The impact of salesperson's training on organizational outcomes

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Abstract: Quality of human resource is an asset to organization. Consequently, quality training can promote both personal and organizational success. This study suggests that training on salesperson’s knowledge and skills can develop the positive beliefs and attitudes which lead to enhance organizational outcomes. Most organizations meet their needs for training in a haphazard way rather than design training in a rational way. The aim of the study is intended to investigate the impact of training on salespeople’s knowledge and skills for organizational benefits. Data were gathered by surveying 238 salespeople in the Malaysian major retail shopping malls. Data were analyzed using the partial least square technique. Training has significant impact on salesperson’s experience (salesperson’s knowledge and salesperson’s skills), while salesperson’s experience has positive impact on the three categories of organizational outcomes (i.e., productivity, effectiveness and performance). These findings have important implication for designing strategic plans for the Malaysian retail industry.

Key words: Training; Salesperson; Organization; Outcomes

1. Introduction

We are in the age of advanced technology for which employees of each organization need to learn and adapt with the new knowledge and skills to face the new challenges to perform their jobs efficiently and effectively (Tai, 2006). Training is undoubtedly one of the best and most crucial strategies for the company to facilitate trainees to gain necessary knowledge and skills to handle the new challenges (Goldstein & Gilliam, 1990; Rowold, 2008). Therefore, it is essential for an organization to take initiatives of proper training for its employees to maintain a standard of competence in their job (Tai, 2006). Bhatti and Kaur (2010) narrated that training can be among the most essential and the best human resource method for enhancing organizational and workers’ productivity to achieve the goal of an organization. The impact of training on sales people's productivity, performance and effectiveness provides a global improvement, development, and increase in output or production in any organization which enable increment in knowledge, skills that are required to work, interact between and among individuals, groups, and organizations, which subsequently, contribute greatly to making the sales person achieve his sales quotas. Training is a very essential concept in any organization in today’s market environment in order to be able to compete with the competitors, therefore, in order to fulfill the organizational tasks and to enhance the performance of the employees, the training program has to be well designed in a way that allow a win situation of the stakeholders and organizations. The available evidence seems to be analyzed in the journal “salesperson learning, organizational learning, and retail store performance salesperson learning” are very important and it has the ability to contribute to the complete side of any organization and it can be through enhancing its capability for the firm teaching (Bell et al., 2009). Training is provided in order to enhance learners skills and knowledge, because not all the people come with a full of knowledge and experience needed in that particular job (Fitzgerald, 1992). There are several reasons why an organization needs to evaluate training in order to improve the quality of the workforce and quality programs (Mann & Robertson, 1996). There is inconsistence between organizations desire to check or evaluate training and the extent and effectiveness of actual evaluation. Apart from creating the organizational competitive advantage, it was clearly explained that investing in a human capital and associated productivity can probably provide the capacity to enhance workers skills and knowledge and the performance of the organization (Bell, Mengüç & Widing, 2009). Definitely, there is a high awareness within firms which encourage proceeding to the training and this is in order to enhance the performance of the organization in terms of quality, market share, limitation of turnover and improve sales and productivity (Huselid, 1995).

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2. Theoretical foundations and model conceptualization

2.1. Training

Training can be considered among the essential and important human resources ways of developing the productivity of the organization and the employees in order to achieve the goal of the organization to attain firm’s tasks and enhance employee effectiveness, training program can be conducted in such way to create a win situation for the firms and the stakeholders. Latif (2012) described that employee training is not only related better business result but also lead to accelerate motivation, job satisfaction and performance by shaping employees attitudes. Choo and Bowley (2007) depicted that there is positive impact of training on productivity, which increase brand value through a higher level of customer and employee satisfaction. Truelove (2006) described that learning can be achieved either by experience or by training. Sadler-Smith (2006) identified training as one of the fields of learning. Eaglen, Lashley and Thomas (2000) also found that training is an element of achieving organizational strategic objectives. McDonalds and Silberman (2006) also mentioned that training program is the pillar of organizational success. Sofo (2007) reported learning originated from training sessions increase job performance and organizational productivity. Rowold (2008) showed in their empirical study that training is specially designed for attaining organizational goals. Moreover, training results improved productivity, employee satisfaction, reduced turnover and willingness to change. Linz (2003) also supported by the study of Buckley and Caple (2004), job satisfaction is an impact of training. Training is a one-to-one processor on a personal training to help others get a maximum level of effectiveness and this by offering focused feedback, encouragement and enhancing awareness and productivity. Most Coaching enables and empowers people to be effective and productive in an organization, and it gives a huge opportunity to learn through which enhanced performance is achieved (Ellinger & Boström, 1999).

Accordingly, training is provided in order to enhance learners skills and knowledge, because not all the people come with a full of knowledge and experience needed in that particular job (Fitzgerald, 1992). Training is one of the most influential ways to enhance learning and improving the skills of the employees, valuable method to understand when the firm has to enhance its performance, and in the light of the presented review with the framework to analyze training and firm performance issues, managers could find some interesting clues to the advantages of training (Nguyen & Buyens, 2010). Hence, the following hypothesis is developed:

H1: Training has positive impact on salesperson’s experience.

2.1.1. Salespeople experience

2.1.1.1. Knowledge

Firms hire in sales strategy, natural processes and findings may have expert knowledge concerning target customers and this by using an expensive sales and target customers through inexpensive channels (Rahman et al., 2014). This in turn might make firms able to optimize resource allocation and also enhancing their financial performance (Panagopoulos & Avlonitis, 2010). Brinkerhoff (2006) pointed out that the performance of an industry does not depend on the nature of the technology they are using but it mostly depends on how they make use of it. The impact of training varies from organization to organization and also on time when it is applied and for whom. Training can help trainees or salespeople to improve their capability not to bring a very successful result unless they apply it. It means success depends on the application of knowledge achieved from training. The research found that 12% success rate of training can be increased through the addition of more exercises and feedback system. However, it was noted that learning and performance come together and plays a great role in organizational capability building. Salesperson learning is really important and has the potential to lead to the competitive advantage of any firm by increasing its capacity for firms learning (Bell, Mengüc & Widing, 2009). The relationship between employee and organizational learning is often needed-for-granted, yet the relationship between this two is somehow complex. The transport of individual learning to the organizational level cannot always be taken for granted. The interesting side of the relationship between salesperson learning and organizational learning will enable as the climate for organizational learning strengthens.

2.1.1.2. Skills

Moncrief and Marshall (2005) and Futrell (2006) explained that the presentation is a crucial tool in creating a sales call by which a fruitful interfering among buyers and traffickers can be attained. Aguihori et al. (2009) postulated that good relationships can be gained through the technological knowledge and communication sciences. The inquiry found that recall ability as a part of salespersons knowledge also a causal factor of success in selling (Cicala, Smith & Bush, 2012; Rahman, Mohammad & Khan, 2014). Salesperson presentation skill is reflected by their sales experience which induces an effect on customers’ motivation (Jolson, 1975). Shepherd et al. (1997) also found a positive connection between sales performance and their attention in regard to listening to their clients. Keillic et al. (2000) noted that knowledge of products, clients, industries can bring effective performance with interactive customer relationships. The effect of improved
working-skills and performance has been recognized by Adams Smith (1976) in the wealth of Nations. Griffin (2010) explained that the long-standing interest in assessing the impact of workplace learning is hardly astonishing, because most firms now spend huge money to finance the workforce development. It was clearly explained and a systematic information on investment in human capital and associated productivity, reward, and mobility of workers. Such investment not only creates competitive advantages for an organization, but also provides introductions and opportunities to discover new technologies and enhance employee skills, knowledge and organizational performance.

Sales devices, a part of technology and skills, can be defined as a device or ways utilized by the salesman to help in plying his commerce. Nowadays, sales forces use an impressive array of sales tools to take several important sales roles (Rahman, Mamun, Khan & Jailil, 2014) including gathering market data, gaining prospect trust, presenting their companies, products and services, providing customer service, and building long-term buyer-seller relationships (Christ & Anderson, 2011). In the research of Ghebregiorgis & Karsten (2007) found that training increase the confidence level of the employees in spite of having new technology in the organization and feel them value as an employee in the organization. Recent researchers suggest that adopting the new technology to sales are long, ongoing operations which can be traced back at least to the beginning of professional personal selling in the mid-1800s. Salespeople, supported by their societies, have carried out various experiment with, adopted, and adapted leading-edge technology to improve their marketing efforts effectively and efficiently. Every technology gave sellers particular benefits and advantages that not only improved performance of existing selling roles, but laid the basis for sales people to take on a new and clarified mission to attain the aim of the organization (Christ & Anderson, 2011). Full acceptance of the latest technology, which is part of uncontrollable factors in the society is a way to increase sales force strength and efficiency in carrying out sales force activities, enhancing customer relationships, and building competitive advantages efficiently.

2.1.3. Productivity

Cicala, Smith and Bush (2012) stated that sales training is an important tool because of its significant role in selling and sales management (Keillor, Parker & Pettijohn, 2000), and also contribute to salespeople knowledge, skill levels, performance and effectiveness (Piercy, Craven & Morgan, 1998; Lichtenhal & Tellefsen, 2001; Rahman et al., 2014) which results sales productivity and profitability (Wilson, Strutton & Farris, 2002). An effective sales strategy might make salespeople able to better their productivity by meeting the demands of the customers with their marketing models. Natural processes in an organization require a lot of interaction and communication among the people affected. Good activity always related the ability of cross functional team to produce an apprehension of the project, the process and the respective task of the members. Teamwork productivity and effectiveness, which is about rewards, leadership, training, goals, wage, size, motivation, measurement and information technology are the pursuit of this composition, the organization may have for benefits for the organization, like enhancing profitability, efficiency and good teamwork in business wants (Shamir, 1990). The major topic of training and development is to enlist employees in effective learning and enhance effective productivity. To maximize the utility of training, it is important that training deliverers actively promote such engagement (Robotham, 2004). The majority of organizations today are interested in promoting coaching behavior in order to build up their sales forces and enhance their long-term performance with productivity; they need to be interested in understanding sales managers’ motivation to coach and which variables affect coaching behavior (Pousa & Mathieu, 2010). It was found that productivity of employees increased over times (Ghebregiorgis & Karsten, 2007).

2.1.4. Effectiveness

Organizational effectiveness can be determined as the extent to which an organization utilizes some specific resources, achieve its goals without depleting its resources and without placing undue strain on its members and society (Manzoor, 2012). This author also stated that there is a positive relationship between the motivation of employee and organizational strength. In gain, among the elements regarding the motivation of the employee we can recover all of the reward, salary structure and leadership, for the reward led in to satisfy of the employee that influences directly. Second, salary structures that must include importance organization, attach to every work, the pain is depending on the performance, personal or special allowances, and so on. Leadership is about getting things done the right way, making people following, get motivated, trust and believe (Baldoni, 2005; Robertson & Gatignon, 1986). There is inconsistency between organizations desire to check or evaluate training and the extent and effectiveness of three forms of collectivist work motivation analyzed by Shamir (1990): first, calculation (rewards or sanctions are anticipated to follow from group performance), second identification (one’s self-concept is influenced by membership in a group), and the last one is the internalization (acceptance of group beliefs and norms as a basis for motivated behavior). The effectiveness has been limited by Hackman (1990) as a three dimensional form: the group’s output meeting quality measures, the group’s ability to work interdependently, and the growth and well-being of team members.
Breeding and its impacts on solid performance are inevitable and useful and also an essentially important topic in the areas of merchandising and human resource management. The genuine meaning of performance, self-efficacy given by Holton (1996) described it as “an individual’s general belief that he or she is able to alter his or her execution when he or she desires to”. Perceived performance is widely employed in academic researches. Thus, a stronger understanding of the conceptual nature of perceived performance is significant. Perceived performance has been included as a direct antecedent of satisfaction (Spreng, 1999). An appraisal of a salesperson’s value of the kind provided by a salesperson’s past action is fixed as sales performance (Leach, 1998). For the evaluation performance, Behrman (1982) suggested that individual salespeople are more knowledgeable of their behavioral performance than supervisors and hence are in a good position to provide more assured information. This means that perceived performance of salesperson is very important to evaluate their performance. Sales representatives often work on their own in the area, so their behaviors may not be observed consistently by any particular individual (Wang & Netmeyer, 2002). They think that salespeople they are the most appropriate and reliable judge of their creative behaviors. Behavioral, outcome, and CRM are the three dimensions of the sales force performance and sales strategies have a good impact on sales force and firm performance. Panagopoulos and Avlonitis (2010) found that sales strategy has effect on all behavioral, outcome, and CRM and firm financial performance. It would appear that sales strategies make firms able to allocate within customers. This is a direct outcome segmenting and prioritizing customers based on their economic value to and their firm’s expectation (Zoltners, Sinha & Zoltners, 2001; Kinni, 2004). Albers, Krafft and Mantrala (2010) pointed out based on the survey and the finding of it that concerning the impacts of sales contests and product line incentives on salesperson performance, they worked on sample of 170 organizations and found that sales strategy is consistently and positively related with performance. Bell et al. (2009) suggested that the strong commitment to the organization and job satisfaction will lead to greater performances which called also as a positive relationship. The organization also has a general performance measure. In addition, the relationship between the motivation and organization is a positive and the relation between job satisfaction and the organization’s commitment as well. Shannah and Bush (2001) stated that salesperson performance depends on sales manager’s leadership style (MacKenzie, Podsakoff & Rich, 2001), continual guidance and feedback.

In previous research on the relationship between training and firm performance in developing country abounds, little has been done hitherto to estimate the impact of training on firm performance in an emerging country context (Nguyen & Buyens, 2010). Lately, most academics and professionals in human resource management (HRM) have identified that training policies are vital for improving employee skills, development, firm performance, and organizational survival. Schuler (2001) focused on the concept of performance, self-efficacy improvement, which there should be a need to explore the ingredients which can amend the efficient functioning of self-efficacy of the scholar. Previously, when systems were confronted with enhancing worldwide competition and their effort to keep up and compete in their market positions, the role of management instrument that can facilitate their sales representative rise performance has become extremely important (Fousa & Mathieu, 2010). In addition, Bhatti and Kaur (2010) suggested if trainers comfort on transfer design, which may enhance learners’ self-efficacy, they possibly can enhance the level of transfer. Thus, the following hypothesis is developed:

H2: Salesperson’s experience has positive impact on organizational outcomes.

Training for salespeople is critical as we identified that there are many factors which indicate the organizational effectiveness, performance and productivity and bring ultimate success for the company itself and enrich the level of sales people’s knowledge and skills in different areas such as technological, presentation and communication skills and product, customer and industry related knowledge. Based on previous study, we are predicting that there is a positive significant relationship among the constructs. We predict that training enhance sales person’s knowledge and skills for attracting customer and ultimate object to organizational outcomes. Fig. 1 presents the theoretical model to investigate the impact on salesperson’s knowledge and skills for organizational outcomes including productivity, effectiveness and performance.

3. Methodology

3.1 Measure of constructs

The study employed a quantitative survey with a structured questionnaire which supported a significant aim in accepting of the theory building into overall conclusions (Howard & Borland, 2001) and a high level of understanding of sales peoples’ experiences. The questionnaire had six sections except demographic information with a total of 25 items: training, salesperson’s knowledge, salesperson’s skills, organizational productivity, organizational effectiveness and organizational performance. Except for respondent’s personal information, the items were measured by using the 5-point Likert scales anchored by “not at all”, “low extent”, “moderate extent”, “high extent” and “very high extent”. The items were adapted from previous studies to ensure content validity of the study. The
scale for training was adapted from Choo and Bowley (2007), Bhatti and Kaur (2010), and Latif (2012); the scale for salesperson’s knowledge was adapted from Brinkerhoff (2006), Bell, Mengüç and Widing (2009), and Panagopoulos and Avlonitis (2010); the scale for salesperson’s skills was adapted from Moncrief and Marshall (2005), Agnihotri, Rapp and Trainor (2009), Cicala, Smith and Bush (2012); the scale for organizational productivity was adapted from Piercy, Craven and Morgan (1998), Keillor, Parker and Pettijohn (2000), Lichtenthal and Tellefsen (2001); the scale for organizational effectiveness was adapted from Robertson and Gatignon (1986), Baldoni (2005), and Manzoor (2012), and the scale for organizational performance was adapted from Holton (1996), Leach (1998), and Spreng (1999).

![Theoretical model](image)

**Fig. 1: Theoretical model**

3.2. Data collection and the sample

The sampling frame consists of salesperson working in major shopping malls in Kuala Lumpur in Malaysia. The study focuses on the salespeople’s training of the Malaysian shopping malls for the following reasons: (i) a unified focus of job, (ii) not assuming, checking what size customer thought and they were (iii) getting ahead of returns (iv) keeping options open and (v) arouse curiosity. The study was based on the purposive sampling technique where participants were drawn from salespeople at selected major shopping malls in Kuala Lumpur. The study targeted store salesperson as respondents in this study, because they are directly involved in the sales process, which makes them knowledge and skills or experience in all operations and activities in their respective shopping malls. The survey was conducted using a structure questionnaire direct to the participants in each retailing store. A total of 238 valid cases were received out of the 500 distributed questionnaires.

3.3. Analysis

In this study, the causal relationships between constructs were analyzed using structural equation modeling (SEM) through partial least square (PLS) arithmetical technique. SEM analysis was chosen over regression analysis, as it can analyze all paths in a single analysis (Hair et al., 2013). The PLS approach was used due to its small sample size requirements and particularly the exploratory nature of the analysis. For this study, Smart PLS M3 version 2.0 (Ringle et al., 2005) was used for the data analysis. The study found 238 usable respondents which exceeded the minimum sample size requirements as suggested by Wixom and Watson (2001). PLS is analyzed and interpreted in two stages (Hulland, 1999). Firstly, the measurement model that supposed to be tested by performing validity and reliability analysis on each measure to confirm that only valid and reliable construct measures are used prior to making conclusions about the nature of construct relationships. Secondly, the structural model is tested by estimating the paths between model constructs to determine their significance and the predictive ability of the model (Hulland, 1999).

4. Results

4.1. The Sample

The discriminant analysis presents that there were more females (57.2%) than males (42.8%) participants in this survey. In terms of age, those participants aged between 20 and 29 years (43.7%) formed the largest group, followed by those aged between 30 and 39 years (38.2%). The majority of the participants were single (51.2%), followed by those who were married (45.6%) and divorced (3.2%). A majority of the participants had a certificate/diploma degree (49.4%), followed by school degree or less (27.2%) and bachelor degree (2.6%). In terms of ethnicity, a majority of the participants were Malay (39.2%), followed by Chinese (34.3%), Indian (20.1%), and others (6.4%). Most of the respondents’ monthly income had between RM 1000 and 2000 (26.7%).

4.2. Common method variance

Common method bias is problematic while a single latent variables clarification for the majority of the explained variance (Podsakoff & Organ, 1986). The results of the unrotated factor analysis show
that the first normalized linear combination describes only 29.40% of the total 79.66% variance which suggested that common method bias is not a major problem in the study.

4.3. Measurement model results

The reliability and validity analysis of the reflective variables were measured in this study. The analysis of composite reliability (CR) was calculated in fitting together with internal reliability which was similar to Cronbach’s alpha. Table 1 showed that CR of all variables was above 0.70 which contents the rule of thumb (Hair et al., 2013). The model confirms that factor weights of all items were greater than 0.60 which suggested accepting items (Hair et al., 2010). Given that the factor loadings related to each scale were all greater than 0.60 for individual items reliability was reasonably judged. The convergent validity of the study is measured using average variance extracted (AVE). According to Fornell and Larcker (1981), the AVE for all variables was greater than 0.50 which indicates a satisfactory level of convergent validity.

Table 1: CFA Summary results of the measurement model and convergent validity

<table>
<thead>
<tr>
<th>Constructs</th>
<th>No. of Items</th>
<th>Loadings</th>
<th>AVE</th>
<th>CR</th>
<th>CA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training</td>
<td>5</td>
<td>0.919-0.958</td>
<td>0.883</td>
<td>0.974</td>
<td>0.967</td>
</tr>
<tr>
<td>Salesperson’s Knowledge</td>
<td>4</td>
<td>0.915-0.968</td>
<td>0.901</td>
<td>0.973</td>
<td>0.963</td>
</tr>
<tr>
<td>Salesperson’s Skills</td>
<td>4</td>
<td>0.961-0.979</td>
<td>0.941</td>
<td>0.984</td>
<td>0.979</td>
</tr>
<tr>
<td>Organizational Productivity</td>
<td>4</td>
<td>0.933-0.969</td>
<td>0.931</td>
<td>0.982</td>
<td>0.975</td>
</tr>
<tr>
<td>Organizational Effectiveness</td>
<td>4</td>
<td>0.880-0.924</td>
<td>0.819</td>
<td>0.947</td>
<td>0.926</td>
</tr>
<tr>
<td>Organizational Performance</td>
<td>4</td>
<td>0.911-0.917</td>
<td>0.853</td>
<td>0.958</td>
<td>0.943</td>
</tr>
</tbody>
</table>

CFA= Confirmatory Factor Analysis; AVE= Average Variance Extracted; CR= Composite Reliability; CA= Cronbach’s Alpha

In this study two approaches were used to measure the discriminant validity of the variables. In the first stage, the cross loadings of indicators were examined. Hair et al. (2012) postulated that no indicator loads were higher than an opposing construct. In the second stage, the square root of AVE for each variable must be exceeding the intercorrelations of the construct with other model constructs (Fornell & Larcker, 1981). Table 2 showed analyses confirmed the discriminant validity of all constructs.

Table 2: Discriminant validity Coefficients

<table>
<thead>
<tr>
<th>Constructs</th>
<th>OE</th>
<th>OPE</th>
<th>OPR</th>
<th>SK</th>
<th>SS</th>
<th>TR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Effectiveness (OE)</td>
<td>0.9051</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizational Performance (OPE)</td>
<td>0.7508</td>
<td>0.9235</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizational Productivity (OPR)</td>
<td>0.4074</td>
<td>0.7181</td>
<td>0.9649</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salesperson’s Knowledge (SK)</td>
<td>0.3701</td>
<td>0.6941</td>
<td>0.8492</td>
<td>0.9494</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salesperson’s Skills (SS)</td>
<td>0.3729</td>
<td>0.6497</td>
<td>0.2166</td>
<td>0.0774</td>
<td>0.9700</td>
<td></td>
</tr>
<tr>
<td>Training (TR)</td>
<td>0.3322</td>
<td>0.1401</td>
<td>0.851</td>
<td>0.8684</td>
<td>0.2032</td>
<td>0.9400</td>
</tr>
</tbody>
</table>

Fig. 2: Structural model
4.4 Assessment of the structural model

The measurement model had satisfactory results and the structural model was measured consequently. The predictive accuracy of the model was assessed in order to explain variance portion. The structural model (Figure 2) showed a summary of the findings revealed that R-square value for salesperson’s knowledge (0.786) and salesperson’s skills (0.341) suggested that 78.6% and 34.1% of the variance is enlightened by the training. Nonetheless, organizational productivity (0.744), organizational effectiveness (0.781) and organizational performance (0.563) suggested that the model was capable of explaining 74.4%, 78.1% and 56.3% of the variance by the sale’s people knowledge and sale’s people skills. According to Stone (1974) and Geisser (1975), the assessing magnitudes of R-square, researchers have currently comprised predictive significance improvement as supplementary model fit assessment. This method identified the model adequacy to predict the evident indicators of each latent variable. The model presents highly acceptable fit. The cross-validated redundancy (Stone–Geisser (Q2) was measured to examine predictive relevance using a blindfolding procedure in PLS. Chin (2010) pointed out that Q2 value greater than zero suggests that the model has predictive relevance. Nonparametric bootstrapping technique was used (Wetzels et al., 2009) with 5000 replications to examine the structural model. The findings of the structural model from the PLS analysis was summarized in Table 3. All paths were significant and the hypotheses are supported except for H3c. A notable detail is the H1a (β = 0.89), H2a (β = 0.84), H2e (β = 0.88) and H2f (β = 0.75) have the highest positive effect at significant level p<0.01.

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Relationship</th>
<th>Path Coefficient</th>
<th>Std. Error</th>
<th>t-value</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1a</td>
<td>TR -&gt; SK</td>
<td>0.8864</td>
<td>0.0258</td>
<td>34.3162**</td>
<td>Supported</td>
</tr>
<tr>
<td>H1b</td>
<td>TR -&gt; SS</td>
<td>-0.2032</td>
<td>0.1173</td>
<td>1.7321*</td>
<td>Supported</td>
</tr>
<tr>
<td>H2a</td>
<td>SK -&gt; OPR</td>
<td>0.8375</td>
<td>0.0328</td>
<td>25.5357**</td>
<td>Supported</td>
</tr>
<tr>
<td>H2b</td>
<td>SK -&gt; OPE</td>
<td>0.1385</td>
<td>0.0515</td>
<td>2.6871**</td>
<td>Supported</td>
</tr>
<tr>
<td>H2c</td>
<td>SK -&gt; OPE</td>
<td>-0.0463</td>
<td>0.0779</td>
<td>0.4656</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H2d</td>
<td>SS -&gt; OPR</td>
<td>-0.1517</td>
<td>0.0743</td>
<td>2.0432*</td>
<td>Supported</td>
</tr>
<tr>
<td>H2e</td>
<td>SS -&gt; OPE</td>
<td>0.8836</td>
<td>0.0275</td>
<td>32.185**</td>
<td>Supported</td>
</tr>
<tr>
<td>H2f</td>
<td>SS -&gt; OPE</td>
<td>0.7469</td>
<td>0.0649</td>
<td>11.512**</td>
<td>Supported</td>
</tr>
</tbody>
</table>

T-values are computed through bootstrapping technique with 238 cases and 5000 samples

*p<0.05; **p<0.01

5. Discussion and implications

Based on literature review, retail industry is still in its developing stages but has negative customer impact on salesperson’s attitudes due to lack of proper training. Therefore, salesperson’s knowledge and skills are essential which may overcome the negative impact and develop organization outcomes. Salesperson’s experience is a good approach for retaining customer and organizational profitability. The training on salesperson’s knowledge and skills is required to retail industry for selling goods and services. Some studies have examined the shopping motivation and driving forces of customer satisfaction and loyalty but do not focus on the training on salesperson’s knowledge and skills. The benefits of organizational outcomes in retail industry have been explained to some extent. However, some managers remain unconvinced in training on salesperson’s knowledge and skills. Thus, this study determines the potential positive impacts of training on salesperson’s experience for simultaneous organizational effectiveness, productivity and performance.

Our findings on the relationship between training and salesperson’s experience (knowledge, skills) are consistent with Bhatti and Kaur (2010) and Latif (2012); found that the training of salespeople may promote organizational outcomes. The Malaysian retail strategy and policy has not taken action properly with regards to the impact of the organizational outcomes (productivity, effectiveness and performance). Proper training on salesperson’s knowledge and skills for organizational outcomes has yet to be established. Therefore, the managers, marketing executives, retail policy makers should set a proper training for salesperson’s knowledge and skills for ultimate objective of organizational outcomes. Salesperson’s knowledge and skills is also an important factor for organizational outcomes, a finding revealed that agrees with that of Behrman, Perreault and William (1982), and Panagopoulos and Avlonitis (2010), a positive relationship exists between salesperson’s experiences (knowledge and skills) and organizational outcomes (productivity, effectiveness and performance). The proper training for salesperson’s experiences meets customer demand and outperforms their competitors. The successful training for salesperson’s experiences for organizational outcomes is assured with adequate technology, capital, management system and strategic tool.
In terms of theoretical contribution, the study is the first to investigate the impact of training on salesperson’s knowledge and skills in the Malaysian retail firms. This sector is particularly important, since it is a fastest growing retail industry with a significant impact on the organizational outcomes in contributing Malaysian economy. Though a few studies have explored the impact of the training on salesperson’s knowledge and skills for organizational outcomes, the impact of training for salesperson’s performance has rarely been investigated. Customer image is essential to retail sectors to improve their market position, reputation of their brand and attract customers for company’s profitability.

This study provides several implications for retail managers and policymakers in the sector of the retail selling goods and services in the firm. Recognizing the determinants of training on salesperson’s knowledge and skills will assist policymakers to understand the critical factors that lead to organizational effectiveness, productivity and performance in the retail firm. Thus, they could adjust their retail strategies and policies to motivate retail managers or executive marketing directors to promote proper training for salesperson’s experience for organizational benefits. Furthermore, this knowledge can help retail marketing managers successfully promote training for salespersons in their firms. Thus, this study also recognizes the significance impact of training on salesperson’s knowledge and skills for organizational outcomes. Thus, this study advances knowledge in the opportunities of training on salespersons’ experiences for ultimate object of the organizational profit, organizational performance and effectiveness.

6. Limitations and future studies

This study has certain limitations that could be taken into account prior to generalizing its findings. Firstly, the study examined and verified the hypotheses using a structural questionnaire survey method but provided only a cross-sectional study in nature. Thus, this technique limits the ability to imply causality in the significance relationships among the constructs. Therefore, the findings are affected by the fact that this study cannot observe the dynamic change of the impact of training on salesperson’s experience for organizational outcomes in Malaysian retail industry. A longitudinal study that measures the relationship for an extended period of time should be performed to provide precise results. Moreover, the sample size is limited to the retail shopping malls. Other marketing firms that wish to apply the findings of the study should be conscious of the impact of training on salesperson’s performance, which may vary with the types of firms. The maturity of a certain decision process and techniques for training on salesperson’s performance may vary between countries. The future study should examine the research model in different marketing firms related to selling goods and services, and different countries. The study should also be conducted in different region of the country for information comparison and to obtain additional information.

Based on above discussion, it is concluded that salesperson’s knowledge and skills can accomplish organizational productivity, performance and effectiveness. Salesperson’s skill, information, technological and educational factors are effective components that may achieve organizational profitability. Every organization should provide quality training for sales person’s knowledge and skills to attain organizational productivity, performance and effectiveness. Salesperson’s knowledge and skills can raise company’s profitability in both public and private sectors. Salesperson’s experience depends on high technology and sophisticated equipment. Therefore, technological advancement can lead to achieving organizational productivity. Moreover, the impact of training on salesperson’s knowledge and skills lead to promote organizational productivity, performance and effectiveness.

References


