. Minicomputers have even proved useful in answering customer concerns ("what if" questions) in the selling presentation itself.

The telephone, too, has been identified as a way to lower selling costs and increase selling effectiveness. "Telemarketing" encourages the use of the phone to identify leads, confirm appointments, invite timely reorders, cross-sell and maintain a "presence" with customers when face to face contacts cannot be justified (see, for example, the "Chemplex Corporation"

case in Talarzyk 1983). Audio visual equipment, especially as used in trade show or exhibition hall selling, has both helped the salesperson and changed the nature of the selling effort.

SELLING SKILLS TO BE DEVELOPED IN A BUSINESS PROGRAM

Any business educational program in sales needs to develop selected skills among its students which will enable them to be productive and confident self-starters. Salespersons must understand the needs and viewpoints of their customers and be poised and at ease with strangers. Other important attributes for selling are energy, self-confidence, imagination, self-discipline, and the ability to communicate. In addition, salespersonnel need initiative and persistence to locate prospective customers and convert them into new business accounts. This overview serves as an introduction to a partial list of the abilities that the entry-level salesperson, especially the field representative, should acquire in a business school program:

First, Time Management. The salesperson's time is both his and his company's investment in the customer. The student needs to learn how to allocate this time in proportion to the likely return offered. Moreover, skillful time managers make productive use of the large amounts of "dead time" they usually encounter. For example, some creative sales personnel arrange to learn new product information via audio cassettes in their automobiles while traveling between sales calls.

Second, Sales Forecasting. Coyle (1975) found that both recent marketing graduates and marketing executives expected an ability to forecast sales from entry-level sales personnel. Only overcoming sales objections and consummating a sale were rated as higher priority competencies. Reasonable territory sales forecasts enable workable quotas to be established and inequities in salesperson assignments to be identified.

Third, The Use of Business Directories and Trade Publications. The beginning field salesperson is usually called to go beyond maintenance selling and to identify potential new accounts. The ability to reference business directories and trade publications has numerous benefits: to identify leads; to qualify prospects by size criteria; and to more properly direct selling efforts within the customer organizations.

Fourth, Negotiation. The new salesperson quickly recognizes his or her position as that of a person in the middle--between the selling company and the customer. The skill to mediate between buyer and seller helps keep in check unreasonable, one-sided expectations and increases the chances of a transaction resulting. Negotiation skills sensitize the salesperson to the need for resolutions where neither party loses so badly that the long-term relationship suffers.

Fifth, Listening. The 1970s and 1980s have produced a proliferation of firms declaring: "We listen." With many customer needs being met only by creative solutions to problems, these problems must first be clearly identified by (heard by) the selling company. The entry-level salesperson must be adept at sounding out customers so that the selling process is in touch with, and makes the most of, the opportunities present. The salesperson needs to be skillful at probing customers and accurately capturing their responses.

Sixth, Oral Presentation and Writing Mechanics. When a new salesperson acts as the conduit for a company's persuasive and informational messages to customers, he or she must do so with a reasonably smooth style. Speaking voice and phrasing, eye contact, gestures, dress, sense of the customer's personal space (or territory) and so on should not put the customer off. Skillful choice of selling location, when possible, provides the salesperson with a way to "stage manage" the selling situation to enhance the chances he will be heard and acted upon. An understanding of small group dynamics becomes important if presentations are frequently made to buying committees. Hands-on experience with audio-visual equipment is vital so that the equipment becomes relatively unobtrusive compared to the content of the sales presentation. Moreover, important cultural variables impact on whether a salesperson is viewed by non-domestic customers as acting in an appropriate or insulting manner, and so the salesperson should have some exposure to presentation variances in different cultural contexts. No less important are business letter writing skills to clearly convey introductions, submit bids and proposals, convey terms of agreement and so forth.

Seventh, Developing Customer Benefit Arguments/Statements. The newly-minted salesperson should be skillful at translating product or service attributes into numerous customer benefits. It is not enough, for example, to identify for the customer that a dry copy processor has a large toner capacity. This added capacity should be conveyed in terms of less frequent refills and/or fewer interruptions to an office's copy demands. The desirable aptitude of developing persuasive arguments around customer benefits becomes increasingly important when several levels of the customer organization need to be sold (e.g., expensive laboratory equipment sold to research users, purchasing personnel and corporate financial officers).

Eighth, Analyzing the Selling Process. As the selling process unfolds, the new salesperson should possess an ability to know the stage he or she is at to avoid overselling or prematurely asking for a commitment from the customer. The dynamic ebb and flow of the selling process must be reasonably well analyzed if the customer is to be led to a purchase decision. Shaw (1981) discusses the use of chartpads showing selling step sequences along with the guidance from an instructor to acquire this skill. Videotaping of selling situations with the instructor stopping the replay to comment on how the sale is developing is valuable to impart a sense of where the sale is won or lost.

Last, Financial Interpretation and Translation. Proficiencies in understanding financial data and transforming the numbers into meaningful selling arguments are further strengths of a new field representative. From the customer's standpoint, there are always options in buying a firm's services (even if to do nothing). In many instances, especially in industrial sales situations, the salesperson has to prove that the purchase of his firm's products is the economically sensible option. Put another way, "You can't afford not to buy our product." The salesperson must be reasonably competent with financial concepts such as present value, return on investment and total product costs so as to be able to offer rationaly persuasive arguments. In many instances, a sale is made only because "the numbers make sense."

This paper does not propose a proliferation of personal selling and sales force management courses at community colleges and four year institutions. Reviewing the desired selling skills from the previous section, it becomes obvious that other curriculum offerings may provide essential support for the student interested in a sales career: marketing, marketing research, public speaking (and perhaps selected theater arts courses) and finance are helpful courses commonly available. Other courses which should prove useful include: purchasing, public relations, advertising, business communication, retailing (or merchandising) and selected behavioral science and computer science courses. Without benefit of specific course content at a given school, this paper must stop short of making more specific recommendations. The marketing faculty at each school is best able to spot the supportive elective courses for sales-oriented students.

Curriculum recommendations are best left generalized for yet another reason. Since the selling field has relatively few barriers to entry, several target groups exist for a program in sales: younger students seeking an entry level position early in their career; older students who wish retraining to change to a new career; and older students who plan to start a career or re-enter the market after a prolonged absence, (such as married mothers of grown children, widows or divorced women). All these students are not well served by a single rigid curriculum recommendation.

The building of appropriate skills for salespersons can begin within the one or two sales courses offered at most schools. A "hands-on" approach using at least some of the available technological selling tools can enrichen the content of these courses. For example, some of the following suggestions could be adopted:

First: use actual company sales reports whenever possible. Local businesses are frequently able to provide computer print-outs of territory and/or divisional performance (possibly disguised by date or identity). Exposure to such reports gives the student a "feel" for how specific performance is measured and tracked. From such sources students can be asked to develop a call frequency plan for a given area and time period.

Second: identify cooperative education and internship positions available in selling jobs. The opportunity for students to have actual selling experience while in school is invaluable.

Third: allow class time for role playing of selling situations. The process of negotiating the terms of sale under various conditions of bargaining power between buyer and seller lends itself to role playing. Videotaping of such sessions gives the participants an observer's view of their selling/negotiation skills. Videotapes can also reveal poor listening skills that cause problems because the salesperson or sales team is not responding to the buyer's signals. Videotaping over time can show the student how his or her selling skills have developed.

Fourth: use business people (especially sales and marketing executives) to evaluate sales presentations by individuals or teams. Students invest considerably more time and effort in presentations that are aimed

at an outsider "jury" rather than other students. The presentations are more "for real." The guests can often serve as a buying committee (or other customer-prospect group) to which the student team directs its selling efforts. Videotapes, again, are useful for both rehearsal and review of the final presentation. When appropriate, the use of audiovisual equipment in the sales presentation should be encouraged.

Fifth: collaborate with an instructor of finance to create a selling situation within which a complex financial alternative is offered to a customer (e.g., a lease/purchase decision or a payback evaluation of a new equipment commitment). Financial skills would be required for both the selling team (sales students) and the customer's proposal evaluation team (finance students).

Sixth: develop in-basket exercises to challenge the student's ability to establish daily, weekly and monthly sales call priorities. Various degrees of urgency can be cast into memos, letters, telephone messages and sales reports which the student must sort through and assess as to their claim for attention.

Last: assign exercises to estimate the potential and/or likely demand for a given product in a designated sales territory or region. This exercise has the dual benefit of exposing students to both business reference sources and forecasting approaches.

CONCLUSION

Selling skills are valuable in a free enterprise economy. Employment opportunities for students with an aptitude for selling are excellent. Opinions of both marketing executives and recent business school graduates hold that selling skills are among the most valuable to learn in order to meet employer expectations. The nature of the selling task is changing because of new technological selling tools. Despite these conditions, however, most business programs place sales courses only in the elective category. Business programs need to respond to ensure that their graduates are able to become capable territorial account managers with skills in: time management, sales forecasting, business directory use, negotiation, listening, oral/written presentation and financial interpretation. Selected classroom exercises are able to build the level of selling skills for both younger and more mature students. These exercises include: working with real company sales data, role playing, presenting to a jury of community business people, making financial-based proposals, prioritizing from in-basket data and estimating demand.

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