



A STATISTICAL MODELING ANALYSIS OF THE RELATIONSHIP BETWEEN SALES CALL RELUCTANCE AND SALES PRODUCTIVITY IN THE FINANCIAL SERVICES INDUSTRY

Industry: Financial Services
Number of salespeople: 96; 84
Year: 1996-2002

EXECUTIVE OVERVIEW

1. SPQ*GOLD[®] can be used successfully to predict above average producers.
2. SPQ*GOLD[®] can be used to supplement management decisions regarding sales selection, training, and development.

TECHNICAL REPORT

Introduction

Sales Call Reluctance[®] refers to the emotional hesitation to initiate contact with prospective buyers on a consistent basis. This condition limits the number of sales leads available and the amount of new business generated. Extensive research into call reluctance began in the early 1970s by Dudley and Goodson, who are the developers of the Sales Preference Questionnaire[™] (SPQ*GOLD[®]). This special purpose instrument is the most widely used diagnostic tool in the world for measuring call reluctance. Research using SPQ*GOLD[®] has shown a systematic link between lower sales call reluctance and higher sales performance (Dudley & Goodson, 1999).

Purpose

The purpose of this study is to construct a statistical model to examine the functional relationship between sales productivity and sales call reluctance as measured by SPQ*GOLD[®] in the financial services industry. This statistical model will be designed to predict above average performers based on calculations of maximum likelihood coefficient estimates.

Method

Participants

The study consisted of 96 assistant managers who work for a financial services firm. These individuals were assigned to various regions across the United States. Each participant completed SPQ*GOLD[®]. Sales performance data were provided for each participant. This criterion data consisted of average sales volume generated during a six-month period in 1996.

Procedure

Descriptive statistics were computed on the SPQ*GOLD[®] scales and the criterion data. These results indicated the presence of outliers, which were withheld from further analysis in accordance to statistical modeling guidelines (Schumacker & Lomax, 1996). Overall, as a result of the data screening process, 84 participants were utilized in subsequent data analysis.

Descriptive statistics were recomputed. These statistics indicated an average monthly sales volume of \$192,561 (U.S. currency), as shown in Figure 1. Based on these results, the participants in the study were divided into two performance levels: above and below average. Further analysis on the call reluctance[®] types was conducted as part of the predictor variable selection process. The final model was developed in accordance to the guideline ratio of one predictor variable for every 30 cases (SPSS, 1997).

Results

The statistical model achieved an accuracy level of 80.49% in predicting above average sales producers, as shown in Figure 2. There was an accuracy level of 53.49% in predicting below average producers. In general, statistical models achieve lower classificatory accuracy when used to predict a non-target group (Grimm & Yarnold, 1995).

Conclusion

The model constructed in this study has a statistically significant level of accuracy (80%, $p < .03$) in predicting above average producers. This model also has a relatively high level of practical significance, considering that the study participants worked in different geographical regions across the country.

Additionally, these results indicate that the psychometric properties of SPQ*GOLD[®] are adequate to support predictive validity. This level of accuracy can assist sales managers in optimizing the allocation of resources associated with hiring decisions, training, and development.

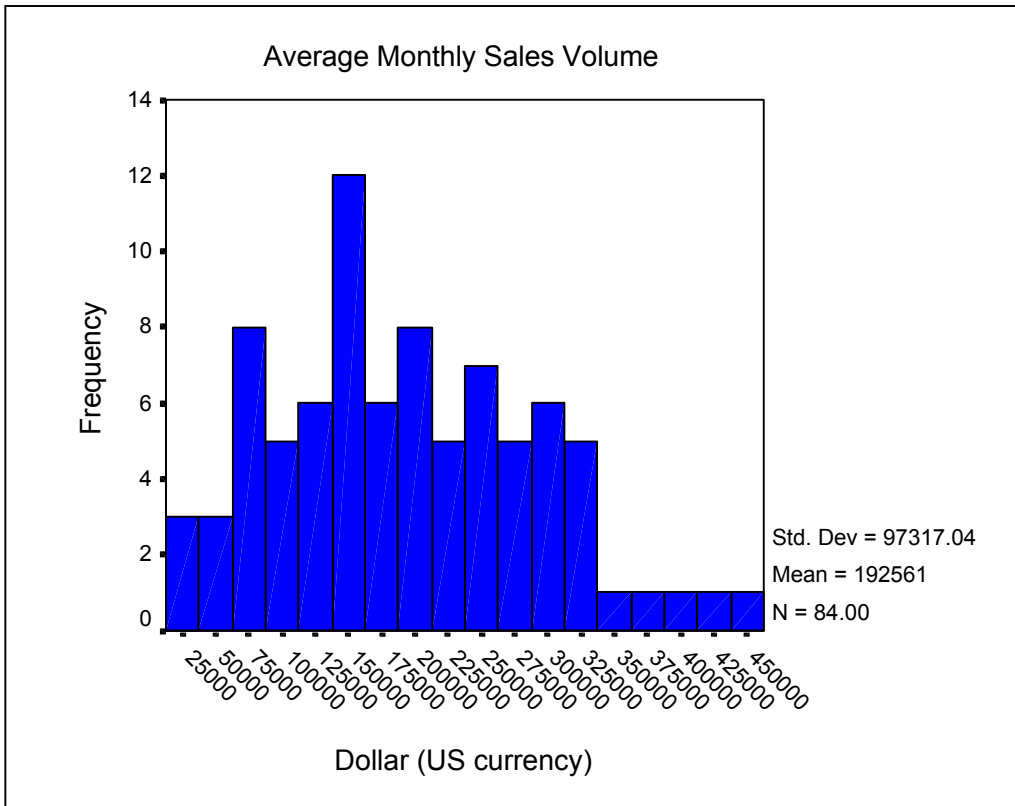


Figure 1. Histogram of Performance Data

Observed	Predicted		Percent Correct
	Below Average B	Above Average A	
Below Average	23	20	53.49%
Above Average	8	33	80.49%
Chi-Square df Significance			
Model	7.848	2	.0198

Figure 2. Classification Table