Addis Ababa University

(Since 1950)

# THE IMPACT OF SELLING SKILLS AND ORGANIZATIONAL COMMITMENT ON SALESPERSONS PERFORMANCE IN ADDIS ABABA REAL ESTATE MARKET

**A Thesis Submitted to the School of Graduate Studies of Addis Ababa University in Partial Fulfillment for the Award of Master of Arts in Marketing Management**

**By: Mikiyas Assefa**

**May 2016**

**Addis Ababa**

# THE IMPACT OF SELLING SKILLS AND ORGANIZATIONAL COMMITMENT ON SALESPERSONS PERFORMANCE IN ADDIS ABABA REAL ESTATE MARKET

**A Thesis Submitted to the School of Graduate Studies of Addis Ababa University in Partial Fulfillment for the Award of Master of Arts in Marketing Management**

**By: Mikiyas Assefa**

**Advisor: Rakshit Negi (PhD)**

**May 2016**

**Addis Ababa**

# THE IMPACT OF SELLING SKILLS AND ORGANIZATIONAL COMMITMENT ON SALESPERSONS PERFORMANCE IN ADDIS ABABA REAL ESTATE MARKET

**By: Mikiyas Assefa**

## Approved by Board of Examiner

| | Name | Signature | Date |
|---|---|---|---|
| **External Examiner:** | ________________ | ___________ | ____________ |
| **Internal Examiner:** | ________________ | ___________ | ____________ |
| **Advisor:** | ________________ | ___________ | ____________ |

## DECLARATION

I, Mikiyas Assefa, declare that the thesis entitled **—"The impact of selling skills and organizational commitment on salespersons performance in Addis Ababa Real Estate Market"** is my original work. I have carried out the present study independently with the guidance and support of the research advisor, Rakshit Negi (PhD). Any other contributors or sources used for the study have been duly acknowledged. Moreover, this study has not been submitted for the award of any Degree or Diploma Program in this or any other institution.

# Table of contents

**Contents** **Page No.**

## CHAPTER FOUR: RESULTS AND DISCUSSION



## CHAPTER FIVE: CONCLUSSION AND RECOMMENDATIONS

## ACKNOWLEDGEMENT

First and foremost I would like to express my deepest gratitude to the Almighty God for his blessings and for making every step of my life possible. Secondly, I am greatly indebted to thank my advisor Rakshit Negi (PhD) for his unreserved attention to correct my report and advise me for the better improvement of this thesis.

Thirdly, I am very grateful to thank my family for everything they have done for me up to this moment, my wife, and my boys (leul & Aaron) you are everything to me. All my friends, I have no words to express my heart full thank but let God bless you all.

Finally yet importantly, I would like to acknowledge participants of the study for being willing to participate in the study and provide valuable information. Moreover, those individuals who have been contributing a lot for the entire work, either directly or indirectly deserve to be acknowledged. THANK YOU ALL

## List of tables Page No.

## List of figures Page No.



## LIST OF ABBREVATIONS AND ACRONYMS

**ANOVA –** Analysis Of Variance

**SPSS** –Statistical package for social sciences

## Abstract

The objectives of this paper is to understand the influence of sales skill dimensions, namely interpersonal, salesmanship, technical and marketing skills and organizational commitment on salespersons performance in Addis Ababa Real Estate Market. To investigate the effect of sales skills and organizational commitment on salespersons performance, data was gathered based on a judgment sample of 98 salespersons from selected 12 real estate companies, filled by their immediate supervisors. The data were analyzed using descriptive statistics, one way ANOVA, independent sample t- test and multiple regressions. The findings show that the effects of interpersonal skills positively influence salesperson performance. On the other hand, salesmanship skills and marketing skills also appeared to be significant predictors of salespersons performance. However, the findings show that technical skills and organizational commitment do not influence salesperson performance. Moreover, the relationship between demographic variables and sales performance i.e. education and sales performance appeared to be significant. Whereas there is no significant relationship between demographic variables i.e. gender, experience and age on sales performance.



**Keywords:** Sales skills, salesperson performance, organizational commitment, Real Estate, Addis Ababa

# CHAPTER ONE

# INTRODUCTION

## 1.1 BACKGROUND OF THE STUDY

Among the promotion mix elements Advertising, Personal selling, Sales promotion, Publicity/public relation and direct marketing; personal selling is the crucial one. Undergoing a study/research on personal selling skills is a broad task. In general promotion means "to move forward" this implies to motivate customers to action.

Personal selling is a form of person-to-person communication in which a seller attempts to assist and/or persuade prospective buyers to purchase the company's product or service or to act upon an idea. Unlike advertising, personal selling involves direct contact between the buyer and the seller either face-to-face or through some form of medium such as telephone, email and the like. While considering personal selling it is important to underline on sales skills which has a significant impact on the salespersons performance. Talking about the infant real estate industry in Addis Ababa the impact of sales skills on sales person's performance should be researched.

The rapidly changing real estate landscape in Addis Ababa is one of the most visible aspects of the extended period of growth recently experienced in Ethiopia. From large residential developments sprouting at the city outskirts to rising new office complexes and government-built condominiums being constructed in center city locations, there is no shortage of new facilities to demonstrate change in this area. Of course, despite all this new construction activity, Addis Ababa—like most developing country capitals—retains large swathes of informal and slum-like settlements scattered across the city. Still, over the past decade, the sub-set of city dwellers that are now part of the formal real estate market has expanded from a small base and is likely to do so for the foreseeable future. The real estate sector has been broadly introduced in Ethiopia by the pioneer real estate developer Ayat which was established in 1996 and most of real estate developers were established after 2005 and has been growing with an increasing rate due to the rapid housing demand in Addis Ababa, Ethiopia.

## 1.2 STATEMENT OF THE PROBLEM

Researchers like Churchill et al. (1985) and Rentz et al. (2002) emphasized on the importance of salesperson’s skill level in relation to their performance. Also, they argued that beside aptitude, role perception, motivation, personality and organizational factors, sales skills also affect a salesperson’s performance. Additionally, Rentz et al. (2002) recommended selling skills to be categorized into three as interpersonal, salesmanship, and technical skills. These dimensions were found to be useful predictors of salespersons performance. Furthermore, Ahearne and Schillewaert (2002) examined marketing skills as another predictor of a salespersons performance.

Although these sales skill dimensions have long been recognized as predictors of salespersons performance, there has been no empirical research conducted to ascertain whether individual level skill factors do in fact contribute to sales performance. Moreover, the majority of previous studies examining the influence of sales skill dimensions in salespersons performance have been conducted in advanced western economies. Furthermore, limited research work has been conducted in Ethiopia examining the influence of sales skill dimensions and organizational commitment on salespersons performance, specifically in the telecom and airline industries.

Therefore, the problem of the research is to access the impact of sales skills and organizational commitment on the salesperson’s performance explained by the variables technical, interpersonal, marketing, and salesmanship skills of real estate sales personnel's.

There is a gap since most real estate companies does not have a clear understanding on what skills should their salespersons acquire, what are the key success factors of personal selling in the real estate sector, what type of training should be employed and what kind of personal selling strategy should be followed so as to boost salespersons performance. In addition, it tries to fill the gap between salespersons values and organizational values and to address issues regarding organizational commitment in relation with salesperson's performance.

Hence this study attempts to fill the gap by answering the following questions with the growing real estate industry and emerging economy of Ethiopia.

## 1.3 BASIC RESEARCH QUESTIONS

The following research questions will be answered at the end of this research.

- What is the effect of technical skill on the salesperson's performance?
- What effect salespersons interpersonal skills have on his/her performance?
- What is the impact of salesmanship skill on the salesperson's performance?
- How does marketing skills contribute towards salesperson performance?
- What are the different organizational commitments made by the companies for enhancing sales skills of salespersons in order to get an improved sales performance?

## 1.4 RESEARCH OBJECTIVES

### *GENERAL OBJECTIVE*

The general objective of the research is to identify effect of sales skills and organizational commitment on salespersons performance in Addis Ababa Real Estate Market.

### *SPECIFIC OBJECTIVES*

The specific objectives are to address and solve the various aspects of problems or sales gap encountered due to lack of sales skills and organizational commitment on sales performance in Addis Ababa Real Estate Market:

- To access the effect of interpersonal skills on personal selling performance in Addis Ababa Real Estate Market.
- To study the effect of marketing skills on personal selling performance in Addis Ababa Real Estate Market.
- To find out the effect of technical skill on personal selling performance in Addis Ababa Real Estate Market.
- To identify the effect of salesmanship skills on personal selling performance in Addis Ababa Real Estate Market.
- To examine the relationship between organizational commitment and sales personnel's performance in Addis Ababa Real Estate Market.

## 1.5 SIGNIFICANCE OF THE STUDY

The research has identified critical problems in light of sales skills which in turn affect personal selling (salesperson's) performance in Addis Ababa Real Estate Market, and recommended better ways to improve the performance of the salespersons'.

The study provide interested groups with best personal selling skills and pave the way for an enduring success for the Real Estate market.

Additionally, it provides direction for the companies in:

- Identifying sales skills highly relevant for the industry, in particular for the company and helps to identify training and development areas for enhancing the sales person skills. Moreover, it also helps to identify key success factors in the real estate sector and criteria's for recruiting sales persons and developing job specification

Furthermore, the research is mandatory for the researcher for the partial fulfillment of MA degree in marketing management, in addition with the opportunity for acquiring knowledge throughout the research.

## 1.6 LIMITATION OF THE STUDY

The study did not address the entire variables affecting salesperson's performance but factors like role variables, personality factors, motivation, aptitude and other organizational factors were left out for further study. Since supervisor rating was applied to check the perception of salespersons, it would be a better result if salespersons perception and supervisors' perception were applied simultaneously. Moreover, particular industry salespersons were adopted for the study which in turn has a limitation to generalize the research findings.

## 1.7 DEFINITION OF TERMS

This section provides number of definition for the readers to understand the terms that readers might not be familiar. The reader will go through these terms throughout the whole paper.

**Real Estate:** A company engaged in developing and selling residential and commercial houses.

**Salesperson:** An individual who sells goods, services and ideas to other entities.

**Personal Selling:** Oral communication with prospective purchasers with the intention of making a sale.

**Interpersonal Skills:** The skills used by a person to properly interact with others. In the business domain, the term generally refers to an employee's ability to get along with others while getting the job done.

**Salesmanship Skills:** The skill of persuading people to buy things or to accept or agree to something.

**Technical skills:** The knowledge and abilities needed to accomplish mathematical, engineering, scientific or computer-related duties, as well as other specific tasks.

**Marketing Skills:** Is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.

## 1.8 ORGANIZATION OF THE STUDY

The research paper consisted of five chapters. The first chapter presents the introduction part which consists of background of the study, statement of the problem, research question, Objective of the study, significance of the study, scope of the study, limitation of the study, definition of terms and organization of the study. The second chapter focuses on review of related literatures. The third chapter presents research design and methodology. The forth chapter depicts data presentation, analysis and interpretation and the last chapter presents conclusion and recommendations part of the study. Finally Reference and appendices are attached.

## 1.9 SCOPE OF THE STUDY

The population of the study is limited to Addis Ababa, capital city of Ethiopia. This geographical limitation is not only chosen because of time, access and cost restriction, but also it is believed that a considerable number of real estate companies are available in Addis Ababa.

Moreover, this research focuses only on single industry salespersons, salespersons working in the real estate industry. Salespersons performance working in another sector may be affected by variables other than sales skills and organizational commitment, so generalization of findings of this research beyond the real estate sector is not recommended.

Furthermore, the study has also limited itself on accessing only the impact of selling skills and organizational commitment towards sales performance but sales performance could also be affected by other variables like motivation, aptitude, personality and other organizational factors.

# CHAPTER TWO

## 2. REVIEW OF RELATED LITRATURE

## 2.1 THEORETICAL FRAMEWORK

### Promotion

Advertising and promotion are essential elements of our total economic and social systems. All over the world the large multinational corporations to medium and even small firms recognize that there is no best alternative than promotion to communicate with consumers and promote them to purchase their products or services (Belch & Belch, 2009).

### Personal selling

The personal selling process is the heart and soul of selling (Anderson, 1995). It comprises a series of interrelated stages, which the salesperson follows (Kotler and Armstrong, 2008) or performs in making the sale.

Personal selling is face to face interaction with one or more prospective customer for the purpose of making presentation, answering questions and procuring orders (Kotler, 2006). Personal selling is the interpersonal arms of promotional mix and personal selling can be more effective than advertising in more complex situation (Kotler, 2005, p.488).

Personal selling is a process of person-to-person communication. In personal selling, company promotes their products directly to consumers through advertising and promotions or indirectly through resellers or salespeople. For example: Sales people of the insurance industry and real estate sales people (Belch & Belch, 2009). Personal selling can be classified in various ways like: retail selling, field selling, telemarketing and inside selling (Belch & Belch, 2009).

According to Zeithaml, Bitner & Gremler (2006) *"personal selling is face to face presentation by a representative from the firm to make sales and build customer relationships."* Personal selling is very secure in selling to consumers and resellers.

The face to face conversation facilitates instant feedback. In personal direct selling, representatives can present the product or service to the customer, they can convinces the customer through showing the service value, and last if successful, they close the sales. Personal contact is vital for technical consumer products like; real estate, insurance, computer, machine etc. In these cases, personal selling is high value- because it gets the sales close (Arens, Schaefer & Weigold, 2009).

Physical sales meeting is more powerful than other sales techniques to convince the customers because; sales people can easily understand the requirements of customer and can offer accordingly (Belch & Belch, 2009).

## Sales Performance

Sales performance is often describe as the quality and quantity of sales closed in a specific time period. However, the literature provides several perspectives on evaluating sales performance. Colletti and Tubridy (1993) provided the following list of sales activities for successful salespeople: selling, working with distributors, entertainment, attending meetings, servicing products, working with orders, servicing accounts, travel, communication/information, training and recruiting.

It is also cited that the performance measures taken at different times are not highly related and the relationships between different performance measures are not strong (Chonko, Roberts and Dubinsky, 2002). Another set of criteria cited by Campbell (1990) consist of 10 which are sales volume, ability to reach quotas, customer relations, management of expense accounts, company knowledge, customer knowledge, product knowledge, competitor knowledge, time management and planning are important for sales performance. From a different perspective, Campbell's checklist can be effectively reduced to four primarily objective performance criteria such as annual sales volume, gross profit per sale, annual sales volume and profit growth customer relations.

## Determinants of Sales performance

Due to its vital importance to both the firm and to individual sales people, improving sales performance is of a great interest to both managers and researchers (Johilke, 2006). A large number of researchers have forwarded different factors that do have an influence on salesperson's performance (Churchill et al., 1988; Baldauf and Crevens, 1999; Piercy et al., 1997; Baldauf et al., 2001; Babakus et al., 1996; Barker, 1999; Ahmad et al., 2010; Johalke, 2006; Sweet et al., 2007).

Sweet et al, (2007) in their work Developing a Benchmarking for company-wide Sales Capability identified five drivers of sales performance:

- Leadership including strategy, decision making, attitudes toward learning, improving, coaching.
- Motivation, including goal orientation and discipline, enthusiasm, planning, attitudes.
- Skills including communication, negotiation, customer relationships, presentation.
- Process including company's sales systems, information, records, preparation, follow through and delivery.
- Marketplace including understanding of the needs of customers, the market, their own products and those of their competitors.

## Selling techniques

Selling techniques are methods used by a salesman to persuade customers to buy such as presentation of goods, demonstration and closing of sales (Ivanovic, 1989, p.171). Ingram et al. (2009, p.363) see selling techniques as procedures salespeople can follow to make sales.

## Personal selling process

Personal selling process refers to a sequential series or a series of interrelated steps that the salesperson follows when selling (Kotler and Armstrong, 2008, p.468). It includes locating qualified prospective customers, the sales presentation plans, making an appointment to see the customer, the sales presentation, completing the sale and performing post-sale activities.

## Background of personal selling process

The personal selling process is one of the oldest subjects in the sales literature. It can be found in early sales books, and for example a sales training book titled "How to Increase Your Sales" (1920) already introduces the list of steps of selling. Therefore, the personal selling process has been discussed at great length by a number of authors. The work provided by Cash and Crissy (1964) was the first that posits selling as a process. Later, (Dubinsky, 1980) made a notable contribution to the sales process by suggesting that rather than being a disorganized activity, selling appears to be a *systematic process*.

The most widely accepted selling process model in the sales literature is recognized as the ***"seven steps of selling***" provided by Dubinsky (1980) – prospecting, pre-approach, approach, presentation, objection handling, close and follow up.


**Figure 2.1:** The seven steps of selling - Adopted from (Dubinsky, 1980).

If salespeople follow logical and sequential series of steps in the selling process, they can improve the chance of making the sale (Futrell, 1994). While there are minor variations among the various traditional personal selling processes that appear in the sales literature, the essential selling activities included in most of these selling processes are similar.

These seven steps are 1) prospecting, 2) pre-approach, 3) approach, 4) presentation, 5) overcoming objections, 6) close, and 7) follow-up (Figure 1) and each of them is described here in under.

## Prospecting

Prospecting is a fundamental step in the personal selling process (Jolson and Wotruba, 1992). Prospect is a person or business, that needs the product a salesperson is selling (Futrell, 1994, p.408). Prospecting and locating for customer, involves the salesperson searching for and identifying potential customers who have the need, willingness, ability and authority to buy the salesperson's offering (Dubinsky, 1980, pp.26-27). In this step, the salesperson utilizes various sources to develop sales leads that might need a particular article (Hite and Bellizzi, 1985). These leads in sales terminology refer to a person or organization that may be a potential customer (Reid, 1981), and the most basic lead normally consist of a name, a phone and an address (Anderson, 1995). In other words, "prospects are what salesperson hopes his or her leads really are" (Kossen 1982, p.136).

## Pre-approach

Before approaching the customer, the professional salespeople must take into account a thoughtful process of planning called the pre-approach which consists of several post-prospecting activities before the actual visit with customer. According to (Futrell, 1994, p.409) "with the pre-approach the salesperson investigates the prospect in greater depth and plans the sales call". The pre-approach has several objectives. The first objective is to gather relevant and specific information about the customer directly from customer or from public sources (Ingram, 1990), and this information will help salespeople to better qualify the potential prospects (Dubinsky, 1981). Secondly, the pre-approach will provide some insights into how to develop the most effective way to approach customer (Dubinsky, 1980).

The pre-approach involves preparing presale objectives and developing a customer profile (Futrell, 1994). Moreover, the pre-approach information enables tailoring the sales presentation and choosing the best strategy for each prospect (Anderson 1995).

## Approach

After the prospect is identified and the salesperson has collected relevant prospect information, the salesperson is ready to move to the next step called approach. The purpose of approach is to open the sales call, to gain and hold customers' attention and interest (Dubinsky and Staples, 1981) so that salesperson is able to interact with them more favorably and furthermore to obtain information and to determine prospects' needs and wants (Reid, 1981).

## Sales presentation

The sales presentation has been termed "The core of the personal selling process" by many authors (Dubinsky, 1980). Accordingly, sales textbooks and trade publications have spent a lot of time discussing this step and research has also been carried out how to gain maximum marketing benefit from its suitable design and execution. In spite of that, many salespeople do not perform the sales presentation activities very well.

According to traditional personal selling process, the purpose of the sales presentation is to provide knowledge about the product (Futrell, 1994). Moreover, its objective is to demonstrate the benefits and strengths of the product to potential customers and explain what it will do for them (Dubinsky, 1980). Additionally, salesperson can show during the sales presentation, how the product can fill the prospect's recognized needs (Kossen, 1982).

(Hite and Bellizzi, 1985) mention that the sales presentation is the actual delivery of designed communication to present a product and salesperson attempts to rouse the prospect's desire for the product and to become a customer. Many authors (e.g., Kossen, 1982; Futrell, 1994) suggest that salespersons should attempt to guide the prospect's mind through a four-step AIDA (1. Secure Attention, 2. Arouse Interest, 3. Stimulate Desire, 4. Obtain Action).

## Handling Objections and Overcoming Resistance

Even the best planned sales presentations will encourage the prospect to make objections (Ingram, 1990). Professional salespeople should expect that the resistances will confront in every sales situation (Brennan, 1983).

In the stage of handling objections, the salespeople attempt to overcome prospects´ opposition and resistance to sales presentation and reluctance to buy (Dubinsky and Staples, 1981; Hite and Bellizzi, 1985). According to Dubinsky (1980), this may result in the salesperson repeating the product benefits, reassuring the customer's potential decision, and helping the prospect to do the decision.

## Close

The next step in the personal selling process is called the close. In the closing stage, the salesperson tries to convince the customer to buy (Dubinsky and Staples, 1981). According to the early personal selling literature, the closing stage was often presented as the most important aspect of the sales process. For instance, Brennan (1983) notes that selling is closing, and the ability to get order – to ask for it, to get customer to sign on the dotted line – is the payoff selling.

Many authors emphasize the necessity of taking the initiative to close the sale by salespeople (e.g., Dubinsky, 1980). Sales person cannot make a sale without closing, because selling is not order taking. Therefore, no matter how well the salesperson has performed in earlier stages of the selling process, he or she can still lose the sale without closing (Anderson, 1995). According to (Futrell 1994), this is the step, where many salespeople fail. They fail because they are afraid of rejection and salesperson may not be confident in his or her ability to close.

## Follow-up

In many sales text books the final step on the personal selling process is devoted to follow-up (Anderson, 1995). The salesperson's job is not finished when the sale is over with the acceptance of an order. To professional salespeople the ultimate goal is to have a satisfied customer (Reid, 1981) and the follow-up activities can influence the satisfaction derived from their purchases (Kossen, 1982). According to Reid (1981), there are three major reasons why it is necessary to ensure customers' continued satisfaction:

1) It is easier in most cases to sell satisfied customers more or something new than to find and sell to entirely new prospects.
2) Satisfied users are the best source for locating and gaining access to potential new customers (Referrals').
3) Follow-up calls on satisfied customers give salesperson an opportunity to see the product in operation and moreover salesperson can discover new ideas for its use.
The follow-up activities also reduce the negative post-purchase concerns (Dubinsky, 1980), and create goodwill between a salesperson and the customers, which in the long run will increase sales faster than not providing it (Futrell, 1994).

## 2.2 Empirical Review

Several studies have identified a number of independent variables that influence salesperson performance (see Churchill et al., 1985; Baldauf and Cravens, 1999; 2002; Piercy et al., 1997; 1998; Baldauf et al., 2001; Babakus, et al., 1996; Barker, 1999; Rentz et al., 2002). Churchill et al., (1985) found that in terms of the average size of their association with salesperson performance, the determinants were ordered as follows:

Role variables, selling skills, motivation, personal factors, aptitude, and organizational factors; but when ordered according to real variation (i.e., not attributable to sampling error), the determinants were ranked as: personal factors, selling skills, role variables, aptitude, motivation, and organizational/environmental factors.

The findings from Churchill et al., (1985) indicated that selling skills were the second most important of six variables, both in terms of average size association with performance and in terms of real variation. However, Churchill et al., (1985) and Rentz et al., (2002) observed that few studies on individual characteristics relating to the selling skills dimensions of salespersons were conducted before the meta-analysis studies of Churchill et al., (1985).

Nevertheless, since these studies, a considerable amount of research has focused upon specific aspects or the micro-skill stream of selling skills, which focused on individual sales skills (Rentz et al., 2002). These micro-stream selling skills can be divided into three dimensions – interpersonal, salesmanship and technical skills.

With respect to this, this paper attempts to build upon Churchill et al.'s, (1985) seminal work to examine the influence of sales skills on salesperson performance in an emerging economy context. Specifically, the paper investigates the influence of four sales skills dimensions on salesperson performance.

Three sales skills dimensions – interpersonal, salesmanship and technical skills – are derived from Ford et al., (1988); cited in Churchill et al., (2000), and the other dimension of marketing skills is derived from Ahearne and Schillewaert (2000).

Although there have been numerous studies on the direct relationship between organizational commitment and job performance, however, there have been few studies conducted treating the influence of organizational commitment on salespersons performance. According to Meyer and Allen (1997), a committed employee is the one who stays with the organization through thick and thin, attends work regularly, puts in a full day (and maybe more), protects company assets, shares company goals and others. Thus, having a committed workforce is an added organizational advantage.

Irving and Coleman (2003), for example, examined the effect of organizational commitment on the relationship between role ambiguity and job tension in an organization undergoing significant change. Results of their study indicated that organizational commitment tended to aggravate relations between the two variables. From a different perspective, Chang (1999) examined the effect of organizational commitment as on the relationship between perceptions of a company's career practices and turnover intention.

## Interpersonal Skills and Salesperson Performance

Interpersonal skills refer to mental and communication algorithms applied during social communication and interaction to achieve certain effects and results. According to Rentz et al., (2002), the dimensions of interpersonal skills are listening, empathy, optimism and perceived observation skills. These dimensions were operationally and empirically tested independently to represent interpersonal skills measures in predicting salesperson performance. Thus, these dimensions are likely to collectively realize effective interpersonal skills, and, in turn, salesperson performance for achieving high sales performance leading to the requirement that salespeople have or develop strong interpersonal skills. Comer and Drollinger (1999); Castleberry and Shepherd (1993); Ramsey and Sohi (1997), and Shepherd et al., (1997) found that effective listening skills are a valuable communication skill for successful salespersons.

Meanwhile, Comer and Drollinger (1999) pointed out that empathetic skills contribute to salesperson performance. McBane (1995), Pilling and Eroglu (1994), and Plank et al., (1996) support this. Additionally, Rich and Smith (2000) found that individuals possessing high responsive characteristics seem to have greater identification or perceptive observation skills concerning the social style of others, which are critical traits for successful salespersons. Jane and Dawn (2003) also suggested that empathy and perception of others emotions could explain salesperson performance.

Rapisarda (2002) in her research on the impact of emotional intelligence on work performance reaffirmed that empathic competency strongly correlated with performance. In sum, previous empirical studies demonstrated a positive relationship between the four dimensions of interpersonal skills on salesperson performance. Hence, it can be hypothesized that a similar relationship will occur in this study. Thus, the first hypothesis is:

H1: Interpersonal skills have a significant positive impact on salesperson's performance.

## Salesmanship Skills and Salesperson Performance

The dimensions of salesmanship skills can be generally categorized into five subcategories namely: adaptability, consultative selling, negotiation and questioning, and salesperson cues and communication style skills. Previous studies had utilised each dimension independently to represent salesmanship skills in testing its relationship with salesperson performance (Rentz et al., 2002).

Adaptive selling is defined as the salesperson's ability to alter her/his sales behavior when interacting with customers (Weitz, 1981) and is important because it shows the amount of customization a salesperson is utilizes. Babakus et al., (1996) found a positive association between adaptive selling and salesperson performance, and sales organizational effectiveness measures. Boorom et al., (1998) also reported a positive relationship between adaptive selling and several sales outcomes. Besides that, Sujan et al., (1988a) also found a positive relationship between working smart (a dimension of adaptive selling) and salesperson performance. Negotiation is another important process of selling (Futrell, 2006; Ingram et al., 2004). Goolby et al., (1992), and Schuster and Danes (1986) posited that negotiation skills possessed by a salesperson contributed to the salesperson's success.

Meanwhile, Morgan and Stoltman (1990) found that there was a positive relationship between adaptive personal selling and questioning, listening, and non-verbal behaviour. They stated that a salesperson's perceptual abilities, including probing, asking questions, listening, and detecting verbal and nonverbal clues, provide the basis for adaptive selling. Goolby et al., (1992) and Schuster and Danes (1986) confirmed these findings when they posited that negotiation and questioning ability possessed by a salesperson contributed to the salesperson's success.

Additionally, communication style plays a critical influence on a salesperson's ability to close sales (Stafford, 1996; Whittler, 1994; Williams et al., 1990; Futrell, 2006). Williams and Spiro (1985) found that successful salespersons are those who can adapt their communication styles appropriately to interact with customers. Similarly, William et al., (1990) also suggested that salespersons that vary their communication styles in relation to the customers will significantly increase the potential to close the sale. Furthermore, a person's nonverbal cues could influence others behavior (Cho, 2001). Salesperson's nonverbal cues have emerged as a critical component of successful selling (Leigh and Summers, 2002; Futrell, 2006; Stafford, 1996; Whittler, 1994; Williams et al., 1990). William et al., (1990) posited that employing four nonverbal symbolic expressions such as voice qualities, nonverbal vocalization, body movement, and spatial distances might result in the likelihood of a sale.

Likewise, Peterson et al., (1995); Schul and Lamb (1982); and Gabbot and Hogg (2000) found that certain voice characteristics correlated highly with output sales performance. Consultative skills are another aspect of salesmanship which influences salesperson performance (DeCormier and Jobber, 1993; Goolsby et al., 1992).

Therefore, any conscious effort on the part of the salesperson to adjust the sales environment, based on cues from the buyer, and coupled with other complementary salesmanship skills, namely, consultative selling practices, ability to be an excellent negotiator, skill in probing and questioning customer needs, and possessing commendable communication skills, either verbal or nonverbal; should give the seller a positive feeling in terms of their performance as a salesperson. Therefore, the discussion above suggests the second hypothesis is:

H2: Salesmanship skills have a significant positive impact on salesperson's performance.

## Technical and marketing Skills Influence on Salesperson Performance

Technical knowledge refers to salespersons skills in providing information about design and specification of products and the applications and functions of both products and services. Salespersons also possess knowledge about the industry and trends in general such as customers, markets and products; competitor's products, services, sales policies; knowledge of competitor's product lines, and knowledge of customer operations (Behrman and Perreault, 1982, as cited in Baldauf and Cravens, 2002; Futrell, 2006). These constitute the marketing skills of a salesperson. Thus, both knowledge assets refer to the level of understanding a salesperson has about the business in which he or she operates.

An extensive knowledge base is important for a salesperson since it allows them to cope with the complex market environment. A positive relationship empirically supports that the use of technical knowledge results in higher salesperson performance (Babakus et al., 1996; Cravens et al., 1993; Baldauf and Cravens, 2002). Moreover, Churchill et al., (2000), Schoemaker and Johlke (2002), and Ingram et al., (2004) revealed that knowledge of external and organizational environmental issues are crucial for salespersons to perform their selling tasks.

Researchers have also identified that customer knowledge is critical for salesperson performance (see Donath, 1993; Smith and Owens, 1995). Ingram et al., (2004); and Pettijohn and Pettijohn (1994) supported this when they found that customer knowledge is an important topic for salesperson training. It is also recognized that effective salespersons possess richer and more interrelated knowledge structures about their customers than those that are less effective (Sujan et al., 1988b). Moreover, Weitz (1978) posited that there is a significant positive relationship between performance and strategy formulation capabilities (i.e. which requires extensive knowledge of the market, competitors, products etc).

Additionally, Ahearne and Schillewaert (2000) confirmed that marketing skills also influence salesperson performance. Meanwhile, Sengupta et al., (2000) found that two other individual-level variables, namely, strategic ability and entrepreneurial ability were significant determinants of salesperson effectiveness or performance. Likewise, Dariane et al., (2001) and Makinen (2004) found that salesperson's product knowledge is important. Complementing the two studies, Ingram et al., (2004) added and reiterated that the knowledge that a salesperson should possess include product benefits, applications, competitive strengths, and limitations. These findings and discussions provide the basis for the third and fourth hypotheses dealing with salesperson performance:

H3: Technical skills have a significant positive impact on salesperson's performance.

H4: Marketing skills have a significant positive impact on salesperson's performance.

## Effect of Organizational Commitment on Salesperson Performance

While interpersonal, salesmanship, technical and marketing skills have been shown as key determinants of salesperson performance in previous research, they are not the only factors that influence salesperson performance. As activities take place within organizational contexts, the effects of affective organizational commitment on sales skills dimensions can be expected and anticipated (Dutto et al., 1994). Organizational commitment is defined as a state of physiological congruence between individuals and organizational values (Mowday et al., 1979).

The commitment to fulfilling the needs and wants of customers are now commonly held organizational values across the industrial landscape. Accordingly, it is argued that when a salesperson's selling skills (that is constituted by the four dimensions) level is high, organizational commitment will stimulate them to accomplish good sales, which in turn will be rewarded and recognized by the organization upon successful completion of this activity. Several previous studies found a direct relationship between organizational commitment and job performance (e.g., Mowday et al., 1974, as cited in Yousef, 2000; Baugh and Robert, 1994; Ward and Davies, 1995; Mayer and Schoorman, 1992; Putti et al., 1990).

Meanwhile, Brett and Slocum (1995) reported that there are stronger relationships between organizational commitment and performance for those with low financial requirements than those with high financial requirements. Benkhoff (1997) investigated the link between employee commitment and organizational commitment in terms of sales targets met and improved profitability; and the study found there was a strong relationship. Zabid et al., (2003) also found that organizational commitment correlated with financial performance.

Moreover, Meyer and Schoorman (1992) examined the relationship between job performance and affective and continuance commitment; and concluded that affective commitment is directly correlated; and continuance is correlated inversely with all measure of performance. On the other hand, some studies discovered a modest relationship between organizational commitment and job performance (e.g, Kelleberg and Marsden, 1995). In contrast, Wright (1997) found a negative relation correlation between measures of organizational commitment and job performance.

H5: Organizational commitment has a significant positive impact on salesperson's performance.

## 2.3 Conceptual Framework and Hypothesis

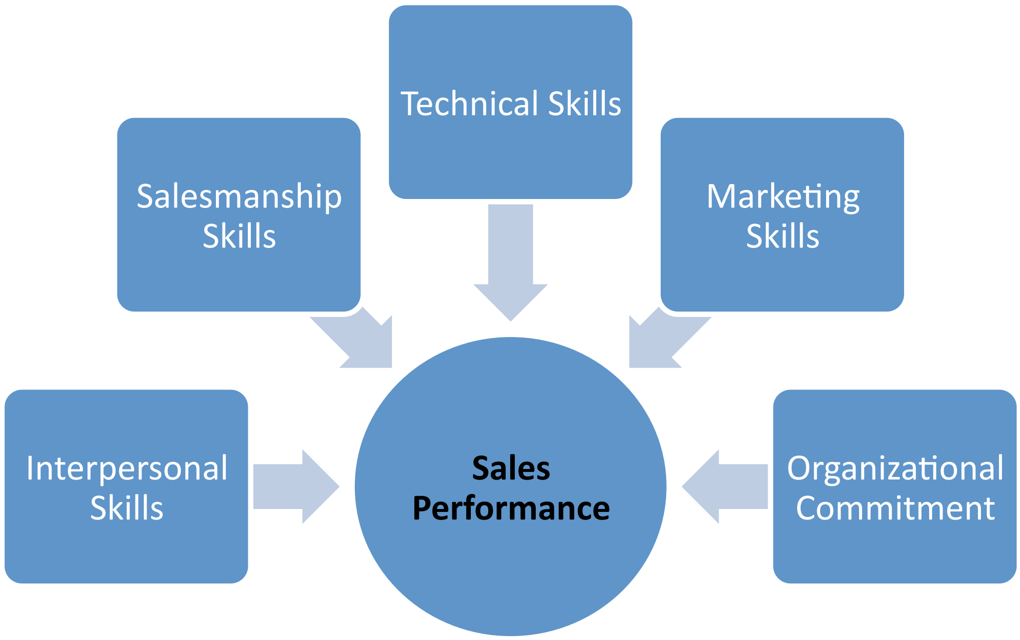



**Figure 2.2:** Conceptual Framework

## HYPOTHESIS OF THE STUDY:

H1: Interpersonal skills have a significant positive impact on salesperson's performance.

H2: Salesmanship skills have a significant positive impact on salesperson's performance.

H3: Technical skills have a significant positive impact on salesperson's performance.

H4: Marketing skills have a significant positive impact on salesperson's performance.

H5: Organizational commitment has a significant positive impact on salesperson's performance.

# CHAPTER THREE

## 3.0 RESEARCH METHODOLOGY

### 3.1 Research Approach

Research approach can be divided into two groups: deductive and inductive. The relevance of hypotheses to the study is the main distinctive point between these two approaches. Deductive approach tests the validity of assumptions (or theories/hypotheses) in hand, whereas inductive approach contributes to the emergence of new theories and generalizations.

***Deductive Approach***

If you have formulated a set of hypotheses that need to be confirmed or rejected during the research process you would be following deductive approach.

Deductive approach follows the following path: Theory Hypothesis Observation/Test Confirmation/Rejection

**Inductive Approach**

Alternatively, inductive approach does not involve formulation of hypotheses. It starts with research questions and aims and objectives that need to be achieved during the research process.

Inductive approach follows the following path: Observation/Test Pattern Theory

Since the researcher has adopted a range of hypotheses that the research is aimed to explore and research questions and objectives that needs to be achieved, then mixed research approach has applied.

## 3.2 Research Method

There is a tendency to divide research into qualitative and quantitative when approach to research has been considered as the criterion of classification. Qualitative research involves studies that do not attempt to quantify their results through statistical summary or analysis. Qualitative research seeks to describe various aspects about behavior and other factors studied in the social sciences and humanities. In qualitative research data are often in the form of descriptions, not numbers.

Quantitative research is the systematic and scientific investigation of quantitative properties and phenomena and their relationships. The objective of quantitative research is to develop and employ mathematical models, theories and hypotheses pertaining to natural phenomena. The process of measurement is central to quantitative research because it provides the fundamental connection between empirical observation and mathematical expression of an attribute (Abiy et al., 2009).

This research is done using quantitative data; the researcher has collected quantitative data through close-ended questions using questionnaire.

## 3.3 Research Design

From the view point of objectives, a research can be classified as descriptive, co-relational, explanatory and exploratory depending on the specific purpose that the research tries to address.

***Descriptive research*** attempts to describe systematically a situation, problem, phenomenon, service or program, or provides information about, say, living condition of a community, or describes attitudes towards an issue.

***Co-relational research*** attempts to discover or establish the existence of a relationship/ interdependence between two or more aspects of a situation.

***Explanatory research*** attempts to clarify why and how there is a relationship between two or more aspects of a situation or phenomenon.

***Exploratory research*** is undertaken to explore an area where little is known or to.

The researcher used the facts or information already available to analyze and make a critical evaluation of the data/information. Exploratory research is less formal, sometimes even unstructured and focuses on gaining background information and helps to better understand and clarify a problem. It can be used to develop hypotheses and to develop questions to be answered (Abiy et al., 2009).

Accordingly, the researcher employed descriptive and explanatory research design so as to describe and explain the sales skills and organizational commitment and the relationship between sales skills and organizational commitment on salespersons performance. Moreover, the contribution of sales skills and organizational commitment towards the dependent variable was clearly examined.

## 3.4 Population and Sampling

Population is a set which includes all measurements or people or items (unit of analysis) of interest to the researcher. The unit of analysis may be a person, group, organization, country, object, or any other entity that you wish to draw scientific inferences about.

What is sampling? Sampling is a shortcut method for investigating a whole population, whereby data is gathered on a small part of the whole parent population or sampling frame, and used to inform what the whole picture is like.

Why sampling? In reality there is simply not enough; time, energy, money, labor/man-power, equipment, access to suitable sites to measure every single item or site within the parent population or whole sampling frame. Therefore, an appropriate sampling strategy should be adopted to obtain a representative and statistically valid sample.

Sampling methods are classified as either *probability* or *non-probability*. In probability samples, each member of the population has a known non-zero probability of being selected. Probability methods include random sampling, systematic sampling, and stratified sampling. In non-probability sampling, members are selected from the population in some nonrandom manner. These include convenience sampling, judgment sampling, quota sampling, and snowball sampling. The advantage of probability sampling is that sampling error can be calculated. Sampling error is the degree to which a sample might differ from the population. When inferring to the population, results are reported plus or minus the sampling error. In non-probability sampling, the degree to which the sample differs from the population remains unknown.

The Ethiopian Investment Agency issued licenses to 160 Real Estate developers up to 2009 to operate throughout the country and 120 real estate developers assumed to operate in Addis Ababa. Most of them took land from the city administration for the purpose of reselling and transferred it to other developers specially for the dominant real estate companies with a huge amount of money without being engaged in the development process, due to this it is difficult to get the exact number of companies in the sector who are actively involved in developing and selling real estate properties but it is believed that the most dominant real estate companies that took the major share of the market are well known.

Therefore, Judgmental sampling was used to select some of the Real Estate companies in which the researcher believed that more than 90% of the market share is hold by and considered all salespersons working for them.

Although, non-probability sampling has problems related to selection bias, in small inquiries and researches by individuals, the sampling technique can be adopted (Kothari, 2004). Thus, non-probability technique i.e. judgmental sampling was used.

In the case of non-probability samples, the choice of sample size was determined by the insight, judgment, experience or financial resource of the researcher. Thus, the researcher considers available fund and time, and own judgment to determine the sample size and due to the nature of salesperson's homogeneity, all the sales persons working for 12 real estate companies were taken as sample. Since there is no other sampling technique to be used and the population is small and easy to administer, the study took all the population 98 salespersons working in twelve real estate companies (Census) so that the comprehensiveness of the finding was increased.

Thus, the following companies were selected to take part in the study and all salespersons (98) working for them was taken as sample size (census):

1. Sunshine Real Estate
2. Enyi Real Estate
3. Gift Real Estate
4. Zenebe Frew Real Estate
5. Ayat Real Estate
6. Country Club Developers
7. Flintstone Engineering
8. Muller Real Estate
9. Tsehay Real Estate
10. Noah Real Estate
11. Yotek Real Estate
12. HCMD ( Habesha construction materials development)

## 3.5 Data Collection Instrument

Questionnaire was distributed to all sample respondents so as to collect information about salespersons performance. No need of translating the questioner from English to local language Amharic since the supervisors/Sales and Marketing Managers are BA degree holders and above.

The researcher were adopt a five point Likert scale that helps to measure a variable provided and adopted by the researcher and help the respondents to evaluate sales skills and organizational commitment of a sales person and a given organization.

This measurement shows statement with which the respondents show the level of agreement or disagreement that is from strongly agree=5 to strongly disagree=1.

## 3.6 Reliability and Validity

**Reliability** is the consistency of a set of measurements or measuring instrument, often used to describe a test. Reliability is inversely related to a random error (Coakes & Steed, 2007). There are several different reliability coefficients. One of the most commonly used is Cronbach's Alpha.

Cronbach's Alpha is based on the average correlation of items within a test if the items are standardized. Cronbach's alpha reliability analysis was conducted on the independent variables so as to determine the reliability of the instrument used.

**Validity** is concerned with whether the findings are really about what they appear to be about (Sounders et. al., 2003). Validity defined as the extent to which data collection method or methods accurately measure what they were intended to measure (Sounders et. al., 2003). Different steps will be considered to ensure the validity of the study:

- Data were collected from reliable sources, from respondents who should provide a valid answer.
- Survey question were prepared based on literature review and frame of reference to ensure the validity of the research.

## 3.7 Data Analysis Techniques

The data that has been collected through questionnaires was analyzed and summarized using the Statistical Package for Social Sciences (SPSS) version 16.0, and Microsoft office Excel 2007.

Independent sample T-test and one way ANOVA were used to investigate the relationship between demographic variables and personal selling performance as well as descriptive statistical tools like frequency distribution, cross tabulation, percentage, mean and media were used to further investigate the relationship. Additionally, charts, tables and graphs were used to substantiate and describe the collected data.

Moreover, multiple regressions were used to identify the most important factors of sales skill dimensions that influence salespersons performance.

## 3.8 Ethical Considerations

In the perspective of research, according to Saunders, Lewis and Thornhill (2001:130), "ethics refers to the appropriateness of your behavior in relation to the rights of those who become the subject of your work, or are affected by it".

Data were collected from those samples that were willing to respond without any unethical behavior or vigorously action. The results or a report of the study was used only for academic purpose and response of the participants has been kept confidential and analysis was made comprehensive without any change by the researcher. In addition, the researcher respected other previous works, investigations or studies and properly cited those works that were taken as a root.

# CHAPTER FOUR

# RESULTS AND DISCUSSION

This chapter presents the data analysis and discussion of the research findings. The data analysis was made with the help of Statistical Package for Social Science (SPSS 16.0). The demographic profile of the study sample has been described using descriptive statistics. Furthermore, descriptive statistics were used to analyze variables. To test hypothesis and achieve the study objectives, different inferential statistics were employed. By using T-test and one way ANOVA the mean difference between demographic profile of respondents and salespersons performance were analyzed. Multiple regressions were also employed to test hypothesis and achieve the study objective that focuses on identifying the most important selling skill dimension. Pearson correlation coefficient and Cronbach‘s alpha were used to test goodness and internal consistency of the measure.

## 4.1 Descriptive Analysis

### 4.1.1 Demographic Profile of Respondents

This section summarizes the demographic characteristics of the samples, which includes age of the respondent, gender, education level, and experience. The purpose of the demographic analysis in this research is to describe the characteristics of the samples such as the number of respondents, proportion of males and females in the sample, range of age, experience, and education level, so that the analysis could be more meaningful for readers. In addition to this, the differences between demographic profiles of respondents on the performance of salespersons were analyzed by using T-test and one-way ANOVA.

**Table 4.1: Demographic Profile of Respondents**

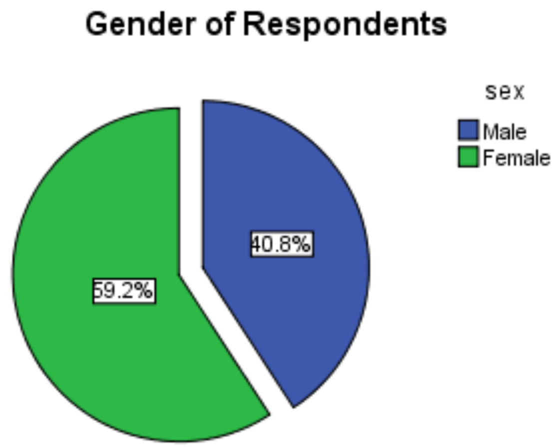
| No. | Variables | Description | Frequency | Percentage |
|---|---|---|---|---|
| 1 | Gender | Male | 40 | 40.8% |
| | | Female | 58 | 59.2% |
| 2 | Age | Less than 25 Years | 8 | 8.2% |
| | | 25-35 ears | 84 | 85.7% |
| | | 35-45 Years | 6 | 6.1% |
| | | Above 45 years | 0 | 0% |
| 3 | Education | High School | 0 | 0% |
| | | Diploma | 14 | 14.3% |
| | | Bachelor Degree | 84 | 85.7% |
| | | Master's Degree | 0 | 0% |
| 4 | Experience | Less than 5 Years | 40 | 40.8% |
| | | 5-10 Years | 58 | 59.2% |
| | | 11-15 Years | 0 | 0% |
| | | Greater than 16 years | 0 | 0% |

Source: Survey data (2016)

Table 4.1 visualizes the demographic profile of 98 respondents. In terms of gender, respondents were roughly proportionate between male and female, even though the numbers of female respondents are a bit higher (female 59.2 %, male 40.8%). Regarding the age of respondents, the sample population is largely dominated by the age group of 26-35 (85.7%) followed by the group comprise age of less than 25 years old (8.1%). This indicates that most of the sample populations are youngsters. The rest of the respondents consists, (6.1%) with the age of 36-45 and no respondent is found to be greater than 46 years old.

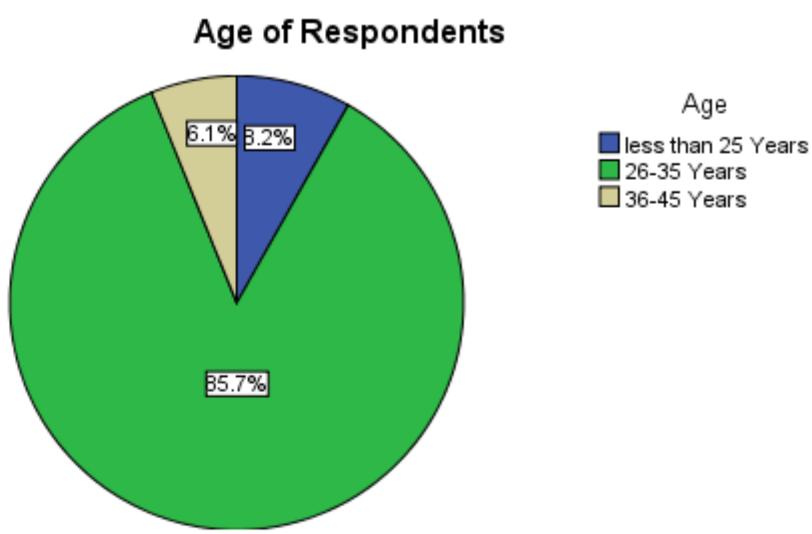
In terms of education, the distribution is not very equally distributed. 14.3 % of respondents have received college diploma, while 85.7% of the population holds Bachelor degree. This shows that all sample respondents were well educated.

**Figure 4.1: Gender of the Sales personnel**



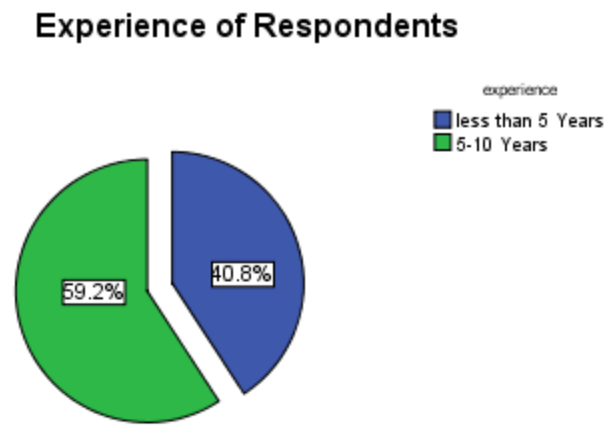

Source: Survey data (2016)

**Figure 4.2: Age of Sales personnel**



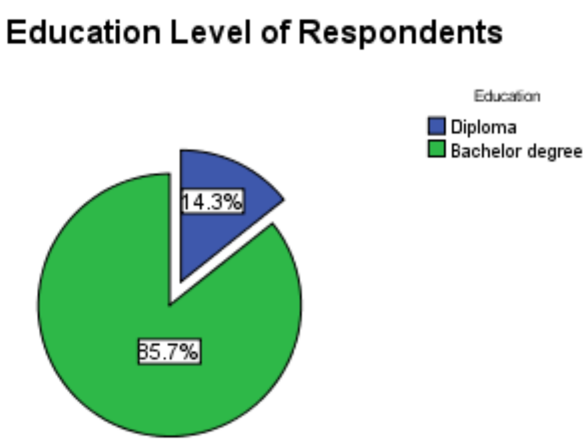

Source: Survey data (2016)

**Figure 4.3: Experience of the Sales personnel**




Source: Survey data (2016)

**Figure 4.4: Educational level of the Sales personnel**




Source: Survey data (2016)

### 4.1.2 Descriptive statistics of the Variables

**Table 4.2: Descriptive characteristics of the variables**

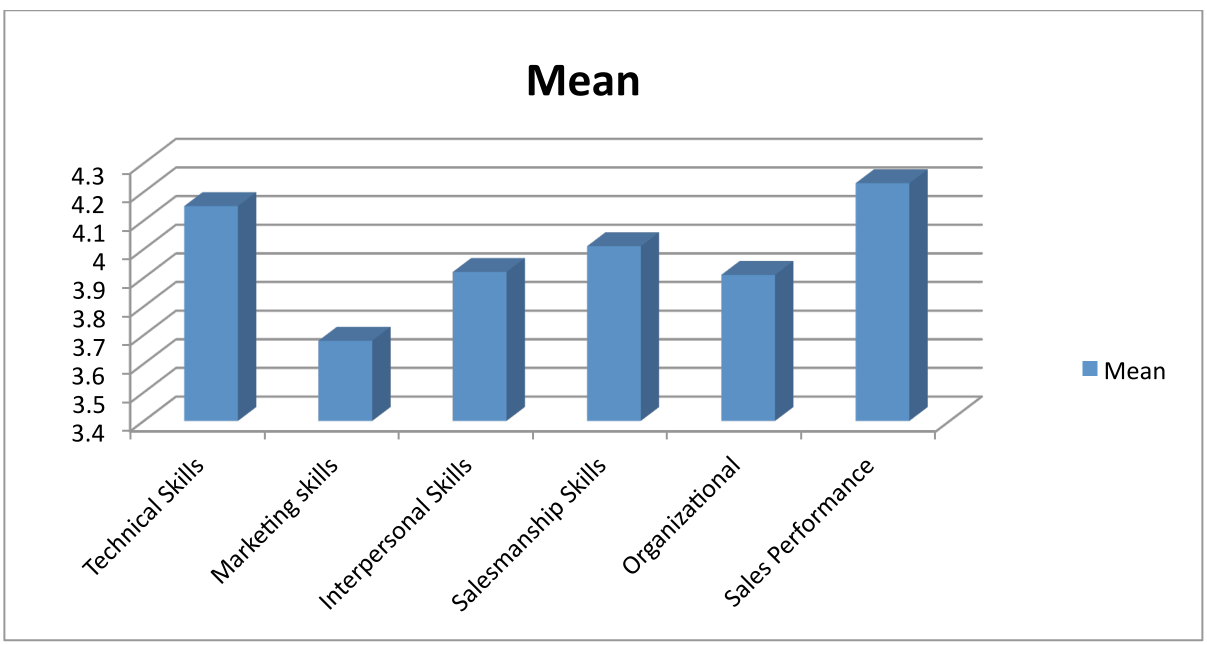
**Descriptive Statistics**

| | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| Technical skills | 98 | 2.80 | 5.00 | 4.0735 | .65575 |
| Marketing skills | 98 | 2.00 | 5.00 | 3.6837 | .80874 |
| Interpersonal skills | 98 | 2.40 | 5.00 | 3.9265 | .71126 |
| Salesmanship skills | 98 | 2.00 | 5.00 | 4.0136 | .91809 |
| Organizational commitment | 98 | 2.88 | 4.88 | 3.9133 | .50078 |
| Sales performance | 98 | 2.33 | 5.00 | 4.1361 | .78915 |
| Valid N (list wise) | 98 | | | | |

Source: Survey data (2016)

Since items under each dimension are summed to one in table 4.2 and bar graph 4.5, the mean score of all variables is greater than the midpoint of the scale (which is 3). The mean value of the dependent variable sales performance is the highest followed by technical skill and organizational commitment respectively. Marketing skill has the lowest mean compared to the others.

**Figure 4.5: Mean of Major variables**




Source: Survey data (2016)

## 4.2. T-Test and Onaway ANOVA

In order to achieve the objective that aims to examine if there is a difference between the demographic profile of salespersons and their performance, two inferential statistics techniques were employed. The independent t-test and one-way ANOVA were applied to compare demographic characteristics and investigate how they are related with salespersons performance. Similarly, ANOVA is a test of mean comparisons. In fact, one of the only differences between a t-test and an ANOVA is that ANOVA can compare means across more than two groups or conditions. Hence, One-Way ANOVA analysis between salespersons experience and salespersons performance were executed.

Theoretically, the t-test can be used even if the sample sizes are very small (e.g., as small as 10), as long as the variables are normally distributed within each group and the variation of scores in the two groups is not reliably different (Gleam & Rosemary, 2003). Independent sample T-Test is performed for variables gender, experience and education.

**Table 4.3: Independent Sample T-Test for gender on salesperson's performance**

| Independent Samples Test | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Levene's Test for Equality of Variances | | t-test for Equality of Means | | | | | | |
| | | | | | | | | | 95% Confidence Interval of the Difference | |
| | | F | Sig. | t | df | Sig. (2-tailed) | Mean Difference | Std. Error Difference | Lower | Upper |
| Sales performance | Equal variances assumed | .182 | .671 | 1.545 | 96 | .126 | .24885 | .16104 | -.07082 | .56852 |
| | Equal variances not assumed | | | 1.543 | 83.664 | .126 | .24885 | .16123 | -.07179 | .56949 |

Source: Survey data (2016)

As it is shown in table 4.3, the sig. (2-tailed) value is .126. As this value is above the required cut-off of .05, this shows that there is no statistical significant difference in the mean sales performance for males and females. The mean difference between the two groups is also shown in table 4.3, along with the 95% confidence interval of the difference showing the lower value and the upper value.

**Table 4.4: Independent Sample T-Test for experience on salesperson's performance**

| Independent Samples Test | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Levene's Test for Equality of Variances | | t-test for Equality of Means | | | | | | |
| | | F | Sig. | t | df | Sig. (2-tailed) | Mean Difference | Std. Error Difference | 95% Confidence Interval of the Difference: Lower | Upper |
| Sales performance | Equal variances assumed | .182 | .671 | 1.545 | 96 | .126 | .24885 | .16104 | -.07082 | .56852 |
| | Equal variances not assumed | | | 1.543 | 83.664 | .126 | .24885 | .16123 | -.07179 | .56949 |

Source: Survey data (2016)

As it is shown in table 4.4, the sig. (2-tailed) value is .126. As this value is above the required cut-off of .05, this shows that there is no statistical significant difference in the mean salespersons performance and experience of respondents. The mean difference between the two groups is also shown in table 4.4, along with the 95% confidence interval of the difference showing the lower value and the upper value.

**Table 4.5: Independent Sample T-Test for education on salesperson's performance**

| Independent Samples Test | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Levene's Test for Equality of Variances | | t-test for Equality of Means | | | | | | |
| | | F | Sig. | t | df | Sig. (2-tailed) | Mean Difference | Std. Error Difference | 95% Confidence Interval of the Difference Lower | Upper |
| Sales performance | Equal variances assumed | 1.357 | .247 | -3.876 | 96 | .000 | -.82540 | .21293 | -1.24807 | -.40273 |
| | Equal variances not assumed | | | -4.914 | 22.482 | .000 | -.82540 | .16798 | -1.17333 | -.47746 |

Source: Survey data (2016)

As it is shown in table 4.5, the sig. (2-tailed) value is .000. As this value is below the required cut-off of .05, this shows that there is a statistically significant difference in the mean sales performance for educational level. The mean difference between the two groups is also shown in table 4.5, along with the 95% confidence interval of the difference showing the lower value and the upper value.

**One-way ANOVA**

Analysis of variance (ANOVA) is a general method for studying sampled-data relationships. The method enables the difference between two or more sample means to be analyzed, achieved by subdividing the total sum of squares. One way ANOVA is the simplest case. In statistics, one-way analysis of variance (abbreviated one-way ANOVA) is a technique used to compare means of two or more samples (using the F distribution). It is a way to test the equality of three or more means at one time by using variances. Incidentally, if we are only comparing two different means then the method is the same as the T-Test for independent samples. In a one-way ANOVA (also known as a single classification ANOVA), there is one measurement variable and one nominal variable. Multiple observations of the measurement variable are made for each value of the nominal variable.

**Table 4.6: One way ANOVA between age and sales performance**

**ANOVA**

Sales performance

| | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| Between Groups | .238 | 2 | .119 | .188 | .829 |
| Within Groups | 60.171 | 95 | .633 | | |
| Total | 60.408 | 97 | | | |

Source: Survey Data (2016)

ANOVA result in table 4.6 shows that variables are not perceived differently among respondents, who are in different age groups, with a significant level (.829), which is greater than 0.05 and have not violated the assumption of homogeneity.

## 4.3. Measurement Reliability

In survey based research it is important to validate the scales used for reliability and validity. Reliability refers to the extent to which the items measure accurately and consistently what they intend to measure. The instrument for this study contains 28 items that are in a Likert scale type.
The overall reliability of the instruments is measured.

### 4.3.1 Cronbach's Alpha

Cronbach's alpha is a coefficient (a number between 0 and 1) that is used to rate the internal consistency (homogeneity) or the correlation of the items in a test. A good test is one that assesses different aspects of the trait being studied. Cronbach's alpha will generally increase as the inter correlations among test items increase, and is thus known as an internal consistency estimate of reliability of test scores. Because inter correlations among test items are maximized when all items measure the same construct, Cronbach's alpha is widely believed to indirectly indicate the degree to which a set of items measures a single construct (Gleam & Rosemary , 2003). George and Mallery (2003) provide the following rules of thumb: □ > .9 excellent, > .8 Good, > .7 Acceptable, > .6 Questionable, > .5 Poor, and < .5 Unacceptable p.231 (as cited in Gleam & Rosemary, 2003). If correlations between items are too low, it is likely that they are measuring different traits and therefore should not all be included in a test that is supposed to measure one trait.

Table 4.7 and Table 4.8 illustrate the reliability of the independent and dependent variables. Based on the results presented in this table, it can be concluded that all the scales used in the study were reliable. Thus, they can be used to measure the variables under study. A cronbach's alpha of 0.869 is obtained which is well above what is considered acceptable by scholars which is 70% (Gleam & Rosemary, 2003). The cronbach's alpha for all the items are also above 70 %.

**Table 4.7: Measure of Internal Consistency- Cronbach's alpha**

**Reliability Statistics**

| Cronbach's Alpha | N of Items |
|---|---|
| .869 | 6 |

Source: Survey Data (2016)

**Table 4.8: Measure of Internal Consistency- Cronbach's alpha**

**Item-Total Statistics**

| | Scale Mean if Item Deleted | Scale Variance if Item Deleted | Corrected Item-Total Correlation | Cronbach's Alpha if Item Deleted |
|---|---|---|---|---|
| Technical skills | 19.6731 | 10.523 | .517 | .908 |
| Marketing skills | 20.2262 | 11.835 | .738 | .836 |
| Interpersonal skills | 19.9833 | 12.032 | .822 | .827 |
| Salesmanship skills | 19.8963 | 11.161 | .749 | .832 |
| Organizational commitment | 19.9966 | 13.841 | .672 | .860 |
| Sales performance | 19.7738 | 11.563 | .822 | .823 |

Source: Survey data (2016)

## 4.4. Correlation Analysis

In the literature review, a model has been established and hypotheses were formulated. Here, the study examines the five hypotheses formulated regarding the relationship between the independent variables and the dependent one, which is the impact of sales skills and organizational commitment on salespersons performance.

Pearson correlation analysis was used to provide evidence of convergent validity. Pearson correlation coefficients reveal magnitude and direction of relationships (either positive or negative) and the intensity of the relationship (–1.0 to +1.0). Correlations are perhaps the most basic and most useful measure of association between two or more variables (Marczyk, Dematteo and Festinger, 2005). As per Marczyk, Dematteo and Festinger, (2005) general guidelines correlations of .01 to .30 are considered small, correlations of .30 to .70 are considered moderate, correlations of .70 to .90 are considered large, and correlations of .90 to 1.00 are considered very large. Depending on this assumption, all basic constructs were included into the correlation analysis and a bivariate two tailed correlation analysis was done.

As per table 4.9 the coefficients shows that the five factors measuring salespersons performance were all positively related with sales performance within the range of 0.463 to 0.826, all were significant at $p<0.01$ level. Out of the five independent variables three independent variables namely (technical skills, organizational commitment and marketing skills) shows a moderate level of positive relation with the dependent variable (sales performance) and two of the independent variables (interpersonal skills and salesmanship skills) shows a large level of positive relationship with the dependent variable (sales performance). Concerning the relationship between the independent variables, table 4.9 clearly shows that figures with the symbol - ** indicates that each of the variables are significantly correlated with each other at a significance level of $p<0.01$. Value expression is significantly correlated with all the five independent variables at $p< 0.01$.

**Table 4.9: correlation between independent variables**

**Pearson Correlations**

| | | Technical skills | Marketing skills | Interpersonal skills | Salesmanship skills | Organizational commitment | Sales performance |
|---|---|---|---|---|---|---|---|
| Technical skills | Pearson Correlation | 1 | | | | | |
| Marketing skills | Pearson Correlation | .471** | 1 | | | | |
| Interpersonal skills | Pearson Correlation | .499** | .681** | 1 | | | |
| Salesmanship skills | Pearson Correlation | .413** | .598** | .757** | 1 | | |
| Organizational commitment | Correlation | .394** | .679** | .604** | .595** | 1 | |
| Sales performance | Pearson Correlation | .463** | .698** | .826** | .813** | .582** | 1 |

**. Correlation is significant at the 0.01 level (2-tailed).

Source: Survey Data (2016)

## 4.5 Regression Analysis

According to Daniel, L. (1991, p.421), a correlation between two variables does not imply that one event causes the second to occur. Therefore, to know how the determinant variables determine salespersons performance, multiple regressions were carried out.

Salespersons Performance was used as the dependent variable while sales skills and organizational commitment were used as the independent variables. Table 4.11 provides the results of the multiple regression analysis. The regression model presents how much of the variance in the measure of sales performance is explained by sales skills and organizational commitment. The model or the predictor variables have accounted for 78.4% (adjusted R square of 77.7% with estimated standard deviation .372) of the variance in the criterion variable. The remaining 21.6% are explained by other variables out of this model.

Similarly, the ANOVA table 4.12 shows the overall significance/acceptability of the model from a statistical perspective. As the significance value of F statistics shows a value (.000), which is less than $p<0.05$, the model is significant. This indicates that the variation explained by the model is not due to chance. As it is stated earlier in this chapter, this study aims to identify the effect of sales skills and organizational commitment from independent variables has much effect on dependent variable sales performance. Thus, the strength of each predictor (independent) variable influence on the criterion (dependent) variable can be investigated via standardized Beta coefficient. The regression coefficient explained the average amount of change in dependent variable that caused by a unit of change in the independent variable. The larger value of Beta coefficient that an independent variable has, brings the more support to the independent variable as the more important determinant in predicting the dependent variable. The R-square value only indicates the variance in overall sales performance as it is explained by the independent variables. However, when we see the extent to which each independent variables influence the dependent variable, interpersonal skills, salesmanship skills and marketing skills was found to be the determinant of sales performance, in their descending order referring interpersonal skills as the most effective sales performance predictor.

Using all these predictors, the stepwise multiple regression analysis resulted three models. Step by step all variables were included. But, the variables technical skills and organizational commitment were excluded in all and only three variables appear in the final model.

**Table 4.10: Regression Analysis**

**Regression Coefficients[a]**

| Model | | Un standardized Coefficients | | Standardized Coefficients | t | Sig. | Collinearity Statistics | |
|---|---|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | | Tolerance | VIF |
| 1 | (Constant) | .537 | .255 | | 2.109 | .038 | | |
| | Interpersonal skills | .917 | .064 | .826 | 14.366 | .000 | 1.000 | 1.000 |
| 2 | (Constant) | .471 | .220 | | 2.134 | .035 | | |
| | Interpersonal skills | .547 | .084 | .493 | 6.475 | .000 | .427 | 2.344 |
| | Salesmanship skills | .378 | .065 | .440 | 5.777 | .000 | .427 | 2.344 |
| 3 | (Constant) | .357 | .216 | | 1.651 | .102 | | |
| | Interpersonal skills | .434 | .091 | .391 | 4.793 | .000 | .345 | 2.896 |
| | Salesmanship skills | .347 | .064 | .403 | 5.410 | .000 | .414 | 2.416 |
| | Marketing skills | .186 | .065 | .190 | 2.862 | .005 | .520 | 1.924 |

a. Dependent Variable: Sales performance

Source: Survey Data (2016)

## Table 4.11: Regression Coefficient

**Model Summary[d]**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|---|---|---|---|---|
| 1 | .826[a] | .683 | .679 | .44697 |
| 2 | .875[b] | .765 | .760 | .38653 |
| 3 | .885[c] | .784 | .777 | .37267 |

a. Predictors: (Constant), Interpersonal skills

b. Predictors: (Constant), Interpersonal skills, Salesmanship skills

c. Predictors: (Constant), Interpersonal skills, Salesmanship skills, Marketing skills

d. Dependent Variable: Sales performance

Source: Survey Data (2016)

## Table 4.12: Regression ANOVA

**ANOVA[d]**

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 41.229 | 1 | 41.229 | 206.374 | .000[a] |
| | Residual | 19.179 | 96 | .200 | | |
| | Total | 60.408 | 97 | | | |
| 2 | Regression | 46.215 | 2 | 23.107 | 154.667 | .000[b] |
| | Residual | 14.193 | 95 | .149 | | |
| | Total | 60.408 | 97 | | | |
| 3 | Regression | 47.353 | 3 | 15.784 | 113.650 | .000[c] |
| | Residual | 13.055 | 94 | .139 | | |
| | Total | 60.408 | 97 | | | |

a. Predictors: (Constant), Interpersonal skills

b. Predictors: (Constant), Interpersonal skills, Salesmanship skills

c. Predictors: (Constant), Interpersonal skills, Salesmanship skills, Marketing skills

d. Dependent Variable: Sales performance

Source: Survey Data (2016)

**From the multiple regressions the following results were obtained:**

The Multiple regression R-Square = 0.784. This means, 78.4% of sales performance is affected by Interpersonal skills, salesmanship skills and marketing skills. The Analysis of Variance for the regression model is F=113.650, Sig. = 0.000 (see Table 4.13).

It means that the variation explained by the model is not due to chance. This also shows that there is a significant relationship between the dependent variable sales performance and the independent variables Interpersonal skills, salesmanship skills and marketing skill. It can be summarized as seen below in estimated regression equation.

**Sales performance=0.357+0.434(Interpersonal skills) +0.347(Salesmanship Skills) +0.186(Marketing Skills)**

The estimated regression equation is used to predict the value of sales performance for any given values (responses) to the independent variables "Interpersonal skills, salesmanship skills and marketing skill".

Those results demonstrates that

- Keeping other variables fixed, a change in one unit of Interpersonal skills, exhibit a change in 0.434 sales performance; for each change of 1 unit in salesmanship skills, sales performance changes by 0.347 and a one unit change in marketing skill results in a change of sales performance by 0.186.

## 4.6. Discussion of Major Findings

This study is designed and carried out in order to access the impact of selling skills and organizational commitment on salespersons performance in Addis Ababa Real Estate Market. According to study findings, the following table summarizes the major findings of the study:

**Table 4.13: Summary of major findings**

| **Hypothesis** | **Statement of Hypothesis** | **Supported?** |
|---|---|---|
| **H1** | Interpersonal skills have a significant positive impact on salesperson's performance | **Yes** |
| **H2** | Salesmanship skills have a significant positive impact on salesperson's performance. | **Yes** |
| **H3** | Technical skills have a significant positive impact on salesperson's performance | **No** |
| **H4** | Marketing skills have a significant positive impact on salesperson's performance | **Yes** |
| **H5** | Organizational commitment has a significant positive impact on salesperson's performance | **No** |

Moreover, the relationship between demographic variables and sales performance i.e. education and sales performance appeared to be significant. Whereas there is no significant relationship between demographic variables i.e. gender, experience and age on sales performance.

# CHAPTER FIVE

# CONCLUSSION AND RECOMMENDATIONS

This chapter aims to review the problem of the research and conclude the findings with regard to the objectives of the study. Recommendation that focuses on how the problem identified could be addressed is included in the present chapter. Limitation faced while conducting the study and suggestion for future researches is also included at the end of this chapter.

## 5.1. Conclusion

This study was initiated to investigate the impact of selling skills and organizational commitment on salespersons performance in Addis Ababa Real Estate Market.

- There is no sufficient statistical evidence to support significant and positive relationship between Gender and sales performance.
- Experience of the salesperson and sales performance has no significant relationship.
- Education appeared to be significant and positive predictor of sales performance.
- There is no statistical evidence to support significant and positive relationship between age and sales performance.
- Interpersonal skills and sales performance are significantly and positively related. Moreover, interpersonal skills (ability to express oneself, ability in general speaking, understanding non verbal communication, ability to control and regulate emotion and ability to influence) are the key success factors in the real estate sector.
- Next to interpersonal skills salesmanship skills (ability to get buy-in, ability in sales presentation and ability to service account) are the second highest predictor of sales performance.

- The third predictor of sales performance are marketing skills (having real time information, being resource of competitive advantage, having information on industry trends and being well informed about the important events in the industry).
- There is no sufficient statistical evidence to support significant and positive relationship between technical skills and sales performance.
- And also there is no sufficient statistical evidence to support significant and positive relationship between organizational commitment and sales performance.

## 5.2. Recommendations

Depending on the findings of the study and conclusions made, the researcher came up with some important recommendations that can be used for real estate companies and marketers working in the real estate sector.

In general, Real Estate companies should give emphasis on

- **Educated sales persons**

Real Estate companies should give emphasis on recruiting qualified salespersons with the appropriate level of education which in turn boost sales performance. It is also recommended to incorporate appropriate educational qualification as selection criteria for recruitment.

- **Salespersons with interpersonal skills**

Real Estate companies should focus on a sales person reach with interpersonal skills (ability to express oneself, ability in general speaking, understanding non verbal communication, ability to control and regulate emotion and ability to influence) so as to get an improved sales performance.

- **Salespersons with salesmanship skills**

It is also recommended to look for a salesperson having salesmanship skills (ability to get buy-in, ability in sales presentation and ability to service account) for an enhanced sales performance. It is recommended to identify these skills while conducting recruitment.

- **Salespersons with marketing skills**

Having a salesperson reach in marketing skills (having real time information, being resource of competitive advantage, having information on industry trends and being well informed about the important events in the industry) is also recommended.

## 5.3. Suggestion for Further Studies

Future researchers can investigate other factors that might influence salespersons performance. For example, role variables, personality factors, motivation, aptitude and other organizational factors, can be investigated. In addition to this, researchers can also find a better result by applying additional statistical techniques, such as factor analysis-to reduce variables and increase the validity of the research.

# REFERENCE


- Ahmad, S.Z. Basir, M.S & Kitchen, P.J (2010). *The Relationship between Sales Skills and Salesperson Performance, and the Impact of Organizational Commitment as a Moderator*: An Empirical Study in a Malaysian Telecommunications Company, Int. Journal of Economics and Management, 4(2): 181 – 211
- Babakus, E., Cravens D.W., Kent, G., Ingram, T.N. and LaForge, R.W.W. (1996) *Investigating the Relationships Among Sales, Management Control, Sales Territory Design, Salesperson Performance, and Sales Organizational Effectiveness*, International Journal of Research in Marketing, 13, 345-363.
- Baldauf, A. & Cravens, D.W. (2002). *The Effect of Moderators on the Salesperson Behavior Performance and Salesperson Outcome Performance and Sales Organization Effectiveness Relationship*, European Journal of Marketing, 36(11/12), 1367-1388.
- Baldauf, A. and Cravens D.W. (1999) *Improving the Effectiveness of Filed Sales Organization: A European Perspective*, Industrial Marketing Management, 28, 63-72.
- Baldauf, A., Cravens, D.W. and Piercy, N.F. (2001) *Examining the Consequences of Sales Management Control Strategies in European Field Sales Organization*, International Marketing Review, 18(5), 474-508
- Barker, A.T. (1999) *Benchmark of Successful Sales force Performance*, Canadian Journal of Administrative Sciences, 16(2), 95-104.
- Behrman, D.N. & Perreault, W.D. (1982). *Measuring the performance of industrial salespersons*, Journal of Business Research, 10, 355-70.
- Chang, E. (1999). *Career Commitment as a Complex Moderator of Organizational Commitment and Turnover Intention*, Human Relations, 52(10), 1257-1278.
- Churchill, G.A., Ford, N.M., Hartley, S.W. & Walker, Jr. O.C (1985). *The Determinants of Salesperson Performance: A Meta-analysis,* Journal of Marketing Research, 22(May), 103-118.
- Cravens, D.W., Ingram, T., LaForge, R.W. and Yong, C.E. (1993) *Behavior-based and Outcome-based Salesforce Control System*, Journal of Marketing, 57(October), 47-59. Cronbach, L.J., & Meehl, P.E. (1955). *Construct validity for psychological tests*. Psychological Bulletin, 52(1), 281-302.
- Dubinsky, Alan J. (1980),"A Factor Analytic Study of the Personal Selling Process," *Journal of Personal Selling and Sales Management*, (Fall/Winter), 26-33.and Lippitt (1980), "Techniques That Reduce Salesforce Frustration," *Industrial Marketing Management*, 9, 159-66.

- Ford, N.M., Walker, O.C., Churchill, Jr. G.A. & Hartley, S.W. (1988) *Selecting Successful Salespeople*: A Meta-Analysis of Biographical and Psychological Selection Criteria, in Review of Marketing 1988 (Ed.) Michael J. Houston, Chicago: American Marketing Association, 1988, 90-131.
- Grant, K. & Cravens, D.W. (1999) *Examining the Antecedents of Sales Organization Effectiveness*: An Australian Study, European Journal of Marketing, 33(9/10), 945-957.
- Gross, C. A., Banting, M. P., Merendith, N. L. & Ford, D.I. (1998). *Business Marketing*. Delhi: A.IT.B.S Publishers.
- Hill, R.B. & Petty, G.C. (1995) *A New Look at the Employability Skills*: A Factor Analysis of the Occupational Work Ethic, Journal of Vocational Education Research, 20(4), 50-73.
- Jacob and Cohen, P (1975 Ed).*Applied Multiple Regression*/Correlation Analysis for the Behavioral Sciences.
- Jaramillo, F & Marshall, G. (2003). *Critical success factors in the personal selling process*: An empirical investigation of Ecuadorian salespeople in the banking industry. The International Journal of Bank Marketing, 22 (1): 9-25.
- Johlke , M. C. (2006) . *Sales presentation skills and salesperson job Performance*, Journal of Business & Industrial Marketing 21(5), 311–319.
- Katsikan, E.S. & Skarmeas, D. (2003). *Organizational and Managerial Drivers of Effective Export Sales Organizations*, European Journal of Marketing, 37(11/12), 1723-1745.
- Leigh, T.W. & McGraw, P.F. (1989). *Mapping the Procedural Knowledge of Industrial Sales Personnel: A Script-theoretic Investigation*, Journal of Marketing, 53(January), 16-34.
- Leigh, T.W. & Summers, J.O. (2002). *An Initial Evaluation of Industrial Buyers' Impressions of Salesperson Nonverbal Cues*, the Journal of Personal Selling & Sales Management, 22 (Winter), 41-53.
- Lockeman, B.D. & Hallaq, J.H. (1982). *Who Are Your Successful Salespeople?* Academy of Marketing Science Journal, 10(4), 457-472.
- Marczyk G., Dematteo D. and Festinger D, (2005), Essentials of Research Design and Methodology, New Jersey : John Wiley and sons Inc
- Marone, M., & Lunsford, S. (2005). *Strategies that win sales: Best practices of the historical perspective.* Journal of Personal Selling & Sales Management, 7, 1

- Marshall, G & William, M., (2005). *The evolution of the seven steps of selling Industrial Marketing Management,* 34, 13– 22.
- Meredith, M. (2009). *An examination of individual differences in communication-related social cognitive structures in association with selling Effectiveness,* (A doctorial Dissertation). Bowling Green State University.
- Meredith, M. J. (2009). *An Examination of Individual Differences in Communication-Related Social Cognitive Structures in Association with Selling Effectiveness*, Bowling Green State University.
- Mikiyas N. (2012). *The impact of sales skills on personal selling performance: The case of Ethio Telecom Enterprise (B2B) sales personnel.* Master Thesis, Department of Marketing Management, Addis Ababa University.
- Morgan, F. & Stoltman, J. (1990) Adaptive *Selling-Insights from Social Cognition*, Journal of Personal Selling and Sales Management, 10, 43-54.
- Paparoidamis, N & Paolo,G. (2009). *An empirical investigation into the impact of relationship selling and LMX on salespeople's behaviors and sales effectiveness,* European Journal of Marketing 43 (7/8):1053-1075.
- Philling, B.K. & Eroglu, S. (1994). *An Empirical Examination of the Impact of Salesperson Empathy and Professionalism and Merchandise Salability on Retail Buyers' Evaluations.* The Journal of Personal Selling and Sales Management, 14 (winter), 45-58. Sage Publications.
- Piercy, N.F., Cravens, D.W. and Morgan, N.A. (1997) *Success of Effectiveness in the Business-to-business Sales Organization*, Journal of Marketing Practice: Applied Marketing Science, 3(1), 43-69.
- Powers, T. L., Martin, W. S., Rushing, H., & Daniels, S. (1987). Selling before 1900: A Raudenbush, S & Bryk ,A. (2002) *Hierarchical Linear Models* (Second Edition). Thousand Oaks: Sage Publications.
- Rosemary, G & Gliem, J (2003) *Calculating, Interpreting, and Reporting Cronbach's Alpha Reliability Coefficient for Likert-Type Scales.* Midwest Research to Practice Conference
- Shore, L.M., Barksdale, K. & Shore, T.H. (1995). *Managerial Perceptions on Commitment to Organization*, Academy of Management Journal, 38(6), 1593-1615.


- Shore, L.M., Barksdale, K. & Shore, T.H. (1995). *Managerial Perceptions on Commitment to Organization*, Academy of Management Journal, 38(6), 1593-1615.


- Singh, R & Koshy, A. (2010). *Determinants of B2B salespersons' Performance and*

*Effectiveness:* A review and synthesis of literature, Journal of Business & Industrial Marketing, 25(7), 535–546.

- Smith, D.C., & Owens, J.P. (1995) *Knowledge of Customers' Customers as a Basis of Sales Force Differentiation*, Journal of Personal Selling and Sales Management, 15 (summer), 1-16.
- Soldow, G. F., & Thomas, G., P. (1984). *Relational communication*: Form versus content in the sales interaction. Journal of Marketing, 48, 84-93.
- Stafford, T.F. (1996) *Conscious and Unconscious Processing of Priming Cues in Selling Encounters,* Journal of Personal Selling and Sales Management, 16(Spring), 37-44.
- Sujan, H., Mita, S. & Bettman, J.R. (1988). *Knowledge Structure Differences Between More Effective and Less Effective Salespeople*, Journal of Marketing Research, 25(February), 81-86.
- Sweet,C; Sweet, T; Beth, R; Heritage, V & Turner, M.(2007) *Developing a benchmark for company-wide sales capability*. Industrial And Commercial Training, 39 (1) :18-26.
- Thakor, M.V. & Joshi, A.W. (2002) .*Motivating Salesperson Customer Orientation: Insights from the Job Characteristics Model*, Journal of Business Research, 58, 584-592.
- Tsalidis, Louloudis. (2010). *Improving the sales force performance at King* Toys (A Master Thesis). School of Management and Governance, University of Twente, Enschede, Netherlands.
- Weitz, B. A. (1978). *The relationship between salesperson performance and understanding of customer decision making.* Journal of Marketing Research, 15,501-516
- William, C & Greg, W. (2005). *The evolution of the seven steps of selling. Industrial Marketing Management,* 34 (2005) 13– 22.
- Zallocco, R; Pullins, E & Mallin, L. ( 2009). *A re-examination of B2B sales performance.* Journal of Business & Industrial Marketing 24 (8):598–610.

# APPENDICES

**Appendix 1-QUESTIONNAIRE**

A Survey on the impact of selling skills and organizational commitment on salesperson's performance in Addis Ababa Real Estate Market (Questionnaire to be filled by supervisors)

**Dear Participant,**

I am Mikiyas Assefa, a graduate student at Addis Ababa University, school of commerce. Currently, I am undertaking a research for the completion of my master's degree in marketing management. This research is to identify the impact of selling skills and organizational commitment on salesperson's performance in Addis Ababa Real Estate Market.

The result of the research will assist marketers in developing a better way to improve the performance of salespersons and provide direction for companies in identifying key success factors in the sector. Your participation in this survey is voluntary. The information you provide will be used for academic purpose only and will be kept strictly confidential. Please do not write your name or contact details on the questionnaire.

**Thank you in advance for your kind cooperation.**

**PART I: DEMOGRAPHIC DATA OF THE SALESPERSON**

| | | |
|---|---|---|
| **Sex** | ☐ Male | ☐ Female |
| **Age** | ☐ Less than 25 years old | ☐ 26-35 years old |
| | ☐ 36-45 years old | ☐ above 46 years old |
| **Education** | ☐ High school completed | ☐ Diploma |
| | ☐ Bachelor Degree | ☐ Master's degree |
| **Experience** | ☐ Less than 5 years | ☐ 5-10 years |
| | ☐ 10-15 years | ☐ Greater than 15 years |

**PART II: SKILLS, COMMITMENT AND PERFORMANCE**

Kindly provide your level of agreement or disagreement of your subordinate salespersons with the following statements. **(Encircle the alternative number that best describe your view)**

| **Statement** | **Score** | | | | |
|---|---|---|---|---|---|
| **Technical Skills** | **Strongly Agree** | **Agree** | **Neutral** | **Disagree** | **Strongly Disagree** |
| 1. He/ she has excellent knowledge about the product | 5 | 4 | 3 | 2 | 1 |
| 2. He/she understands product specification | 5 | 4 | 3 | 2 | 1 |
| 3. He/ she has excellent knowledge of the product performance | 5 | 4 | 3 | 2 | 1 |
| 4. He/ She has excellent knowledge of the delivery process | 5 | 4 | 3 | 2 | 1 |
| 5. He/ She has excellent knowledge of product features | 5 | 4 | 3 | 2 | 1 |
| Marketing Skills | | | | | |
| 6. He/ She always has real time information | 5 | 4 | 3 | 2 | 1 |
| 7. He/she is an excellent resource of competitive information | 5 | 4 | 3 | 2 | 1 |
| 8. He/ She has a lot information on industry trends | 5 | 4 | 3 | 2 | 1 |
| 9. He/ She is well informed about the important events in the industry | 5 | 4 | 3 | 2 | 1 |
| Interpersonal Skills | | | | | |
| 10. He/ She has excellent ability to express oneself | 5 | 4 | 3 | 2 | 1 |
| 11. He/ She has excellent ability in general speaking | 5 | 4 | 3 | 2 | 1 |
| 12. He/ She has excellent awareness and understanding of non-verbal communication | 5 | 4 | 3 | 2 | 1 |
| 13. He/ She has excellent ability to control and regulate emotion | 5 | 4 | 3 | 2 | 1 |
| 14. He/ She has excellent ability to influence | 5 | 4 | 3 | 2 | 1 |
| Salesmanship Skills | | | | | |
| 15. He/ She has excellent ability of get buy-in | 5 | 4 | 3 | 2 | 1 |
| 16. He/ She has excellent ability in sales presentation | 5 | 4 | 3 | 2 | 1 |
| 17. He/ She has excellent ability to service account | 5 | 4 | 3 | 2 | 1 |

| | | | | | |
|---|---|---|---|---|---|
| Organizational Commitment | | | | | |
| 18. He/ She puts a great deal of effort | 5 | 4 | 3 | 2 | 1 |
| 19. He/ She accepts any type of assignment | 5 | 4 | 3 | 2 | 1 |
| 20. He/ She has values similar to the company | 5 | 4 | 3 | 2 | 1 |
| 21. He/ She is proud to be associated with the organization | 5 | 4 | 3 | 2 | 1 |
| 22. He/she is empowered to contribute expertise for sales campaign | 5 | 4 | 3 | 2 | 1 |
| 23. He/ She is glad of being employed by the company | 5 | 4 | 3 | 2 | 1 |
| 24. He/ She cares about the fate of the company | 5 | 4 | 3 | 2 | 1 |
| 25. He/she gets excellent training on effective selling | 5 | 4 | 3 | 2 | 1 |
| Sales Performance | | | | | |
| 26. He/ She is excellent in generating high level of sales | 5 | 4 | 3 | 2 | 1 |
| 27. He/she is excellent in creating long lasting relationship with customers | 5 | 4 | 3 | 2 | 1 |
| 28. He/she has effective contribution to market share | 5 | 4 | 3 | 2 | 1 |

# Appendix 2 - Independent T-Test

## T-Test

**Group Statistics**

| | sex | N | Mean | Std. Deviation |
|---|---|---|---|---|
| Sales performance | Male | 40 | 4.1000 | .67600 |
| | Female | 58 | 4.1609 | .86347 |

**Independent Samples Test**

| | | Levene's Test for Equality of Variances | | t-test for Equality of Means | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | 95% Confidence Interval of the Difference | |
| | | F | Sig. | t | df | Sig. (2-tailed) | Mean Difference | Std. Error Difference | Lower | Upper |
| Sales performance | Equal variances assumed | .182 | .671 | 1.545 | 96 | .126 | .24885 | .16104 | -.07082 | .56852 |
| | Equal variances not assumed | | | 1.543 | 83.664 | .126 | .24885 | .16123 | -.07179 | .56949 |

**Group Statistics**

| | education | N | Mean | Std. Deviation |
|---|---|---|---|---|

| | | | | |
|---|---|---|---|---|
| Sales performance | diploma | 14 | 3.4286 | .54582 |
| | bachelor degree | 84 | 4.2540 | .76331 |

**Independent Samples Test**

| | | Levene's Test for Equality of Variances | | t-test for Equality of Means | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | 95% Confidence Interval of the Difference | |
| | | F | Sig. | t | df | Sig. (2-tailed) | Mean Difference | Std. Error Difference | Lower | Upper |
| Sales performance | Equal variances assumed | 1.357 | .247 | -3.876 | 96 | .000 | -.82540 | .21293 | -1.24807 | -.40273 |
| | Equal variances not assumed | | | -4.914 | 22.482 | .000 | -.82540 | .16798 | -1.17333 | -.47746 |

**Group Statistics**

| | experience | N | Mean | Std. Deviation |
|---|---|---|---|---|

| | | | | |
|---|---|---|---|---|
| Sales performance | less than 5 Years | 40 | 4.2833 | .78646 |
| | 5-10 Years | 58 | 4.0345 | .78159 |

**Independent Samples Test**

| | | Levene's Test for Equality of Variances | | t-test for Equality of Means | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | 95% Confidence Interval of the Difference | |
| | | F | Sig. | t | df | Sig. (2-tailed) | Mean Difference | Std. Error Difference | Lower | Upper |
| Sales performance | Equal variances assumed | .182 | .671 | 1.545 | 96 | .126 | .24885 | .16104 | -.07082 | .56852 |
| | Equal variances not assumed | | | 1.543 | 83.664 | .126 | .24885 | .16123 | -.07179 | .56949 |

## Appendix 3 – Oneway ANOVA

**ANOVA**

Sales performance

| | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| Between Groups | .238 | 2 | .119 | .188 | .829 |
| Within Groups | 60.171 | 95 | .633 | | |
| Total | 60.408 | 97 | | | |

# Appendix 4 - Descriptive Characteristics of the Variables

**Descriptive Statistics**

| | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| Technical skills | 98 | 2.80 | 5.00 | 4.0735 | .65575 |
| Marketing skills | 98 | 2.00 | 5.00 | 3.6837 | .80874 |
| Interpersonal skills | 98 | 2.40 | 5.00 | 3.9265 | .71126 |
| Salesmanship skills | 98 | 2.00 | 5.00 | 4.0136 | .91809 |
| Organizational commitment | 98 | 2.88 | 4.88 | 3.9133 | .50078 |
| Sales performance | 98 | 2.33 | 5.00 | 4.1361 | .78915 |
| Valid N (list wise) | 98 | | | | |

# Appendix 5 - Correlation

**Correlations**

| | | Technical skills | Marketing skills | Interpersonal skills | Salesmanship skills | Organizational commitment | Sales performance |
|---|---|---|---|---|---|---|---|
| Technical skills | Pearson Correlation | 1 | .471** | .499** | .413** | .394** | .463** |
| | Sig. (2-tailed) | | .000 | .000 | .000 | .000 | .000 |
| | N | 98 | 98 | 98 | 98 | 98 | 98 |
| Marketing skills | Pearson Correlation | .471** | 1 | .681** | .598** | .679** | .698** |
| | Sig. (2-tailed) | .000 | | .000 | .000 | .000 | .000 |
| | N | 98 | 98 | 98 | 98 | 98 | 98 |
| Interpersonal skills | Pearson Correlation | .499** | .681** | 1 | .757** | .604** | .826** |
| | Sig. (2-tailed) | .000 | .000 | | .000 | .000 | .000 |
| | N | 98 | 98 | 98 | 98 | 98 | 98 |
| Salesmanship skills | Pearson Correlation | .413** | .598** | .757** | 1 | .595** | .813** |
| | Sig. (2-tailed) | .000 | .000 | .000 | | .000 | .000 |
| | N | 98 | 98 | 98 | 98 | 98 | 98 |
| Organizational commitment | Pearson Correlation | .394** | .679** | .604** | .595** | 1 | .582** |
| | Sig. (2-tailed) | .000 | .000 | .000 | .000 | | .000 |
| | N | 98 | 98 | 98 | 98 | 98 | 98 |
| Sales performance | Pearson Correlation | .463** | .698** | .826** | .813** | .582** | 1 |
| | Sig. (2-tailed) | .000 | .000 | .000 | .000 | .000 | |
| | N | 98 | 98 | 98 | 98 | 98 | 98 |

**. Correlation is significant at the 0.01 level (2-tailed).

# Appendix 6 - Regression

**Model Summary[d]**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|---|---|---|---|---|
| 1 | .826[a] | .683 | .679 | .44697 |
| 2 | .875[b] | .765 | .760 | .38653 |
| 3 | .885[c] | .784 | .777 | .37267 |

a. Predictors: (Constant), Interpersonal skills

b. Predictors: (Constant), Interpersonal skills, Salesmanship skills

c. Predictors: (Constant), Interpersonal skills, Salesmanship skills, Marketing skills

d. Dependent Variable: Sales performance

**ANOVA[d]**

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 41.229 | 1 | 41.229 | 206.374 | .000[a] |
| | Residual | 19.179 | 96 | .200 | | |
| | Total | 60.408 | 97 | | | |
| 2 | Regression | 46.215 | 2 | 23.107 | 154.667 | .000[b] |
| | Residual | 14.193 | 95 | .149 | | |
| | Total | 60.408 | 97 | | | |
| 3 | Regression | 47.353 | 3 | 15.784 | 113.650 | .000[c] |
| | Residual | 13.055 | 94 | .139 | | |
| | Total | 60.408 | 97 | | | |

a. Predictors: (Constant), Interpersonal skills

b. Predictors: (Constant), Interpersonal skills, Salesmanship skills

c. Predictors: (Constant), Interpersonal skills, Salesmanship skills, Marketing skills

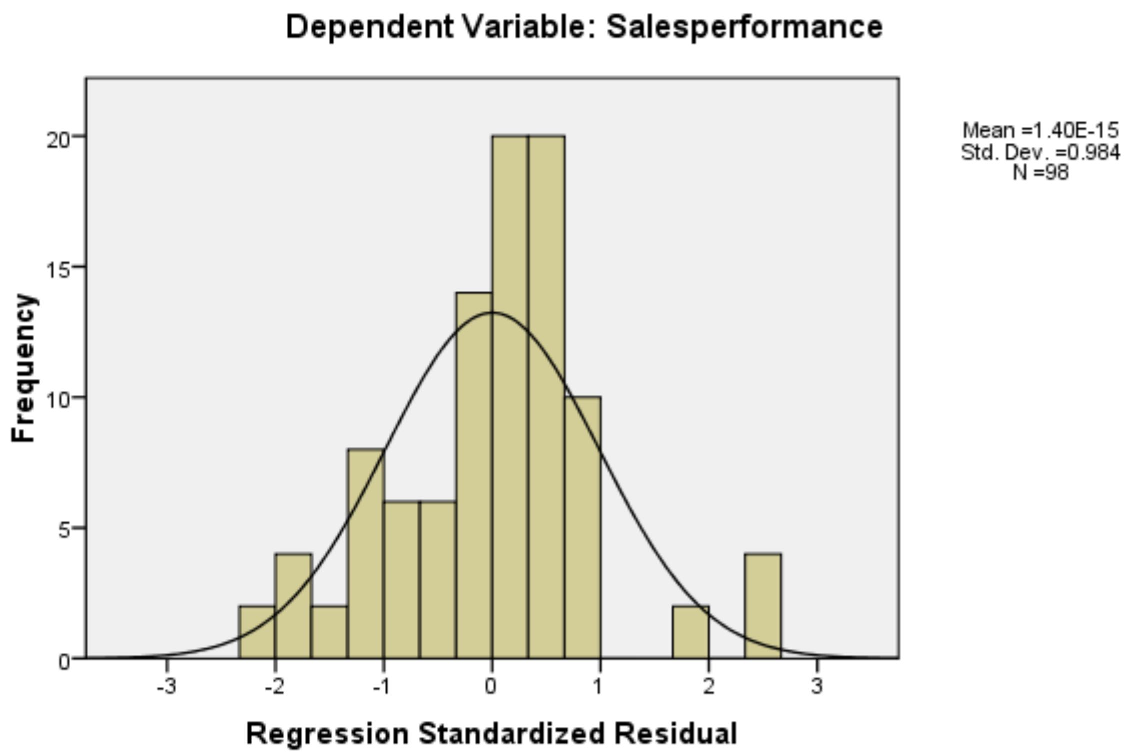
d. Dependent Variable: Sales performance

**Coefficients[a]**

| Model | | Un standardized Coefficients | | Standardized Coefficients | t | Sig. | Collinearity Statistics | |
|---|---|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | | Tolerance | VIF |
| 1 | (Constant) | .537 | .255 | | 2.109 | .038 | | |
| | Interpersonal skills | .917 | .064 | .826 | 14.366 | .000 | 1.000 | 1.000 |
| 2 | (Constant) | .471 | .220 | | 2.134 | .035 | | |
| | Interpersonal skills | .547 | .084 | .493 | 6.475 | .000 | .427 | 2.344 |
| | Salesmanship skills | .378 | .065 | .440 | 5.777 | .000 | .427 | 2.344 |
| 3 | (Constant) | .357 | .216 | | 1.651 | .102 | | |
| | Interpersonal skills | .434 | .091 | .391 | 4.793 | .000 | .345 | 2.896 |
| | Salesmanship skills | .347 | .064 | .403 | 5.410 | .000 | .414 | 2.416 |
| | Marketing skills | .186 | .065 | .190 | 2.862 | .005 | .520 | 1.924 |

a. Dependent Variable: Sales performance

## Histogram


Dependent Variable: Salesperformance
Mean =1.40E-15
Std. Dev. =0.984
N =98
Frequency
0
5
10
15
20
-3
-2
-1
0
1
2
3
Regression Standardized Residual

Normal P-P Plot of Regression Standardized Residual