Research Paper

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Self Esteem Impact on The Sales Executives Performance – an Empirical Study

Marketing

KEYWORDS : Self-esteem, Locus of Control, Sales Performance

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ABSTRACT

The increase in complexity of products, changing life style and ever growing competition has increased the importance of sales executives in the marketing effort of a firm. If a company wants to maximize the effectiveness of its marketing, the sales force of a company needs to be compensated to keep its morale high. The motivation of sales force is a major challenge to the management. Individuals with high self esteem tend to be confident and thus act more confidently. The broad objective of this research study is to identify the impact of self-esteem on the performance of sales executive. The findings of the study confirmed the impact of self-esteem on the performance of sales executives. The self-esteem and locus of control-internal have proved to be two strong personality factors that influence the performance of the sales executives. The organizations can substantially enhance the performance of sales executives by satisfying their ego needs in which self-esteem has been a key component.

Introduction:

The increase in complexity of products, changing life style of people, and ever growing competition from domestic and foreign sources has increased the importance of sales executives in the marketing effort of a firm. Consumers want all sorts of goods and services but inertia may keep them from buying. Sales efforts stimulate the consumption process by reducing people's inherent reluctance to make purchase decision. Differences in marketing factors cause each company to have individualized selling styles. Each different type of selling job requires the sales force to perform a variety of different tasks and activities under different circumstances.

Today selling has become a challenging profession. If a company wants to maximize the effectiveness of its marketing programme, the selling effort must be effectively integrated with the other elements of the marketing mix. Within the marketing organization the sales operations are usually put under the charge of a sales executive. Within and outside the organization, they are responsible for managing the entire sales effort.

The sales force of a company needs to be compensated adequately to keep its morale high and to enable it to contribute to its maximum. A sales force is required to be self starters, highly ambitious, result-oriented and go-getters. The motivation of sales force is a major challenge to the management. To study the motivational pattern of sales executive it is needed to study the process of creating ambitions. The management has to understand the needs of sales executives before motivating them.

Self-esteem is a major ego need which is one of the five categories of needs according to A.H. Maslow. Self esteem is generally considered the evaluative component of the self concept, a broader representation of the self that includes cognitive and behavioural aspects (Blascovich and Tonaka, 1991). Psychologists usually regard self esteem as an enduring personality characteristic. Self esteem affects behavior in organizations and other social settings in several important ways. Good self esteem is important because it gives him the courage to try new things and the power to believe in himself. Individuals with high self esteem tend to be confident and thus act more confidently. High self-esteem is important because confident people usually have better relationship with others, can accomplish more, and more satisfying lives. For healthy self esteem individuals need to receive nurturing from the people in their environment. This research paper based on the empirical study aims at evaluating the impact of self esteem of the sales executives on their performance.

II. Review of Literature:

A review of literature was made to identify the dimensions of some of the studies made in this area.

Ming-Hong Tsai et al. investigated how salespeople's *renqing* orientation and self-esteem jointly affect their selling behavior and observed that Salespeople's *renqing* orientation (i.e., their propensity to adhere to the accepted norm of reciprocity) compensates the negative effect of self-esteem on their selling behaviors, such as adaptive selling and hard work.

D. Lance Ferris et al. found that the importance of performance to self-esteem moderated the effect of self-esteem level on job performance and moderated the buffering interaction between self-esteem level and role conflict in the prediction of job performance. The results thus support IPSE as an important moderator of both main and moderating effects of self-esteem level.

Richard P. Bagozzi presents the results of a study investigating the determinants of each type of job outcome for a sample of industrial salesmen. Using a structural equation methodology, the research shows job outcomes are a function of role ambiguity and motivation but not necessarily job tension.

Judy P. Strauss (2005) observed that Customer, peer, and supervisor perceptions of subjects' self-esteem related significantly to peer and supervisor performance ratings, whereas self and family/friends perceptions did not. There was limited support for the acquaintanceship effect (greater agreement across sources when familiarity is greater), while context affected agreement (same context sources had greater agreement).

Timothy A. Judge et al. (2007) estimated that unique contribution of self-efficacy to work-related performance controlling for personality, intelligence or general mental ability, and job or task experience. The results suggest that the predictive validity of self-efficacy is attenuated in the presence of individual differences, though this attenuation does depend on the context.

Cynthia LeRouge et al. (2006) examined the relationships between the match in IT developers' preferred and perceived actual role stress (role stress fit) with job satisfaction and organizational commitment. The results indicated that role stress fit was positively related to both job satisfaction and organizational commitment and that self-esteem significantly moderated the relationship between role stress fit and job satisfaction.

III. Objectives of the Study:

The broad objective of this research study is to identify the impact of self-esteem on the performance of sales executive. However, the following are the specific objectives.

1. To identify the interrelationship between Locus of Control and Self – Esteem among sales executives
2. To measure the impact of self-esteem on the performance of sales executives

3. To explore the relationship between the sales performance and internal, external and chance locus of sales executives.

IV. Data Sources and Methodology:

The study mainly relied on primary data, for which respondents are contacted to trace the impact of self-esteem, locus of control (internal locus, external locus and chance locus) among the sales executives employed in automobile, telecom, pharmaceutical, insurance, media and FMCG sectors. The secondary data sources were also considered for depicting the background, theoretical concepts, and past research in this area. A sample of 282 respondents belonging to Hyderabad, Secundrabad, Visakhapatnam and Vijayawada cities in Andhra Pradesh have been selected as per purposeful sample method. The survey for this study was conducted during the period December 2012-February 2013. The entire data collected through the execution of a questionnaire was analysed with relevant non-parametric tests using SAS software.

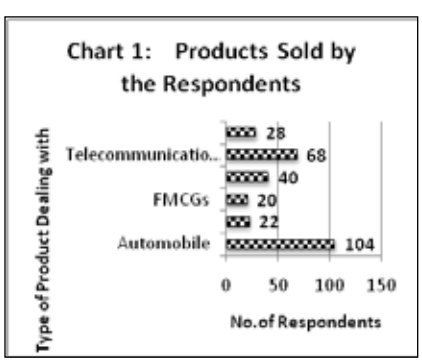
V. Hypotheses of the Study:

Following hypotheses are formulated to explore the objectives of the study.

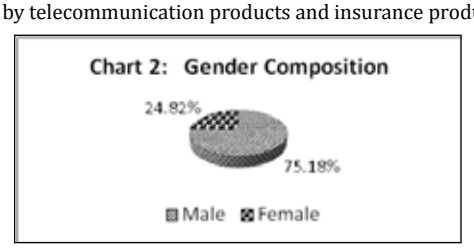
H01: There is no significant difference between the self-esteem level of the sales executive and their sales performance
H02: There is no significant difference between the Internal Locus of the sales executive and their sales performance
H03: There is no significant difference between the Chance Locus of the sales executive and their sales performance
H04: There is no significant difference between the External Locus of the sales executive and their sales performance
H05: There is no significant relationship between self-esteem of the sales executive and their internal locus of control
H06: There is no significant relationship between self-esteem of the sales executive and their external locus of control
H07: There is no significant relationship between self-esteem of the sales executive and their chance locus of control

VI. Results and Discussion:

The data collected for the present research paper has been thoroughly analysed in the light of objectives of study. The analysis of data based on the chi-square test for examining the self-esteem and locus of control impact on sales executive performance is presented as under.

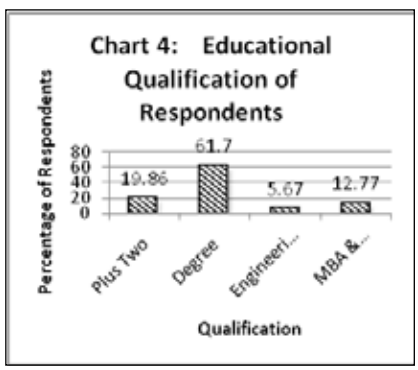


From the above chart 1, it can be interpreted that majority of the respondents in the study are selling automobile products followed by telecommunication products and insurance products.

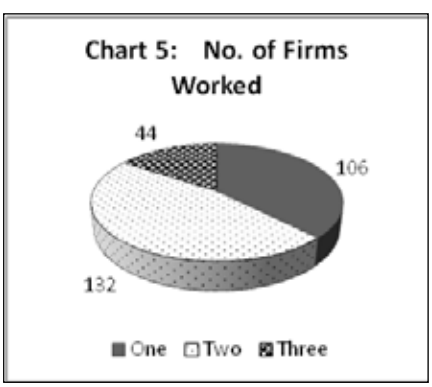


The gender composition in the study shown in the chart 2, above indicates that three-fourth of the respondents are male and the remaining one-fourth are female sales executives.

Above chart 3 infers that respondents are having an experience of more than one year and less than five years. Only 15 percent of the respondents are having the sales experience more than five years.



Above chart 4 informs that about 61 percent of the respondents are the bachelor degree holders followed by plus two, MBA and Engineering respectively.



Above chart 5 indicates that majority of the respondents are with their second company as sales executive followed by first company category respondents and third company category respondents respectively.

Testing of Hypotheses:

H01: There is no significant difference between the self-esteem level of the sales executive and their sales performance.

Table 1: Test result of Hypothesis H01

S.No	Self-Esteem	Sales Performance			p-value
		Low level	Middle level	High level	
1	Low	32	98	14	<.0001
2	High	0	38	100	
Total		32	136	114	Reject

The probability value of Mantel-Haenszel Chi-Square test rejects the hypothesis H01at 0.05 level of significance. Hence, it

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can be inferred that there exists significant difference between the self-esteem level of the sales executive and his sales performance. The values in the table 1 indicate that the higher the level of self-esteem of the sales executive the higher will be his sales performance.

H02: There is no significant difference between the Internal Locus of the sales executive and their sales performance

S.No	Internal Locus	Sales Performance			p-value
		Low level	Middle level	High level	
1	Low	0	22	46	<.0001
2	High	32	114	68	
Total		32	136	114	Reject

The probability value of Mantel-Haenszel Chi-Square test rejects the hypothesis H02 at 0.05 level of significance. Hence, it can be inferred that there exists significant difference between the internal locus of the sales executive and his sales performance. The values in the table 1 indicate that the higher the internal locus of the sales executive the higher will be his sales performance.

H03: There is no significant difference between the Chance Locus of the sales executive and their sales performance

S.No	Chance Locus	Sales Performance			p-value
		Low level	Middle level	High level	
1	Low	32	72	74	0.0570
2	High	0	64	40	
Total		32	136	114	Accept

The probability value of Mantel-Haenszel Chi-Square test accepts the hypothesis H03 at 0.05 level of significance. Hence, it can be inferred that there exists no significant difference between the chance locus of the sales executive and his sales performance.

H04: There is no significant difference between the External Locus of the sales executive and their sales performance

S.No	External Locus	Sales Performance			p-value
		Low level	Middle level	High level	
1	Low	18	52	40	0.6571
2	High	14	84	74	
Total		32	136	114	Accept

The probability value of Mantel-Haenszel Chi-Square test accepts the hypothesis H04 at 0.05 level of significance. Hence, it can be inferred that there exists no significant difference between the external locus of the sales executive and his sales performance.

H05: There is no significant relationship between self-esteem of the sales executive and their internal locus of control

S.No	Self-Esteem	Internal Locus of Control		p-value
		Low level	High level	
1	High	58	80	<.0001
2	Low	10	134	
Total		68	214	Reject

The probability value of Mc. Nemar's test rejects the hypothesis H08at 0.05 level of significance. Hence, it can be inferred that there exists significant relationship between the self-esteem of the sales executive and their internal locus of control. The values in the table indicate that the lower the internal locus of the sales executive the lower will be his self-esteem.

H06: There is no significant relationship between self-esteem of the sales executive and their external locus of control

S.No	Self-Esteem	External Locus of Control		p-value
		Low level	High level	
1	High	52	86	0.7144
2	Low	58	86	
Total		110	172	Accept

The probability value of Fisher's exact test accepts the hypothesis H08 at 0.05 level of significance. Hence, it can be inferred that there exists significant relationship between the self-esteem of the sales executive and their external locus of control.

H07: There is no significant relationship between self-esteem of the sales executive and their chance locus of control

S.No	Self-Esteem	Chance Locus of Control		p-value
		Low level	High level	
1	High	80	58	0.0514
2	Low	98	46	
Total		178	104	Accept

The probability value of Fisher's exact test accepts the hypothesis H09at 0.05 level of significance. Hence, it can be inferred that there exists no significant relationship between the self-esteem of the sales executive and their chance locus of control.

Conclusion:

The present research paper is an attempt with an objective of empirically explaining the relationship between self-esteem and performance of the sales executives. The findings of the study confirmed the impact of self-esteem on the performance of sales executives. It is to be understood from the analysis that though self-esteem plays a key role on the performance, it does not mean that it is the only determinant of the executive performance. The study reveals the significance of self-esteem and locus of control-internal on the performance of sales executives. Self-esteem is extremely relevant in motivation process and it can be well utilized for motivating sales force towards effective marketing effort.

The foregoing empirical analysis revealed the facts that there has been a positive relationship between sales performance and self-esteem, internal locus of control. The same type of result emerged between self-esteem and internal locus of control also. At the same time it is interesting to find that there exist negative relationship between self-esteem and external, chance locus of control. The same result derived for sales performance and external locus of control.

The self-esteem and locus of control-internal have proved to be two strong personality factors that influence the performance of the sales executives. The organizations can substantially enhance the performance of sales executives by satisfying their ego needs in which self-esteem has been a key component. Further research may be initiated towards finding the impact of self-esteem of sales executives pertaining to specific product lines. A research into the effect of various components of ego needs such as self-image, self-respect and achievement could be conducted as sales executives in general has high level of ego needs.

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