Self Efficacy and Sales

Sales Education Efficacy: Examining the Relationship Between Sales Education and Sales Success

William Bolander¹, Leff Bonney¹, and Cinthia Satornino¹

Abstract
Sales education is on the rise and for good reason. Statistics say that sales jobs will continue to grow at a rapid rate over the next few years. Many universities are preparing their students to start their careers in the professional selling function through the inclusion of sales education in their business curriculum. Yet little research exists that investigates the relationship between sales education and sales performance on graduating from a college of business. This article seeks to fill this void in the sale pedagogy literature by assessing, empirically, the relationship between what is learned in university sales programs and the actual selling behaviors of recent graduates from these programs (vs. students who did not receive formal sales education in their undergraduate programs). Likewise, the relationship between sales education and extrinsic and intrinsic performance indicators is investigated. The findings suggest that university sales education is a significant contributor to sales rep performance. However, the results on the behaviors taught and those used in day-to-day selling were mixed.

Keywords
measuring teaching effectiveness, placement issues, employer needs, partial least squares, sales management/sales, undergraduate education

Shelby Hunt, along with coauthors Chonko and Wood, published a study in 1986 that assessed the impact of marketing education on long-term career performance of managers who held a marketing degree. The researchers found the relationship between the quality of marketing education and performance in a marketing career to be “highly suspect.” Surprisingly, very few studies in the area of marketing pedagogy have sought to provide further insight into Hunt, Chonko, and Wood’s (1986) investigation of the impact marketing education has on post-graduation performance. Nevertheless, one subfield of marketing, professional selling, has for years proffered anecdotal claims that performance of graduates with formal sales education is higher, and turnover much lower, than their peers (Fogel, Hoffmeister, Rocco, & Strunk, 2012). However, a search of the scholarly, peer-reviewed literature reveals no empirical validation of these claims. One is left to wonder to what extent these assertions hold beyond the wishful thinking of the sales educators that make them!

The matter is anything but trivial. Labor statistics point to an increase in sales as a key occupation in the present and future workforce. In his recent book, To Sell Is Human, Daniel Pink (2012) points out the number of salespeople in the United States outnumbers the entire federal government workforce by five to one. He cites labor statistics that show changing workforce dynamics where some companies may lose as much as 40% of their sales talent by 2016. Yet these changing dynamics are expected to create two million new sales jobs by 2020, thereby increasing the demand for professional salespeople. Moreover, beyond demand for sales personnel in organizations, Pink suggests that sales, as a vital and necessary skill for the self-employed, will continue to explode as more of the workforce becomes self-employed.

The news of an ever-expanding demand for salespeople in the U.S. workforce is not lost on the faculty working in colleges of business, especially in marketing departments. Professional selling has long been a common path for business school graduates entering the workforce. Studies show that professional selling is one of the most common job types for students graduating with a degree in business. Some studies put the percentage of marketing majors accepting a job in sales as high as 88% and as high as 60% for all other business majors (Stevens & Kinni, 2007).

As a result of the aforementioned trends, business schools are embracing professional selling as a formal area of study. In the 4 years between 2007 and 2011, sales as a significant

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area of study grew 124% (from 45 schools in 2007 to 101 schools in 2011; Fogel et al., 2012). Likewise, 34 schools have formal sales centers as recognized by the University Sales Center Alliance (USCA), an over 300% gain in centers since the USCA’s founding in 2002 (www.universitysalescenteralliance.org). Similarly, according to the Sales Education Foundation, the number of universities offering a dedicated sales education program is growing at rapid rate (www.salesfoundation.org/who-we-serve/universities/). However, even with a growing need for business graduates with formal sales education and a growing supply of sales students, a key question remains: Do schools that provide significant sales education impact the performance of graduates as they enter the workforce?

The purpose of the present research is to examine the efficacy of sales education. Likewise, an attempt is made to determine the key mechanisms at work in the sales education–efficacy relationship. To this aim, the article first reviews the literature on sales education curriculum to identify the skills and knowledge expected to be acquired from studying professional selling as a formal area of business. From this review, formal hypotheses about differences in selling skill sets between students with and without formal sales education are developed and tested. Differences in job attitudes (e.g., commitment) and objective sales performance are also examined between sales education and no-sales education students when hired into a sales job. The research makes a significant contribution to the sales and marketing pedagogical literature by demonstrating the importance of formal sales education in graduates’ job performance. Moreover, the research explores how graduates with sales education behave differently than their non–sales educated counterparts.

Sales Curriculum Literature and Hypotheses Development

The idea of colleges of business incorporating a formal professional selling focus in their curriculum is nothing new. The creation of formal “sales centers” within business schools goes back over 25 years with the establishment of the Center for Professional Selling at Baylor University in 1985. However, scientific research exploring the impact of these highly experiential sales programs on graduates’ sales performance is nearly nonexistent.

Following the classification framework of Cummins, Peltier, Erffmeyer, and Whalen (2013), the literature on sales education has focused primarily on the experiential aspect of sales education (i.e., on the process of teaching selling skills). However, several article have been written on the impact of sales education on students’ career development. Most articles on sales career preparation have focused on the skills and knowledge required for success in a sales career (Leisen, Tippins, & Lilly, 2004; Raymond, Carlson, & Hopkins, 2006). Other articles have speculated on the effect that sales training has on student performance post-graduation. For example, Weilbaker and Williams (2006) assert that sales training in undergraduate business programs provides a “number of benefits in terms of job opportunities and placement, starting salaries, training-to-job cycle time, and promotability” (p. 32). Finally, pedagogical research on career development also addresses important contextual factors that sales program students should be aware of as they enter a career in sales. These contextual factors include the importance of networking (Butler, 2012), compensation plans (Wotruba, 1992), and the selection processes used to hire new sales people (Lollar & Leigh, 1995; West, 2006).

The second significant area of career development in the sales education research is the effect sales education has on student perceptions of a sales career. These articles represent the bulk of career development research in the sales education literature. Several studies have demonstrated support for the notion that sales education positively affects a student’s perception about a career in sales (Bristow, Gulati, & Amyx, 2006; Karakaya, Quigley, & Bingham, 2011). Similarly, students who lack exposure to the intricacies of personal selling are more likely to maintain low opinions of sales careers (Dubinsky, 1980; Swenson, Swinyard, Langehr, & Smith, 1993). More recently, Peltier, Cummins, Pomirleanu, Cross, and Simmon (2014) created and validated a parsimonious scale for predicting students’ likelihood of taking a sales position. They found sales faculty play an important role in increasing student interest in sales vis-à-vis students’ exposure to sales education interventions.

These two streams of sales student career development research have provided a better understanding of student–firm fit regarding student’s knowledge and proclivity for professional selling and offer a theoretical mechanism for assisting student career development (Floyd & Gordon, 1998; Karakaya et al., 2011). Using these two streams as a theoretical lens, the following sections attempt a deeper exploration of the behaviors and attitudes that are instilled in students as a result of participation in formal sales education programs. It is these behaviors and attitudes that are posited to have a positive impact on student sales performance post-graduation.

Selling Skills Acquired Through Professional Selling Curriculum

Key sales pedagogy articles discuss the breadth of topics that should be and are covered in formal selling curriculum, leaving little doubt the typical sales curriculum is aimed primarily at increasing student’s skills in influencing customers (Deeter-Schmelz & Kennedy, 2011; Leisen et al., 2004; Marshall & Michaels, 2001). In fact, as a part of its quality assurance initiative, the USCA specifies member schools must provide two levels of personal selling courses (basic
and advanced) with the goal of initially teaching and subsequently reinforcing sound customer influence tactics (USCA, 2013). These articles, along with the USCA guidelines, provide well-supported prescriptions of the key tactics and behaviors that should be included in formal sales education to help students succeed in their sales careers.

These tactics revolve around established sales processes, which suggest that to influence customers, salespeople must establish rapport and create a connection with buyers, uncover customer needs and wants through effective communication and information exchange, present the appropriate product or service using benefits relevant to the customer’s specific issues, and ask the customer to make some type of commitment to moving the relationship forward (Deeter-Schmelz & Kennedy, 2011; Marshall & Michaels, 2001; Moncrief & Marshall, 2005). There is overwhelming support in the marketing literature for the importance of these tactics in influencing buying behaviors (i.e., McFarland, Challagalla, & Shervani, 2006).

Moreover, research shows typical sales curriculums break each of the tactics down so students can gain a basic understanding of each step in the influence process, including why each tactic is important. Formal sales curriculums, following sound learning theory (Anderson, Krathwohl, & Bloom, 2005), then typically have students apply these influence tactics in “mock” selling situations; the USCA suggests top sales programs have established “role-play” rooms where sales students can apply the various influence tactics in simulated buyer/seller interactions. Research shows this experiential learning is a key component to many sales education programs (Mantel, Pullins, Reid, & Buehrer, 2002), and learning outcomes are better using experiential techniques (Inks & Avila, 2008). Yet no published literature has sought to directly test the relationship between sales education and downstream job performance. In the next sections, the relationship between formal sales education programs and sales performance is examined and mediators of that relationship are proposed. Figure 1 illustrates the conceptual model for the proposed relationships.

The Importance of Building Relationships and Connections With Customers

Many of today’s leading sales textbooks discuss the importance of building trust through the establishment of personal connections with potential customers. The goal in this step of the sales process is to put the customer at ease by making a connection with the customer at a personal level, thereby building rapport. The prevailing thought is if the customer is relaxed and sees the salesperson as someone they can relate to, the customer will be more likely to open up and share information about his or her needs and wants. As Manning, Ahearne, and Reece (2012) point out, this rapport building can take many forms, including here-and-now observations (discussing current events), complimenting the customer, and seeking to establish common acquaintances and/or interests. Heavy emphasis on this important and influential step in the selling process also exists on the rubrics used to grade student role-plays (Florida State University, 2013; National Collegiate Sales Competition, 2013) and the numerous selling textbooks in today’s sales curriculum (Futrell, 2011; Manning et al., 2012; Weitz, Castleberry, & Tanner, 2004). Therefore, salespeople who graduated from a business school with heavy emphasis on a sales education should be well versed in these rapport building tactics.

**Hypothesis 1**: Salespeople hired from university sales programs are more likely to use rapport building as an influence tactic in their day-to-day selling activities compared with salespeople who were not hired from university sales programs.

The Use of Consultative Communication Tactics

Another key tactic taught in today’s sales programs is the skill of information gathering and sharing in a consultative manner. As defined by Liu and Leach (2001), consultative communication means “providing information for helping customers take intelligent actions to achieve their business objectives. It involves proactive communication by salespeople with their customers to facilitate the identification and solution of customer problems” (p. 147). Research supports the idea that success in selling comes from taking a customer-oriented approach. Specifically, rather than simply pushing products and services that customer may or may not need, salespeople first seek to understand key issues and challenges the customer may face in his or her day-to-day activities (Franke & Park, 2006; Liu & Leach, 2001; McFarland et al., 2006; Schwepker, 2003).

Personal selling textbooks frequently contain chapters on questioning tactics meant to probe for both implicit and explicit needs of the customer. Many of these textbooks openly cite popular press books on selling that focus heavily on these questioning techniques. These books include Neil Rackham’s *Spin Selling* (Rackham, Kalomeer, & Rapkin, 1988), Miller Heiman’s *The New Conceptual Selling* (Heiman, Miller, Sanchez, & Tuleja, 2011), and Freese’s (2000) *Secrets of Question-Based Selling*. The goal of these probing techniques is to (a) gain an understanding of the customer’s underlying need and overarching goals; (b) uncover the payoff to customer’s firm, and to the customer personally, if the issues are solved and/or goals are met; and (c) begin to plant the seeds of how the salesperson’s products and services might be able to help. The expectation is students who receive formal sales training in the undergraduate programs have greater ability to apply these consultative tactics in their sales interactions. Thus:
Hypothesis 2: Salespeople hired from university sales programs are more likely to use consultative communication tactics in their day-to-day selling activities compared with salespeople who were not hired from university sales programs.

Value-Based Selling

For years, scholars and practitioners alike have espoused the virtues of selling “value” to customers versus simply highlighting the various products and services the seller’s company can supply (Rackham & DeVincentis, 1998). As opposed to selling on price or by using price-related incentives, value-based selling is selling by getting the customer to focus on the overall costs and benefits of procuring and using the product or service. One aspect of this value-based selling, consultative communication, has already been discussed. Two additional aspects of this influential step in the selling process are (a) the presentation of specific and tangible benefits during the sales interaction and (b) creating an emotional response during product presentations. In the following section, each of these two aspects of the value-based selling process is examined.

First, the practice of relating features to specific benefits is examined. The goal of relating features to specific benefits is to avoid “feature dumping” (Mattson, 2009). Feature dumping is simply stating what the product or service does, while neglecting to explain how it can specifically help clients in relation to time, money, or the alleviation of stress (Weitz et al., 2004). The goal in doing so is to get the customer to understand benefits of using the seller’s product or service are much greater than the acquisition costs. Similarly, most sales textbooks emphasize the importance of providing evidence of proposed benefits in the form of testimonials, case studies, white papers, or in-depth ROI analysis (Futrell, 2011; Weitz et al., 2004). Again, these aspects appear in a large number of selling texts as well as on rubrics used to score student role-plays. Therefore, it is hypothesized that:

Hypothesis 3: Salespeople hired from university sales programs are more likely to present products/services by pointing out the specific benefits to the buyers compared
with salespeople who were not hired from university sales programs.

Similarly, the use of a value-based selling approach allows salespeople to focus less on the price of their products and services given that the customer is persuaded by added-value the products creates across the customer’s value chain (Porter, 1991). For example, a computer salesperson may highlight the added efficiencies such as higher worker productivity, lower maintenance costs, longer life of the product, and lower energy costs when using a value-based approach to sell a new technology system. By taking this perspective, the salesperson steers the conversation away from the price of the product and toward the financial value the customer will gain from using the product (ROI). Therefore, it is posited that:

**Hypothesis 4:** Salespeople hired from university sales programs are less likely to use financial incentives to entice customers to buy compared with salespeople who were not hired from university sales programs.

**Creating an Emotional Response From the Customer**

Sales research and textbooks assert that salespeople would be wise to create an emotional response in their potential clients (Mattson, 2009). The purpose for eliciting this type of response is that it creates a sense of connection between the buyer and the salesperson and/or the salesperson’s products and services. Similarly, eliciting a positive emotional response is said to make the sales interactions more persuasive and more memorable in situations where the buyer is evaluating multiple salespeople. In fact, Mattson (2009) suggests customers only make purchase decisions based on emotions, and the only role rational thinking plays in justifying these emotional decisions is after the fact. Emotional responses can be created by the salesperson through the use of humor, storytelling, and effective visual tools (Weitz et al., 2004). Again, the prevalence of this influential tactic is demonstrated by the number of sales texts that discuss this issue (Futrell, 2011; Manning et al., 2012; Weitz et al., 2004) and in the common rubrics used to evaluate experiential role-plays (Florida State University, 2013; National Collegiate Sales Competition, 2013). Therefore,

**Hypothesis 5:** Salespeople hired from university sales programs are more likely to attempt to create an emotional response in selling interactions compared with salespeople who were not hired from university sales programs.

**Creating Organizational Commitment**

While the previous hypotheses involved the impact of sales education on salespeople’s behaviors, it is also argued herein that sales education affects salesperson attitudes toward his or her company. Specifically, it is hypothesized that organizational commitment will be higher in sales educated graduates than in non-sales educated coworkers. As mentioned, sales education research supports the notion that formal sales education can have a significant impact on students’ perceptions of sales careers (Bristow et al., 2006; Karakaya et al., 2011; Peltier et al., 2014). Role theory posits that employees who have a clear understanding of what they are supposed to do and knowledge of how they should carry out their tasks will have higher levels of organizational commitment (Hrebiniak & Alutto, 1972; Johnston, Parasuraman, Futrell, & Black, 1990; Mathieu & Zajac, 1990). The deep dive into professional selling provided by formal sales education provides this role clarity to business school graduates, such that their commitment to their respective employers should be higher than their non-sales educated peers.

Similar support for this notion has been found in the human resources literature on person–job fit. Many students find it difficult to select the right company and sales position that best meets their needs (Weilbaker & Williams, 2006). The concept of “person–job fit” figures significantly as a desired end for both student applicant and employer in the recruitment process. Person–job fit refers to “the congruence of applicants’ needs, goals, and values with organizational norms, values, and reward systems” (Werbel & Gilliland, 1999, p. 217). The literature on person–job fit finds congruency between job characteristics and employee desires have major implications for early career success and can influence attitudes toward the long-term viability of particular job for each employee (Carless, 2005; Kristof-Brown, Zimmerman, & Johnson, 2005; Singh & Greenhaus, 2004). Given that sales faculty often spend time personally coaching students on career decisions, they end up playing a critical role in creating person–job fit. Moreover, sales faculty create multiple opportunities for students to learn about specific job opportunities during their time in a formal sales program. Taken together, it is hypothesized that:

**Hypothesis 6:** Salespeople hired from university sales programs will exhibit higher affective organizational commitment compared with salespeople who were not hired from university sales programs.

**Sales Education and Sales Performance**

Research has established experiential teaching techniques are effective in improving student performance as measured by traditional pedagogical assessment tools (Inks & Avila, 2008). However, most of the performance measures for examining the effectiveness of these techniques in previous sales pedagogy research have focused on learning outcomes. Prior research investigating sales education assessments includes exploration of the breadth of sales courses offered as judged by managers (Leisen et al., 2004) and investigations of how
sales education has changed the perception of the selling profession (Bristow et al., 2006; Karakaya et al., 2011; Peltier et al., 2014). Yet, aside from the anecdotal evidence referenced earlier, no articles have been published seeking to establish an empirical link between sales education and actual sales performance.

First, it is hypothesized that the high-order, experiential learning of customer influence tactics found in sales-specific education programs will produce salespeople that outperform colleagues who did not receive significant sales education in their undergraduate program (Cumins et al., 2013; Gault, Redington, & Schlager, 2000). The difference in performance between formally educated salespeople and their peers is a result of experiential learning techniques used in sales curriculum that focus on increasing knowledge and application of the selling behaviors highlighted in the previous sections (Kolb, 1984) and increasing intrinsic motivation (Young, 2005). Moreover, experiential learning in sales-focused curriculums is also proposed to increase efficacy expectations (Bandura, 1977, 1981, 1986), which is the belief about personal competence. Increased efficacy expectations have been associated with increased job performance (Barling & Beattie, 1983).

In summary, the increased use of efficacious selling behaviors posited above will mediate the link between formal sales education and performance of salespeople. Therefore,

**Hypothesis 7:** Salespeople hired from university sales programs will exhibit higher first year sales performance due to higher utilization of key selling behaviors compared with salespeople who were not hired from university sales program.

### Method

#### Sample Description and Data Collection

Data were collected from the U.S. division of a large direct sales organization that sells high-end personal products to individual consumers and primarily hires new salespeople from colleges and universities. This organization was an ideal context for this study because, historically, approximately half of their new college hires are students from sales programs and half are not. Importantly, all new hires are subject to an extensive hiring process involving multiple interviews, aptitude tests, and other screening mechanisms intended to make sure all candidates (whether from a sales program or not) are high-quality hires who will fit well with the organization’s entrepreneurial sales culture. This provides an excellent context in which to examine the effects of hiring sales program students versus traditional college graduates, particularly since candidates from both groups were determined by HR and the organization’s sales management team to be of high quality and good fit (i.e., managers of this company believe the differences between them to be minimal). Furthermore, by looking within a single firm we control for a variety of potentially confounding variables since all study participants are exposed to the same organizational culture, training program, onboarding process, and so on. In other words, our within-firm design allows for a clean and clear picture of the effect of hiring university sales program graduates, without worry of interference from externalities that exist in between-firm studies. It should also be noted employees of this firm are located solely in large metro areas of fairly comparable size and sales potential (e.g., Chicago, Dallas, New York) and operate in an open territory structure (i.e., there are no assigned territories or limits on performance potential).

Surveys were administered to a total of 178 salespeople who were recently hired out straight out of college. At the end of their first year, each salesperson was asked to complete a survey to capture demographic and personality information, in addition to behavioral and attitudinal variables of interest in our study. Of the 178 salespeople solicited, we received complete responses from 96 (54%). Annual performance figures were then provided for each salesperson and matched to the survey data we collected. Approximately 41% of the salespeople in this final sample were graduates from sales programs.

#### Measures

**Sales Program.** Whether the salesperson participated in a sales program during college was assessed by asking what college the individual attended and whether or not they participated in a collegiate sales program. To make sure answers to the latter question were truthful, these self-reported measures were checked against existing lists of collegiate sales programs available through the third parties like the USCA membership list and the Sales Education Foundation’s Top Sales Program listing available on the respective groups’ websites. Individual university websites were consulted in the event that the participant listed a school not on one or both of these lists. Those who reported participating in a sales program and who were verified as having attended a school that offers a sales program (i.e., certificate, minor, or major) were coded as “1” while everyone else was coded as a “0.”

**Sales Performance.** Sales performance was operationalized as a salesperson’s total first year performance in units sold (a transformation of dollars sold used in this, and other, direct sales organizations). This information came directly from objective firm records and, in contrast to the subjective performance measures that permeate the sales literature, represents actual performance. We feel this objective measure lends to the validity of our model and mitigates concerns over potential common method bias.
Organizational Commitment. We operationalized organizational commitment as the affective dimension of commitment using three items pulled from Meyer and Allen’s three-component conceptualization (Meyer, Allen, & Smith, 1993). In contrast to normative and continuance commitment, which describe commitment based on felt obligation and cost–benefit calculation, respectively, affective commitment refers to commitment based on values. This is the type of commitment most people have in mind when they say someone is committed to their job in normal conversations (Fu, Bolander, & Jones, 2009).

Sales Process Influence Tactics. While no single scale exists to measure the various influence tactics highlighted in sales curriculum, general scales on sales and marketing influence tactics were consulted. Specifically, influence tactics highlighted in McFarland et al. (2006) were used as measures of rapport building, consultative communication, presenting tangible benefits, using financial incentives in gaining customer commitment, and creating an emotional response in customers. These measures are typically collected in reference to a single influence event. Since we were interested in more general behaviors (i.e., how a salesperson attempts to influence others in general), we adapted items accordingly, as has been done in the sales literature more recently (e.g., Plouffe, Bolander, & Cote, in press). A list of the items used in the scale development process for each sales technique is found in Table 1.

Covariates. Three covariates were included in our models, one personality variable and two demographic variables. The personality variable, extraversion, was taken from Individual scores on the Big Five Personality Index using the Brief Ten Item Personality Inventory developed by Gosling, Rentfrow, and Swann (2003). Extraversion was included because of its relevance to sales behaviors, attitudes, and performance (see Furnham & Fudge, 2008; Stewart, 1996). The two demographic variables, age and gender, were collected as single item survey questions and are often used as controls in the sales literature. Table 1 lists all items used to measure these latent constructs.

Analysis

Due to the latent nature of the constructs used to measure the various selling behaviors, the sample size, and the superiority of structural equation modeling in analyzing mediated models, a Partial Least Squares (PLS-SEM) analysis was used to test the model (Ringle, Wende, & Will, 2005). Like covariance-based structural equation modeling, PLS allows simultaneous evaluation of the proposed paths, but unlike covariance-based SEM, the objective of PLS is to maximize the explained variance by the predictors and mediators (Hair, Hult, Ringle, & Sarstedt, 2013). Moreover, PLS does not assume normally distributed data (Hair, Sarstedt, Ringle, & Mena, 2012) and is preferred for small sample sizes (Reinartz, Haenlein, & Henseler, 2009). Additionally, our interest is in understanding the mediating role of the behaviors on sales performance as a package of variables, rather than individual variables, making PLS a desirable method for model analysis (Henseler, Ringle, & Sinkovics, 2009).

We began by assessing the reliability, convergent validity, and discriminant validity of our measures. For all variables, Table 1. Items Used to Measure Organizational Commitment and Selling Behaviors, and Extraversion.

<table>
<thead>
<tr>
<th>Items Used in Organizational Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. I would be very happy to spend the rest of my career with [company].</td>
</tr>
<tr>
<td>2. I feel “emotionally attached” to [company].</td>
</tr>
<tr>
<td>3. I feel a strong sense of “belonging” to [company].</td>
</tr>
</tbody>
</table>

Items used in Rapport Building

<table>
<thead>
<tr>
<th>In my day-to-day selling efforts I . . .</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Act in a friendly manner prior to discussing business with the customer.</td>
</tr>
<tr>
<td>2. Sympathize with customers about the added problems that they face.</td>
</tr>
<tr>
<td>3. Make customers feel good before making my sales pitch.</td>
</tr>
<tr>
<td>4. Complimented and praised my customers’ recent achievements.</td>
</tr>
<tr>
<td>5. Discuss shared interests and/or hobbies prior to discussing sales issues</td>
</tr>
</tbody>
</table>

Items used in Consultative Communication

<table>
<thead>
<tr>
<th>In my day-to-day selling efforts I . . .</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Present information related to various purchase options.</td>
</tr>
<tr>
<td>2. Asked about long-term purchasing goals.</td>
</tr>
<tr>
<td>3. Ensure that customers receive all product and sales materials relevant to their purchasing decisions.</td>
</tr>
<tr>
<td>4. Ask if there are any problems or needs that I could help address.</td>
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</tbody>
</table>

Items used in Presenting Benefits

<table>
<thead>
<tr>
<th>In my day-to-day selling efforts I . . .</th>
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</thead>
<tbody>
<tr>
<td>1. Make it clear that by following my recommendations, the customer would benefit.</td>
</tr>
<tr>
<td>2. Outline the evidence for expecting success from my suggestion(s).</td>
</tr>
<tr>
<td>3. Provide a clear picture of the positive impact on my customer’s business a recommended course of action would have.</td>
</tr>
<tr>
<td>4. Make a logical argument supporting my suggestions.</td>
</tr>
<tr>
<td>5. Make it explicit, when making a suggestion, that it is intended for the good of my customer.</td>
</tr>
</tbody>
</table>

Items used in Using Financial Incentives

<table>
<thead>
<tr>
<th>In my day-to-day selling efforts I . . .</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Offer to give special attention to my customer if he or she would give me new business.</td>
</tr>
<tr>
<td>2. Make promises to give something back for complying with my requests (e.g., discounts, quicker delivery).</td>
</tr>
<tr>
<td>3. Offer additional benefits if the customer is initially reluctant to agree to move forward.</td>
</tr>
<tr>
<td>4. Offer to provide incentives to my customers for agreeing to my purchase request(s).</td>
</tr>
<tr>
<td>5. Offer a specific deal for my customers to change their position on certain issues.</td>
</tr>
</tbody>
</table>

Items used in Creating Emotional Responses

<table>
<thead>
<tr>
<th>In my day-to-day selling efforts I . . .</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Try to get the customer excited about what I am selling.</td>
</tr>
<tr>
<td>2. Argue that I am offering an exciting opportunity to help my customer.</td>
</tr>
<tr>
<td>3. Describe my products or services with enthusiasm and conviction.</td>
</tr>
<tr>
<td>4. Appeal to my customers’ values and ideals when asking for their business.</td>
</tr>
<tr>
<td>5. Make a sales pitch which tries to appeal to my customers’ emotions.</td>
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Items used in Extraversion

<table>
<thead>
<tr>
<th>I see myself as . . .</th>
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</thead>
<tbody>
<tr>
<td>1. Extraverted, enthusiastic.</td>
</tr>
<tr>
<td>2. Reserved, quiet (reverse)</td>
</tr>
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</table>

a. All items used a Likert-type scale with 1 = Strongly Disagree and 7 = Strongly Agree.
results indicated all items load on their respective constructs, and composite reliabilities were greater than .7. Table 2 shows the composite reliabilities and variance explained for each construct as well as descriptive statistics. Additionally, the average variance extracted for each construct exceeds their correlation with other constructs in the model, indicating discriminant validity (Fornell & Larcker, 1981). Table 2 also displays the correlations and average variances extracted for each study. Overall, the results of the structural model tests support what we proposed.

To test the proposed hypotheses, the authors followed the guidelines of Baron and Kenny (1986) to test the role of selling behaviors and commitment as mediators of the relationship between formal sales education and salesperson performance. First, the direct relationship between formal sales education and performance, after controlling for extraversion, gender, and age, is established as significant and positive (β = .169, p < .01). This indicates the performance of salespeople hired from university sales programs is significantly higher than salespeople who did not come from universities with formal sales programs (R² = .128). However, when adding the selling behaviors to the model, the direct effect of formal sales education on performance becomes insignificant, suggesting support for full mediation (Baron & Kenny, 1986). The results of the mediation analysis indicate significant mediation of the effect of formal sales education on salesperson performance through the selling behaviors as shown in Figure 2.

Then, we examined the relationships between formal sales education and the focal mediators. Testing the relationships simultaneously, we found formal sales education significantly and positively predicted commitment (β = .222, p < .01; Hypothesis 6 supported), rapport building (β = .225, p < .01; Hypothesis 1 supported), presentation of benefits (β = .129, p < .01; Hypothesis 3 supported), and creating emotional response (β = .137, p < .01; Hypothesis 5 supported), indicating higher levels of commitment and use of these selling behaviors by formally trained salespeople relative to their peers. However, formal sales education did not directly predict the use of consultative communication, or use of financial incentives (p > .05; Hypotheses 2 and 4 were not supported), indicating that both formally trained salespeople and salespeople without formal training use these selling behaviors similarly.

Next, we examine the relationship between the mediators and sales performance. Sales performance was positively and significantly affected by the presentation of benefits (β = .317, p < .01). Additionally, financial incentives (β = −.287, p < .01) and creating emotional responses (β = .140, p < .01) were significantly related to performance. Age, gender, and extraversion were used as controls on the endogenous variable (sales performance). Results indicate that, in the mediated model, while extraversion and age were not significant in the predicting sales performance (p > .05), gender was significant in predicting sales performance (β = .326, p < .01). The significant gender variable suggests that females performed higher than males in the sample.

Overall, the results of the structural model tests support the proposed relationship between formal sales education and sales performance as being fully mediated by selling behaviors. Specifically, the positive and significant path coefficient between formal sales education and sales performance in the simple model becomes insignificant when the mediators are introduced into the model, indicating a full mediation, supporting Hypothesis 7. Moreover, the total sales performance variance explained by the fully mediated model was R² = .26, which is double that of the baseline model (sales program → sales performance R² = .13). In the next section, we explore the implications of the results, and consider the insights they provide.

### Implications for Employers and Faculty

To review, the general results of the analysis show salespeople hired from universities with a formal sales program outperform their non–sales program counterparts after the first
year of employment. The relationship between university sales programs and performance is fully mediated by increased selling behaviors commonly taught in sales programs. Specifically, salespeople hired from a formal sales program leveraged rapport building, the presentation of benefits, and the creation of an emotional response in route to higher performance. The use of consultative communication was not related to participation in a university sales program and participation in a sales program had no impact on using financial discounts to gain customer business as hypothesized.

These last two points are surprising. Given the heavy emphasis on using consultative communicative selling behaviors taught in university sales programs, one would have expected this to be a key difference between salespeople hired from a sales program and those who were not. However, a number of factors could be at work in this result. First, the training provided to newly hired salespeople might have neutralized the differences between the two groups of salespeople (see discussion of future research opportunity below). Another possible explanation might be that the use of consultative behaviors is a very difficult concept to grasp and sales programs may need to improve on teaching techniques to ensure that students are able to apply these concepts in the field after graduation (see discussion below on teaching implications). The finding that consultative communication was not related to performance might mean it is simply not important in this type of selling situation (a more transactional exchange), and the salespeople had learned this from their first year of experience such that, again, the anticipated difference between the two groups was washed out. Finally, the lack of difference between groups of salespeople in their use of financial discounts may be attributable to a similar factor; reps in the sponsoring company are able to offer volume discounts, which may be a standard practice such that differences in the use of financial incentives between the two groups was not detected.

Figure 2. Mediation results, path coefficients.а
a. Indirect effect of Sales program on sales performance via mediators is positive and significant (Baron and Kenny 1986; $\beta_{\text{indirect}} = .128; p < .01$), supporting Hypothesis 7.

* $p < .01$.  

| H1: .225* | Rapport Building | (ns) |
| H2: (ns) | Consultative Communication | (ns) |
| H3: .129* | Presentation of Benefits | .317* |
| H4: (ns) | Use of Financial Incentives | -.287* |
| H5: .317* | Emotional Response | .140* |
| H6: .222* | Commitment | (ns) |

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| H5: .317* | Emotional Response | .140* |
| H6: .222* | Commitment | (ns) |
Also, sales education had a significant, positive impact on salesperson attitude toward his or her company (e.g., organizational commitment). This is interesting and valuable as it extends on findings regarding the impact of education on students’ general perceptions of sales jobs. Specifically, the results herein demonstrate that sales education can actually impact students’ attitudes toward their specific job after graduation.

The findings of the present research hold several significant implications for both employers and university faculty. The implications for employers are straightforward but incredibly important. Graduates with formal university sales education do appear to be “good as advertised.” Objective (actual) first year sales performance was higher due to greater use of specific selling behaviors for sales educated salespeople than for non-sales educated salespeople. It is also important to note that the findings around higher commitment have been shown to lead to lower turnover due to the maintenance of favorable attitudes toward the employer (Ingram & Lee, 1990; Johnston et al., 1990; Schwepker, 2001). The implications are that these sales program graduates are likely to generate higher revenues and lower retention costs for the companies that hire them.

The implications of the research’s findings for university faculty are also quite significant. Given that results indicate collegiate sales education provides a significant benefit to students on graduation in terms of their contribution to their hiring organization and often their personal income, universities with an emphasis on sales should continue and perhaps even expand their efforts. Likewise, business schools that do not currently incorporate sales education in their curriculum may be missing out on significant opportunities for their students and their universities as a whole. These universities should consider adding sales courses in an effort to meet the needs of corporate recruiters who, according to our opening statistics, will have an increased demand for high-quality salespeople in the very near future. Universities may even be able to leverage the positive outcomes of their sales graduates to improve corporate involvement on campus, solicit corporate and individual investment in university facilities and programs, and boost the overall status of their school in the minds of corporate recruiters.

In terms of implications for teaching, the findings show students do not always practice all of the tactics highlighted in a typical sales education program, yet they still outperform those without sales education. Thus, faculty should include more discussions about adaptability in their sales courses and how different aspects of the sales process are more appropriate than others depending on the type of buyer/seller interaction. For example, the selling environment for the company used in the present research is best characterized as a business-to-consumer selling situation. While the influence tactics used in each step in the selling process are thought to be universal, other sales situations (i.e., business-to-business selling) may rely on a different “weighting” of the influence tactics that lead to buyer commitment.

Practically speaking, this is most likely to play out in role-play scenarios used in more advanced selling classes. Faculty should try to create different selling situations where certain selling behaviors are more appropriate than others such that students need to adjust accordingly. This will also require sales faculty to include topics on how to diagnose selling situations so that selling behaviors can be matched to the situation. While many selling texts discuss decision or social styles of the buyer, these discussions may need to go much deeper into how industry types, buying processes, and type of purchase (rebuy vs. new purchase) might affect the selling behaviors that should be employed. Sales faculty will need to develop different grading rubrics for different role-play situations whereby the students are not only graded on their ability to execute good selling processes but are also evaluated on their ability to adapt to the situation. One additional exercise that may pull these concepts together is to have students watch role-plays of buyer/seller interactions and have the students rate the adaptability of the seller’s adaptability and applicable selling behaviors based on the different situations.

On the other hand, perhaps sales educated salespeople are not using certain tactics highlighted in most sales programs because the students still have not fully developed the ability to apply certain techniques in practice. In this case, sales faculty would do well to evaluate the techniques they use to teach certain selling behaviors against what students are able to apply after being on the job. In short, sales faculty should seek to measure application (in addition to basic understanding) in their assessments of sales students (Anderson et al., 2005). Although it is unlikely that sales educators can conduct extensive surveys of sales program graduates, sales instructors can at least use anecdotal feedback about what skills recent graduates wished they had learned and practiced in a university sales program as a way of improving sales teaching.

The findings are also important for sales faculty who find themselves counseling students on the type of sales job they should take. Faculty should work with recruiters to understand the skills necessary to succeed across a wide range of selling situations. Then they can use this insight, along with knowledge of individual student abilities, to match students to sales jobs that create a good person-job fit.

Limitations and Directions for Future Research

Our findings show clear benefits can be derived for both students and employers from formal sales education. However, the study focused on the impact of sales education on only one company’s employees. Although we know that within-firm studies allow us to control for a number of potentially
confounding variables (as discussed in our method section), there are also some concerns with data collected from a single company, largely around issues of generalizability. Future research should seek to investigate the relationship between sales education and sales success across a number of different companies operating in different industries, selling situations, and perhaps even nationalities. Is formal sales education always as beneficial as we have observed in the current study? Should sales be taught differently across contexts? Does a one size sales curriculum fit all? The field would certainly benefit from an investigation of this scope.

Similarly, our sample size was relatively low compared with other field studies of salespeople. While the general rule of data seems to be that “more is better,” our relatively small sample size actually provides a more stringent test of our hypotheses given that larger sample sizes can artificially inflate significance estimates. If our sample size was problematic, one might actually expect a larger number of insignificant findings (Type II error). However, finding a number of interesting effects despite our small sample size suggests strong support for our hypotheses. Nevertheless, a follow-up study would benefit from pursuing a larger sample size.

It should also be noted that the present study focused only on a subset of all the possible behaviors that salespeople engage in during the course of their work (i.e., key influence tactics thought to be effective in moving customers toward a purchase). Yet sales education curriculum and, importantly, the daily activities of sales professionals, cover more than just influence tactics. The impact of topics (frequently included in sales curriculum) such as prospecting, time and territory management, and negotiation on job performance should be investigated in future research. These additional skills and self-management behaviors could have a profound impact on an individual’s sales success.

Also, the current study treats “formal sales education” as a binary variable (0 or 1). In other words, you either received it or you did not. However, as we discuss earlier in the manuscript, there are actually a number of different “types” of formal sales education ranging from a single class, to certificates, minors, and majors. Future research should examine whether, and to what extent, these different forms of sales education impact important outcomes like sales performance and salesperson commitment. Is a certificate just as good as a major, or do we expect sales outcomes to improve linearly with the depth of the sales education? Alternatively, is there such a thing as too much sales education? Do the benefits level-off or even decline when the curriculum is too deep? Answers to all of these questions would be very useful for sales educators and for university recruiters.

Additionally, our study uses data in a cross-sectional, within-company analysis. However, the analysis was conducted using salespeople that had completed their first year of employment with the participating company. It would be interesting to explore how sales performance unfolds over longer timeframes for those with, or without, formal sales education. Do the sales educated employees lose traction over time? Are the non-sales educated employees able to catch up eventually? Perhaps formal sales education even affects a newly hired salesperson’s ability to successfully complete a firm’s training (often a weed-out period for sales organizations); the implications of completing a university sales program in relation to training outcomes is worthy of future investigation for sales pedagogy researchers. Future research would do well to explore the performance outcomes of sales education in a longitudinal way and over a longer timeframe than was possible in the present study. Some recent article using longitudinal, multilevel growth models may serve as examples to future researchers (e.g., Ahearne, Lam, John, & Bolander, 2010; Boichuk et al., 2014).

Finally, job postings for open sales positions often emphasize experience as one of the dominant hiring criteria. The present study only contrasts recent college hires with a sales education to recent college hires without a sales education. So an interesting question for future research is how do sales educated college hires compare with those hired with experience selling? This is an interesting comparison to make not only for the curious sales faculty, but also for companies trying to optimize their hiring processes. The industry wisdom suggests an experienced salesperson will outperform a recent college graduate, and it would be interesting and valuable to know if this is indeed the case.

Authors’ Note
The authors of this article are listed alphabetically.

Declaration of Conflicting Interests
The author(s) declared no potential conflicts of interest with respect to the research, authorship, and/or publication of this article.

Funding
The author(s) received no financial support for the research, authorship, and/or publication of this article.

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