

Competencies affecting Job Performance: A demographic study on Salespersons in Organised Retail

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ABSTRACT

The purpose of the paper is to investigate the relationship between competencies of salesperson (in organized retail outlets) and job performance; to test the effect of demographic pull on job performance relationship. Data were collected in a survey of customer and supervisors at various retail stores in Bhilai & Raipur, the tier-II cities of Chhattisgarh state in India, using a questionnaire designed on the basis items relating to competencies and job performance. Cluster analysis of data from 208 respondents was used to test hypotheses. The results show that salespersons' competencies are an antecedent of job performance. Also, some demographic characteristics have significant influence on the competency-performance relationship. This study extends previous research by examining the role of demographics on the competency-performance relationship. The study will help retailers the importance of least considered demographic variable. 24-item competency assessment scale is adapted in the study that can be applied in practice to measure salesperson's skills levels at various aspects and provide opportunity to managers to understand the skills gap and way to fill them efficiently.

1. Introduction

Retailing business, after the introduction of 'organized retailing', has experienced drastic and dramatic change in the consumer's behaviour. Apart from the product features, consumers now explore lot many aspects and to close or reaches the purchase decision. Many previous studies suggests that consumer seeks attention of the shopkeepers and salespersons and likely to visit those outlets where they have experienced a royal and cantered attention from them. This brought salespersons in the centre of the study who are the key persons around whom the sales and profitability of any business or retail store rotates. A bunch of effective salespersons can decide the success or failure of any business (Punwatkar&Verghese, 2014).

Salespeople are anticipated to attain sales targets and shape long-term, profitable business relationships with consumers. Higher they accomplish greater will be their job performance. For doing so they need resources, internal and external, for achievement of their assigned tasks. Competencies is one of the most important aspect to be considered in the measurement of job performance. Competencies of a person may be agreed upon as a quantifiable distinctiveness of an individual that are interconnected to his performance at work. Individuals do have some competencies within him but need to inculcate many others so as to have competitive edge over other. Some of these can be developed on own and some requires the technical training for it.

Demographic characteristics viz. Age, Gender, Income, and designation do effect various aspects under study, where individuals are involved. The present research attempts to study

the variation in competency-performance relationship for salespersons in organised retail.

2. Review of the Literature

Various past literatures has been studied to gain insights on various aspects of the study. This section covers the information of competencies and job performance. The literatures form the base of hypothesis discussed in later part of the research paper.

The distinguished Harvard's psychologist, David McClelland (1973), is accredited with presenting the idea of "competency", defined as "the fundamental characteristic of an individual which is causally associated with effective or superior performance in a job". According to McClelland and his colleagues, "competencies can be motives, traits, self-concepts, attitudes or values, content knowledge, or cognitive or behavioural skills – any individual characteristic that can be measured or counted reliably and that can be shown to differentiate significantly between superior and average performers, or between effective and ineffective performers... Competencies include an intention, action and outcome" (Spencer et al., 1990, cited in Radsma). Spencer and Spencer (1993) in their book 'Competence at Work' have defined competency as 'an underlying characteristic of an individual that is casually related to criterion-referenced effecting and/or superior performance in a job situation'.

Sanghi (2007) in her book 'The Handbook of Competency Mapping', mentioned that competencies lead to demonstration of skills and abilities and must lead to effective performance. The book also mentions the competency characteristics as motives, traits, self-concept, knowledge and skills with the help of the iceberg model. According to her, only some of the competencies can actually impact the superior performance and

thus, divided competencies into two categories; Threshold & Differentiating Competencies. The former is required for the minimal performance while the later distinguishes superior performance from average performance. Based on the original Job Competences Survey (JCS) of 1986, Sanghi (2007) developed the competency framework consisting 45 competencies divided into 6 groups viz., Interpersonal, Personal, Leadership, Communication, result oriented and intellectual. These competencies were used by many researchers to measure performance.

As stated by Punwatar and Verghese (2010), competencies (sales skills) essentially contribute to performance. National Skills Development Cooperation (NSDC, 2012) also suggests various skills and competencies required by the salesman engaged in the selling process. Plouffe, Sridharan, and Barclay (2010) concluded in their study that "skills and abilities do have significant influence on the job performance". In spite of many evidence, some researchers argues that competencies are all about being qualified to do the work in a particular position. Performance, on the other hand, is the result of the actual work (Sanghi, 2007). This study seeks to examine the context in the retailing environment.

3. Research Methodology

The prime objective of the research is to identify the influence of competency and demographic factors on job performance. To achieve same, following conceptual framework have been framed for the study (Figure 1).

Demographic characteristics of the salespersons was categorised under four groups, namely age, gender, designation level and Years of experience, have been taken against 6 determinants of competency namely interpersonal, personal, leadership, communication, result oriented and intellectual. These were tested with job performance variables to analyse the association between predictors and criterion variables.

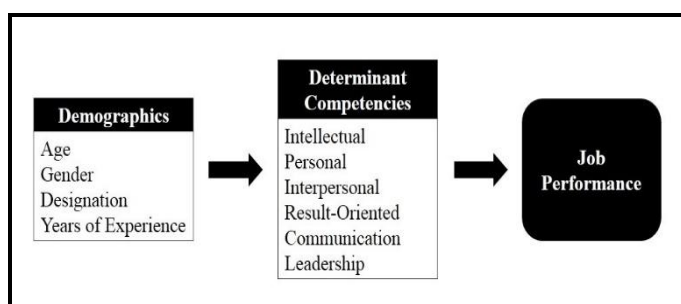


Figure 1: Conceptual framework

3.1 Research Hypothesis:

In the light of the above study the following hypotheses can be formulated:

Ha.1: Personal competencies has a significant influence on job performance of a salesperson.

Ha.2: Intellectual competencies has a significant influence on job performance of a salesperson.

Ha.3: Communication competencies has a significant influence on job performance of a salesperson.

Ha.4: Result-Oriented competencies has a significant influence on job performance of a salesperson.

Ha.5: Leadership competencies has a significant influence on job performance of a salesperson.

Ha.6: Interpersonal competencies has a significant influence on job performance of a salesperson.

Ha.7: Age group has a significant influence on competency-performance relationship

Ha.8: Gender group has a significant influence on competency-performance relationship

Ha.9: Designation has a significant influence on competency-performance relationship

Ha.10: Work experience group has a significant influence on competency-performance relationship.

3.2 Sampling & Data Collection:

Samples of this study considers customers and Supervisors/Managers, as respondents, in the organised retail outlets of shopping malls in Raipur and Durg-Bhilai region of Chhattisgarh state, these being the major cities of the state with maximum number of shopping malls. Firstly, the sample population has been clustered based on geographical region and then respondents were chosen from each cluster. Total of 220 consumer respondents were approached, who can vouch for salesperson's competency levels, out of which 208 questionnaires were found to be complete in all respect and therefore considered for final data analysis. Responses on total 208 salespersons were asked from their respective supervisors/managers in the outlet. The responses was collected on questionnaire, divided in three sections. First section was given to customer respondent seeking their opinion on salesperson's competencies. Second section contained questions based on job performance of salesperson, to be answered by supervisors/managers. Third section entitles demographic profile of the salespersons. Respondents marked their opinions on the scale of 1 to 5, where 1 is for least score and 5 is for highest score.

3.3 Measures:

Salesperson's competencies is the independent (predictor) variable in the study. Competencies is defined as the ability to do a given task successfully or efficiently. Therefore, this study defines competencies as the set of different skills required by a person to do a specific task. The final competency scale contained 24 items classified under 6 categories, viz. Interpersonal, Intellectual, Leadership, Personal, Communication and Result Orientation, as suggested by S. Sanghi (2007). The items of the scale were testified by Punwatar&Verghese (2014).

Job Performance is the dependent (criterion) variable under study. Allied literature review provided different definitions and

associated measurement items for job performance. Measurement of the performance level was carried out based on a 'job performance measurement scale' containing 11 items (classified under dimensions viz. Timeliness, Quality of Work, Quantity of Work, Need for Supervision & Interpersonal Impact) was adapted from Wiedower, K. A. (2001), as cited in her article by Polston-Murdoch, L. (2011). The measure for job performance was adapted by Punwatkar&Verghese (2014).

3.4 Reliability & Validity:

The reliability and validity for each concepts under study has been carried out in three steps, Exploratory Factor Analysis (EFA) followed by the Chronbach's Alpha reliability analysis.

Exploratory Factor Analysis (EFA) was conducted using principal component analysis with varimax rotation. Factor loadings greater than or equal to 0.5 was considered as the benchmark to include items in a factor (Table 1). The overall scale explained the total variance 78.09% which indicates the model is fit for further analysis.

Item	Component						
	1	2	3	4	5	6	7
C1	.046	.067	.156	.174	.752	.165	.122
C2	.058	.135	.120	.164	.836	.172	.178
C3	.032	.116	.169	.192	.793	.130	.114
C4	.047	.126	.080	.305	.748	.180	.132
C5	-.057	.007	.161	.160	.033	.097	.758
C6	.009	.129	.116	.068	.109	.057	.817
C7	-.004	.083	.070	.124	.115	.023	.772
C8	.007	.061	.221	-.004	.244	.131	.714
C9	.004	.085	.809	.118	.173	.114	.127
C10	-.040	.077	.878	.059	.116	.059	.184
C11	-.014	.087	.902	.138	.068	.068	.095
C12	.015	.130	.844	.063	.128	.048	.168
C13	.040	.808	.080	.098	.112	.255	.117
C14	.045	.843	.132	.137	.172	.224	.109
C15	.106	.859	.118	.249	.081	.185	.033
C16	.064	.863	.097	.246	.087	.183	.073
C17	.091	.216	.083	.719	.269	.238	.062
C18	.096	.146	.080	.841	.238	.139	.126
C19	.071	.205	.176	.825	.155	.175	.118
C20	.084	.210	.109	.811	.239	.149	.147
C21	-.032	.201	.047	.135	.167	.767	.201
C22	-.100	.168	.097	.169	.114	.791	.073
C23	-.024	.244	.024	.203	.211	.727	.110
C24	-.040	.198	.122	.112	.143	.722	-.027
JP1	.891	.056	.018	-.008	.005	-.071	-.057
JP2	.935	.011	.017	.026	.051	-.014	.044
JP3	.939	.075	-.009	.008	.028	-.017	-.030
JP4	.930	.011	-.039	.066	.062	-.015	.018
JP5	.897	-.004	.011	.058	.005	.017	-.014
JP6	.921	-.003	.007	-.006	.051	.016	.029
JP7	.920	.035	.013	.050	.025	.015	-.038
JP8	.954	.026	.007	.028	.009	-.010	.049
JP9	.873	.013	-.067	.118	-.015	-.053	-.066
JP10	.937	.039	.046	.048	.003	.002	.002
JP11	.838	.068	-.035	.032	.036	-.081	.013
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.							
a. Rotation converged in 6 iterations.							

For the scale item KMO values between 0.8 and 1 (KMO=0.873) indicate the sampling is adequate (Cerny et. al., 1977). Bartlett's test of sphericity reveals that variables are

unrelated and therefore unsuitable for structure detection ($p < 0.05$) implying that factor analysis was appropriate (Table 2).

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.873
Bartlett's Test of Sphericity	Approx. Chi-Square	7387.641
	df	595
	Sig.	0.000

To check the internal consistency (reliability) of the scale, Chronbach's Alpha test have been employed. Hair et al. (2010) considered and sustained the fact given by Flynn et al. (1994) that the Chronbach's Alpha value of 0.6 and above shows effective reliability for judging the scale. The items projected value, for competency items viz. (Intellectual) C1=0.881,

(Personal) C2=0.814, (Communication) C3=0.913, (Result-Oriented) C4=0.930, (Interpersonal) C5=0.911, and (Leadership) C6=0.837. The Chronbach's value for criterion variable (Job Performance) Y1=0.980 was shown. All values were also found to be above 0.8 that indicates the items on scale are reliable (Table 3).

Item	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
C1	.881	.880	4
C2	.814	.815	4
C3	.913	.915	4
C4	.930	.930	4
C5	.911	.914	4
C6	.837	.839	4
Y1	.980	.980	11

4. Results & Interpretation

Various multivariate analysis have been applied to test proposed hypothesis. The tests and their outcomes are discussed below.

4.1 Demographics Profile of Respondents:

The data was collected from the customer respondents in the retail outlet who had an interaction with the salespersons. Age has four categories viz., 20 to 30 years, 30 to 40 years, 40 to 50 years and above 50 years; Gender, Male & Female; Occupation viz., service, business, professional, household, and student; Income between 1.5 to 3.0 lakhs, 3.0 to 4.5 lakhs, 4.5 to 6.0 lakhs and above 6.5 lakhs.

Supervisor/Manager respondents vouched for salesperson's job performance. Their demographics is made of Age, 20 to 30 years, 30 to 40 years, 40 to 50 years and above 50 years; gender, male & female; designations viz. lower-middle, middle-middle, upper-middle and top level; work experience up to 2 years, 2 to 4 years, 4 to 6 years, and above 6 years.

The main demographic groups is consist of salesperson respondents and is made up of Age, up to 20 years, 20 to 30 years, 30 to 40 years, and above 40 years; gender, male & female; designations in lower-lower, middle-lower, and top-lower levels.; work experience viz., up to 2 years, 2 to 4 years, 4 to 6 years and above 6 years.

Items		Frequency	Percent	Valid Percent	Cumulative Percent
Age (in years)	up to 20	66	31.7	31.7	31.7
	20 to 30	102	49.0	49.0	80.8
	30 to 40	40	19.2	19.2	100.0
	40 and above	0	0.0	0.0	100.0
	Total	208	100.0	100.0	
Gender	Male	106	51.0	54.5	54.5
	Female	102	49.0	45.5	100.0
	Total	208	100.0	100.0	
Job Profile	Lower-Lower	62	29.8	29.8	29.8
	Middle-Lower	102	49.0	49.0	78.8
	Top-Lower	44	21.2	21.2	100.0
	Total	208	100.0	100.0	
Experience (in Years)	up to 2	54	26.0	26.0	26.0
	2 to 4	106	51.0	51.0	76.9
	4 to 6	48	23.1	23.1	100.0
	6 and above	0	0.0	0.0	100.0
	Total	208	100.0	100.0	

4.2 Cluster Analysis

Cluster analysis with ANOVA has been applied to evaluate the influence of determinants (Competencies) with demographic

groups on job performance of salespersons. The test have been conducted on 5% level of significance.

Number of Cases in each Cluster			Final Cluster Centers		
			Items	Cluster	
				1	2
Cluster	1	41	Age	2	3
	2	167	Gender	2	1
Valid		208.0	Profile	2	2
Missing		0.0	Experience	2	2
Total		100	C1	4	2
			C2	3	2
			C3	3	2
			C4	4	2
			C5	4	2
			C6	4	2
			Y1	4	4

The ANOVA output (Table 6) from cluster analysis suggests that all the competencies influences the job performance of a salesperson. Thus, satisfying hypothesis Ha.1, Ha.2, Ha.3, Ha.4, Ha.5 and Ha.6 ($p < 0.05$). On the other hand, demographic group, Age and Gender were found significant while designation and work experience do not. The clusters formed shows the variation in how competencies affect the job performance. The demographic pull observed in age and gender do have significant influence on competency-performance relationship. First cluster (Cluster 1) is consist of salespersons between age group 20 to 40 years; female, middle-lower level of designation with work experience of 2 to 4 years. They show positive opinion towards job performance and

believe that competencies considerably affects their performance. The other cluster formed (Cluster 2) consist of salespersons with age group 30 to 40, males at middle-lower level with work experience of 2 to 4 years. They have strong inclination towards performing well in their job but do not consider competencies as the major influencing factor,

The hypothesis Ha.7 and Ha.8 for age and gender respectively were accepted at 5% level of significance ($p < 0.05$).The hypothesis Ha.9 and Ha.10 associated with designation and work experience groups are rejected as significant p-value is found to be greater than 0.05 ($p > 0.05$).

	Cluster		Error		F	Sig.
	Mean Square	df	Mean Square	df		
Age	.092	1	.448	206.000	.204	.040
Gender	.186	1	.249	206.000	.744	.035
Profile	.176	1	.567	206.000	.311	.278
Experience	.004	1	.454	206.000	.008	.325
C1	65.770	1	.348	206.000	189.254	.000
C2	58.479	1	.292	206.000	200.288	.000
C3	67.611	1	.407	206.000	166.224	.000
C4	95.332	1	.586	206.000	162.604	.000
C5	61.362	1	.526	206.000	116.581	.000
C6	110.552	1	.346	206.000	319.308	.000
Y1	.337	1	1.324	206.000	.254	.000

The F tests should be used only for descriptive purposes because the clusters have been chosen to maximize the differences among cases in different clusters. The observed significance levels are not corrected for this and thus cannot be interpreted as tests of the hypothesis that the cluster means are equal.

5. Conclusion & Discussion

The clusters formed by various demographic groups of the salesperson might interest many researchers and people at managerial levels in organised retailing sector. The outcome of

the study suggests that competencies of the salesperson plays a vital role in their job performance and therefore, should be considered and efforts should be made to enhance them, through various training programs. Better the job performance

of the salesperson, better will be the overall performance of the retail business. That will lead to more satisfied consumers and thus, more profitable the business will be. The retailer may also be interested in the outcome that shows the important influence of age and gender on job performance, and should be kept in mind while recruitment. Individuals belonging to different age groups and genders have different orientation towards job

performance and enhancement of their own competencies. Those who belong to young age group tends to adapt and learn more easily than those in older age groups. Similarly, it was observed that females are more inclined to perform well in their job roles and see competencies as the major factor influencing job performance.

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