

## UNIT III

### SALES FORCE MANAGEMENT

American Marketing Association (AMA) has defined sales management as “The planning, direction and control of selling personnel including recruiting, selecting, equipping, assigning, routing, supervising, paying and motivating as these tasks apply to personnel sales force”.

In simple words we can say that sales management is the process of developing a sales force, coordinating sales operations and implementing sales techniques that allows a business to achieve the sales target.

Sales Force Management simply means managing the sales force to achieve the target sales.

Through Sales force management business owners plan the company staffing levels effectively and within budget. The company could ascertain the correct number of salespersons for the business, as well as the appropriate skill sets they require to meet company goals. Sales force management is a continuous process that ensures a business has the appropriate salespersons at all times.

### NEED/IMPORTANCE OF SELECTION OF SALESMAN

1. A good salesman helps in increasing the customer base for new as well as existing customers.
2. A company cannot engage with every customer. Salesperson are the people who negotiate with customers on behalf of company.
3. Selecting required number of salesman helps the company to achieve the target sales quickly.
4. To provide better services to every customer.
5. The salesman acts as a catalyst and consultant to the customer by providing information and benefits of the products.
6. He also works out the details, manner and timing of giving physical possession to the customer.

The interaction between a buyer and a seller comprises a **buyer-seller dyad**. It is the effectiveness of communication between the salesperson and the customer during the sales process decides the success of the sales call. The salesman acts as a catalyst and consultant to the customer by providing information and benefits of the products. He also works out the details, manner and timing of giving physical possession to the customer.

## **RECRUITMENT OF SALESMAN**

All the activities involved in securing the applications for the sales positions are referred to as recruitment. Recruitment sets out the necessary stages to clarify what kind of person is required, where he/she might be found and how to make the right choice. The choice of he/she is also very significant.

**According to Edwin B. Flippo,**

“Recruitment is the process of searching the candidates for employment and stimulating them to apply for jobs in the organization”.

**According to Byars and Rue**

“Recruitment involves seeking and attracting a pool of people from which qualified candidates for job vacancies can be chosen.”

## **PROCESS OF RECRUITMENT**

- 1. Recruitment Planning:** The first step involved in the recruitment process is planning. Major activities in this stage is Performing Job Analysis in the form of job description and job specification
  - (a) Job description** is an informative documentation of the scope, duties, tasks, responsibilities and working conditions related to the job.
  - (b) job specification** defines the knowledge, skills and abilities that are required to perform a job in an organization. Job specification covers aspects like education, work-experience, managerial experience etc.
- 2. Strategy Development:** Once it is known how many with what qualifications of candidates are required, the next step involved in this regard is to devise a suitable strategy for recruiting the candidates in the organisation. The strategic considerations to be considered may include issues like whether to prepare the required candidates themselves or hire it from outside, what type of recruitment method to be used, what geographical area be considered for searching the candidates, which source of recruitment to be practiced, and what sequence of activities to be followed in recruiting candidates in the organisation.

3. **Searching:** This step involves attracting job seekers to the organisation. There are broadly two sources used to attract candidates i.e. Internal and External. the firm must judiciously select that media of communication that successfully conveys the employment information to the prospective candidates.
4. **Screening:** The screening means to shortlist the applications of the candidates for further selection process. Although, the screening is considered as the starting point of selection but is integral to the recruitment process. This is because the selection process begins only after the applications are scrutinized and shortlisted on the basis of job requirements. The purpose of recruitment here is to remove those applications at an early stage which clearly seems to be unqualified for the job.
5. **Evaluation and Control:** Evaluation and control is the last stage in the recruitment process wherein the validity and effectiveness of the process and the methods used therein is assessed. This stage is crucial because the firm has to check the output in terms of the cost incurred. The recruitment is a costly process as it includes the salaries of recruiters, time spent by the management, cost of advertisement, cost of selection, a price paid for the overtime and outsourcing in case the vacancy remains unfilled. Thus, a firm is required to gather all this relevant information to evaluate the performance of a recruitment process effectively.

## **IMPORTANCE OF RECRUITMENT**

1. Attract and encourage more and more candidates to apply in the organization.
2. Create a talent pool of candidates to enable the selection of best candidates for the organization.
3. Determine present and future requirements of the organization in conjunction with its personnel planning and job analysis activities.
4. Help increase the success rate of selection process by decreasing number of visibly under qualified or overqualified job applicants.
5. Help reduce the probability that job applicants once recruited and selected will leave the organization only after a short period of time
6. Meet the organizations legal and social obligations regarding the composition of its workforce.
7. Begin identifying and preparing potential job applicants who will be appropriate candidates.

8. Increase organization and individual effectiveness of various recruiting techniques and sources for all types of job applicants

## **SOURCES OF RECRUITMENT**

The candidates may be available inside or outside the organisation. Basically, there are two sources of recruitment i.e., internal and external sources.

### **1. INTERNAL SOURCES**

Best employees can be found within the organisation. When a vacancy arises in the organisation, it may be given to an employee who is already on the pay-roll. Internal sources include promotion, transfer and in certain cases demotion.

- a) **Transfers:** Transfer involves shifting of persons from present jobs to other similar jobs. These do not involve any change in rank, responsibility or prestige. The numbers of persons do not increase with transfers.
- b) **Promotions:** Promotions refer to shifting of persons to positions carrying better prestige, higher responsibilities and more pay. The higher positions falling vacant may be filled up from within the organisation. A promotion does not increase the number of persons in the organisation.
- c) **Former employees:** Former employees who had performed well during their tenure may be called back, and higher wages and incentives can be paid to them
- d) **Referrals from Present Employees:** The employees recommend their relations or persons intimately known to them. Management is relieved of looking out prospective candidates. The existing employees take full responsibility of those recommended by them and also ensure of their proper behavior and performance.

### **ADVANTAGES OF INTERNAL SOURCES:**

- a) The existing employees get motivated.
- b) This method is cost effective as no extra expense is incurred for advertising and interviewing.
- c) This method saves a lot of time of the management. advertising, interviewing and selection generally takes many months through external sources.
- d) It builds loyalty among employees towards the organization.
- e) Training cost is saved in most of the cases, as the employees already know about the nature of job to be performed.

- f) It is easier for the management to coordinate with the new recruits as they (new recruits) are familiar with the work culture and organizations rules and regulations.
- g) It is a reliable and easy process.

### **DISADVANTAGES OF INTERNAL SOURCES:**

- a) It discourages capable people from outside the organization to join.
- b) It restricts inflow of new talents in the organization.
- c) The organization may miss infusion of innovation and revolutionary ideas.
- d) It is possible that the requisite number of persons possessing qualifications for the vacant posts may not be available in the organisation.
- e) For posts requiring innovations and creative thinking, this method of recruitment cannot be followed.
- f) It may lead to nepotism and favoritism. The employees may be employed on the basis of their recommendation and not suitability.

## **2. EXTERNAL SOURCES:**

All organisations have to use external sources for recruitment to higher positions when existing employees are not suitable. More persons are needed when expansions are undertaken. In case of unavailability of suitable candidates within the organization, it is better to select them from outside sources.

- a) **Advertisement:** Advertisement can be given in newspapers, websites, magazines and professional journals. These advertisements attract applicants in large number of highly variable quality from across the country due to high rich.
- b) **Employment Exchanges:** People register themselves with government employment exchanges with their personal details. According to the needs and request of the organization, the candidates are sent for interviews.
- c) **Campus interviews:** It is the best possible method for companies to select students from various educational institutions. It is easy and economical. The company officials personally visit various institutes and select students eligible for a particular post through interviews.
- d) **Placement agencies:** various placement agencies prepare data banks of suitable candidates according to their qualifications. A databank of candidates is sent to organizations for their selection purpose and agencies get commission in return.

- e) **Poaching or Raiding:** Poaching means inducing an employee to leave one employer and take up employment with another employer. The purpose of employee raiding is usually to gain access to unique or rare knowledge or skills which the employee may possess. Taking the employee gives the raiding company an unfair competitive advantage.

### **BENEFITS OF EXTERNAL SOURCES OF RECRUITMENT:**

- a) New talents get the opportunity to join the organization.
- b) It can help in bringing new ideas, better techniques and improved methods to the organisation.
- c) The best selection is possible as a large number of candidates apply for the job.
- d) The entry of qualitative persons from outside will be in the long-run interest of the organisation.

### **LIMITATIONS OF EXTERNAL SOURCES OF RECRUITMENT:**

- a) Skilled and ambitious employees may switch the job more frequently.
- b) It gives a sense of insecurity among the existing employees.
- c) It increases the cost as advertisement is to be given through press and training facilities to be provided for new candidates.
- d) The process of recruiting from outside is very expensive. It starts with inserting costly advertisements in the media and then arranging written tests and conducting interviews.

## **SELECTION**

Selection means selecting the fixed number of suitable candidates from those who applied for the posts. Selection process starts as soon as recruitment ends. Recruitment considers all applications received in a due date while selection considers only the required number of most suitable candidates.

### **STEPS IN SELECTION PROCESS:**

1. **PRELIMINARY INTERVIEW:** The initial screening is usually undertaken by the receptionist in the office. This interview is essentially a sorting process in which prospective applicants are given the necessary information about the nature of the jobs in the organisation. If a candidate meets with the requirements of the organisation he may be selected for further action. If not, he is eliminated at this preliminary stage.

2. **REVIEWING FORMAL APPLICATION BLANK:** Application in blank is a written formal application submitted by the person while applying. The object of this application in blank is to get the candidate introduced to the interviewer so that he is in a position to prepare himself as to what kind of questions he is to ask to size-up the candidate. The blank provides preliminary information and helps in interview by indicating the areas of interest and discussion. It is a useful device for collecting historical data from the candidate as well as storing information for later reference.
  
3. **INTERVIEW:** This is most important step in the process of selection. Only the screened applications are considered for selection and the firm sends out interview letters. By this interview, the sales manager can understand the positive and negative qualities of the applicant with reference to the job duties. A good interviewer must be unbiased, able to discover facts, a keen observer of the interviewee etc. No method other than interview is quite as satisfactory in judging an individuals' ability in oral communication, personal appearance and attitude towards selling and personal impact on others which are most important for the person involved in selling.

#### **INTERVIEWING TECHNIQUES:**

- a) **Non-Directed/Non-Structured Interview:** This kind of interview does not follow a standard format of questions, instead it involves a relaxed discussion. This method is perhaps the best way of probing an individual's personality in depth.
  - b) **Patterned/Structured Interview:** In this method the interviewers are given a prepared list of questions or a specific outline of questions designed to elicit a basic core of information.
  - c) **Interaction (Stress) Interview:** It is a highly complex technique. In this the interviewer assumes a hostile role towards the applicant. He deliberately puts him on the defensive by trying to annoy, embarrass and frustrate him. The interaction interview simulates the stresses the applicant would meet in actual selling and how he would react to them.
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4. **REFERENCE CHECK:** Sometimes applicants are asked to name as references those people on whom they can rely to speak about them. The main purpose of reference checks as a selection tool is to verify the facts such as dates of employment, earnings, sales volume,

absenteeism and nature of the past selling job. This typical procedure is to check the references by personal visit, telephone or letter.

5. **PSYCHOLOGICAL TESTING:** A psychological test can be defined as "Systematic approach for comparing the behavior of two or more persons". The psychological tests operate on the common theory that human behavior can be well forecasted by sampling.
  - a) **Aptitude or Ability Test:** These are used to measure the talent/ability of a candidate to learn the job or skill.
    - a. **Mental or Intelligence Test:** They measure the overall intellectual activity or the Intelligence Quotient (IQ) of the candidate. They also determine the candidate's word fluency, memory, inductive reasoning, speed of perception and spatial visualization.
    - b. **Mechanical Aptitude Test:** These measure the capacity of a person to learn a particular type of mechanical work as they measure a person's visual-motor coordination or integration.
    - c. **Psychomotor or Skill Test:** These tests measure a person's ability to do a specific job. They are administered to determine mental dexterity or mental ability and similar attributes involving muscular movement, control and coordination.
  - b) **Personality Tests:** These tests try to find out an individual's value system, his emotional reactions, maturity and his mood characteristic.
  - c) **Achievement Tests (Proficiency Tests):** Achievement tests seek to determine how much the individual knows about a subject. They determine the admission feasibility of the candidate and measure what he is capable of doing.
  - d) **Interest Test:** These tests aim at finding out the types of work in which the candidate is interested. If two persons have equal ability, the one with a greater interest in a particular job is more successful.
6. **MEDICAL EXAMINATION:** Confirmation of physical fitness demands that every candidate has to undergo a medical test. Everyone in this world is suffering from one kind of disease or the other. The salesman's job needs both mental and physical fitness. Diseases and physical deficiencies of the salesmen affect the business.
7. **FINAL INTERVIEW AND APPOINTMENT:** The selected applicant is probably called for a final interview and his suitability is measured from the different tests, physical reports etc. The job must be explained to him along with all relevant details, which are

required in performing the duties efficiently. If everything is in favor of the applicant, an agreement must be executed by him. Generally, the agreement contains duties and authorities, sales quota, sales territory allotted, salary and conditions of resigning. It is followed by an appointment order, which contains designation, jobs to be performed, salary and other financial benefits etc.

### **DIFFERENCE BETWEEN RECRUITMENT AND SELECTION**

S.N.	BASIS	RECRUITMENT	SELECTION
1	<b>Meaning</b>	It is the process of finding and attracting qualified applicants for the job.	It is the process of short-listing candidates, assembling and their final hiring decisions.
2	<b>Priority</b>	Recruitment is the initial process.	Selection is the final process.
3	<b>Time</b>	It begins when new recruits are sought and ends when their applications are received.	It begins after the applications are received and ends when hiring decision are made.
4	<b>Level</b>	Generally lower level manager's deals with the recruitment process.	Mid and top level manager's deal with the selection process.
5	<b>Come &amp; Bye</b>	This process invites the applicants by saying "come".	This process tells 'bye' to most of the applicants.
6	<b>Approach</b>	The process of Recruitment is the positive approach.	The process of selection is a negative approach.
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