

CHAPTER I

INTRODUCTION

The selling functions involving personnel is gaining growth in importance for many organisations [Berry and Kantak (1983) in Antonis, John and Geoffrey 1996]. To illustrate this, the average growth in the number of sales positions in the United States has been estimated at over 40% for the 1900s [Job Outlook (1990) in Antonis et al. (1996)]. There seemed to be no statistics available for the Malaysian scenario.

"While extend research on the management of the sales force has explored the relationships between salesperson's role perception, work-related attitudes, and turnover, the question of what induces salespeople to become dissatisfied and leave their employers remains to be answered"[Eli, Donna, Charles and Mark (1996)]. Eli et al. cited Sager (1991) as saying "The etiology of sales force turnover is at a critical juncture". Eli et al. (1996) also quoted Hoverstad, Moncrief and Lucas (1990) as saying that when a salesperson terminates employment, this directly impacts an organisation's "bottom line" by affecting costs, sales and profits. Direct costs include both tangible and intangible. For example, tangible costs include costs associated with recruitment and training. Intangible costs include opportunity costs, such as lost sales potential due to territory being vacant and poor customer service while the sales manager searches for a replacement". Basu, Srinivasam and Staelin (1985) in Antonis et al. (1996) supported this by postulating that the sales and marketing functions was often the most expensive and the cost associated to them were

increasing rapidly. Lim (1990) postulates that of all the organisational factors affected by job satisfaction, turnover ranked the most consistent variable related to the level of job satisfaction.

Hart, Moncief and Parasuraman (1989) believed that the ability in influencing the performance of salesperson requires an understanding of the factors influencing their behaviour. Such an understanding has become a primary task of sales managers and researchers alike. Therefore, the ability of managers in motivating the salespersons in performing the desired behavioural outcome is both crucial and vital.

Objectives of the Study

Lim (1990) argued that as human beings generally spend almost a third of their day on job activities, thus ensuring challenging and satisfying jobs were of paramount importance. Locke (1976) in Lim (1990) postulates that approximately 4,000 articles on employee job satisfaction have been produced. As factors affecting job satisfaction are situational, it is not proper to adopt research findings abroad and attempt to impose on local conditions wholesale. Furthermore, all research done in Malaysia and Singapore were case studies in nature [Lim (1990)].

In view of the above, this research is done primarily as an extension to study conducted by Lim (1990) on job satisfaction levels among employees in the small and medium sized firms in the metal based industry "Salesperson motivation is a critical issue in sales force management, yet empirical research concerning salesperson expectancies is surprisingly limited"[Thomas, Kenneth and James (1997)]. This study examines the job satisfaction level among

employees assuming sales and marketing functions across various industrial categories in Klang Valley. Sales and marketing personnel were selected in view of their pivotal roles in an organisation that the survival and growth of any organisation, large or small, greatly depend on performance of the salespersons.

The objectives of the study are:

1. To identify the relationship between the overall job satisfaction and organisation size.
2. To analyse the level of job satisfaction with regard to the employee's position in the organisational hierarchy.
3. To ascertain the nature of relationship between the overall job satisfaction of employees and the organisational structure.
4. To identify the relationship between the major demographic factors and the level of job satisfaction.

Significance of the study

The research findings will benefit employers in general and managers in particular as it not only compares and verifies the research findings done earlier, but also provide the much needed general trend across industries on levels of job satisfaction among salespersons in the Klang Valley.

It is hope that this study could provide some insights for employers and managers in their effort to be more effective in motivating the salespersons into performing the desirable behavioural outcome.

Scope of Study

“Salesperson motivation is a critical issue in sales force management, yet empirical research concerning salesperson expectancies is surprisingly limited” (Thomas et al.1997). The scope of this study covers the personnel of all hierarchical levels from diverse industries assuming sales and marketing functions in Klang Valley. This study attempts to provide the much-needed general trend across industries on levels of job satisfaction among salespersons.

Organisation of the Report

Chapter 1 describes the importance and significance as well as the scope of the study. Motivation theories and literature review of past studies are outlined in Chapter 2. Chapter 3 describes the research method employed, the measuring instruments and the statistical tools adopted for analysis. Chapter 4 analyses and discusses the results of the study whereas Chapter 5 presents the conclusion, its implications and limitations. Recommendations for future research are also suggested in this chapter.