

SALES AND SALES SUPPORT TRAINING

INPUT

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SALES AND SALES SUPPORT TRAINING

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I INTRODUCTION



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I INTRODUCTION

- This report on sales training programs in the computer services industry is produced by INPUT as part of the Market Analysis Service (MAS).
- This topic was selected because of high client interest and the importance of effective marketing to the continued growth of the computer services industry.
- Research for this report included a series of in-person and telephone interviews during March and April 1979 with sales executives, training directors, and sales representatives. A definition of terms is included in Appendix A. An interview profile and the questionnaires are included in Appendix B.
- As a result of the confidential nature of the information gathered from responding companies, a commitment was made by INPUT not to identify respondents.
- Chapter III, "Structure of the Computer Services Industry," is included for those clients who want a description of the industry which is the environment for the subjects of this study. The basis for Chapter III is the broad range of work regularly carried out by INPUT in studying the computer services industry.
- The report is primarily an analysis of the specific interviews carried out for the study combined with the experience of the INPUT staff.

- Inquiries and comments from clients on the information presented are requested.
- Related INPUT studies are listed in Appendix C.

II EXECUTIVE SUMMARY

II EXECUTIVE SUMMARY

A. KEY FINDINGS RELATED TO TRAINING PROGRAMS NOW IN USE

- Most training programs are based on a company revenue goal.
 - The company wants to grow at a certain rate so it provides resources to the training department to train sufficient people to achieve that growth target.
 - Training programs are designed to produce product knowledgeable and sales skilled personnel capable of assuming quota responsibility in 1 to 6 months after completion of training.
- Some sales training programs require that each new sales trainee conduct a sales call with the top sales executive.
 - This approach demonstrates the level of commitment to training by top management.
 - New sales representatives feel a part of the company after this interaction.
- Most computer services companies are recruiting and training people with three to four years of work experience. These people are being recruited from

competitors (primarily) and specific industries such as banking or manufacturing.

- Most sales and sales support trainees have little or no experience in their new job function.
- Companies with the most complex and lengthy interviewing process had the lowest turnover rates among sales and sales support personnel. INPUT believes that the added time and expense can be easily justified as the cost of a hiring mistake is at least \$40,000, and exceeds \$100,000 for a sales person lost from a quota territory.

B. KEY STATISTICS

- A statistical summary of sales and sales support data from the responding companies is shown in Exhibit II-1.
- Sales staff size will grow at 15% a year for the next five years. Sales support staff size will grow at 12% annually during the same time period.
- Respondents believe that turnover of sales and sales support personnel will be reduced from the present level of 27% for sales and 22% for sales support to a 20% rate for sales and a 17% rate for sales support.
 - The number of new sales recruits will grow 9% annually through 1984.
 - The number of new sales support recruits will grow 7% annually through 1984.
- Productivity per sales person, as measured by revenue production, will grow 7% annually for the next five years, reaching a level of nearly one million dollars per sales person per year by 1984.

EXHIBIT II-1
 SALES AND SALES SUPPORT STATISTICAL SUMMARY
 FOR TEN RESPONDING COMPANIES, 1978-1984

KEY STATISTIC	1978	1979	1980	1981	1982	1983	1984	1979-1984 AVERAGE ANNUAL GROWTH
SIZE OF SALES STAFF	742	874	1,005	1,156	1,329	1,529	1,732	15%
NUMBER OF SALES RECRUITS	295	318	346	376	410	446	485	9
SALES TURNOVER PERCENTAGE	30	27	26	24	23	22	20	-
NUMBER OF SALES PEOPLE TURNED OVER	228	240	256	273	291	310	328	6
SIZE OF SALES SUPPORT STAFF	765	879	984	1,103	1,235	1,383	1,519	12
NUMBER OF SALES SUPPORT RECRUITS	225	223	239	256	274	293	314	7
SALES SUPPORT TURNOVER PERCENTAGE	22	20	20	19	19	18	17	-
NUMBER OF SALES SUPPORT PEOPLE TURNED OVER	170	164	177	190	204	218	234	7
TOTAL TRAINING COST (\$M)	20.8	21.6	23.4	25.3	27.4	29.6	32.0	-
OPPORTUNITY COST (\$M)	13.7	14.1	15.1	16.1	17.2	18.3	19.4	-
AVERAGE REVENUE PRODUCTION PER SALES PERSON (\$M)	.61.	.65	.69	.74	.79	.84	.90	7

- The cost of turnover in the computer services industry is tremendous.
 - Respondents will experience an opportunity cost of over \$14 million due to sales and sales support turnover in 1979.
 - The entire computer services industry will experience an opportunity cost of over \$200 million in 1979 due to sales and sales support turnover.
 - The opportunity cost of sales and sales support turnover will approach \$400 million for the entire computer services industry by 1984.
- The total cost of training new sales and sales support hirees required for growth plans and employee turnover will exceed \$200 million for the computer services industry in 1979. This figure will grow to \$400 million by 1984.
- The training costs and opportunity costs were calculated using the following models:
 - Total training cost for respondents = Training cost per sales and sales support person (\$40,000).
 - X
 - Number of sales and sales support people hired by respondents.
 - Total training cost for the industry = Training cost per sales and sales support person (\$40,000).
 - X
 - Number of sales and sales support people hired by all computer services companies.

- Opportunity cost for respondents = Lost revenue from open territories of respondents (\$45,000 for each sales person and \$20,000 for each sales support person turned over).
- Opportunity cost for industry = Lost revenue from open territories of industry companies (\$45,000 for each sales person and \$20,000 for each sales support person turned over).
- The computer services industry is currently served by 10,000 to 12,000 sales people. This figure will grow to 15,000 to 25,000 by 1984.
 - Between 3,000 and 4,500 new sales people will be hired by all computer services companies in 1979.
 - The number of sales people hired by all computer services companies will be between 4,000 and 7,000 in 1984.
- Computer services companies need to hire one third of their current sales and sales support staff size each year for the next five years. This is caused by:
 - Employee turnover.
 - Growth in sales and sales support staffs.
- Sales representatives spend between 6 and 36 weeks in training with an average of 17 weeks.
- Sales support representatives spend between zero and 36 weeks in training with an average of 10 weeks.
- Most computer services sales people are over 25 years of age and under 45.
 - 65% are between 25 and 35.

- 20% are between 25 and 45.
- The average age of a new hire is 29.
- Computer services companies have an average of 10% of the sales staff that is female. The 1980 goal for female sales representatives is 15% of the total sales force size.
- Twenty-four percent of computer services companies' sales support staffs are female. The 1980 goal for female sales support personnel is 25% of the total sales support staff size.
- INPUT believes that the range of sales salaries and commission costs is between 2 and 6% of revenue for companies with annual revenues exceeding \$50 million, and 5 to 15% of revenue for companies with annual revenues at or below the \$50 million level.
- The average commission plan yields over 40% of a sales person's total compensation.
- INPUT estimates that it costs between \$30,000 and \$50,000 to train a new hire (for 4 to 6 months of training).
- An investment of 1 to 1.5% of revenue is required to conduct an effective training program.
- Sales representatives become productive within 12 months from completion of the training program. This means that the sales representative should meet or exceed quota at the end of the second year after joining a new company.

C. CHANGES PLANNED BY COMPUTER SERVICES VENDORS

- Field follow-up on training programs will be implemented. Follow-up is required on OJT (on the job training) and in-branch training.
- Training departments are planning to decentralize some training classes. The decentralized classes will be made available as programmed instruction courses at the branch level.
- College recruiting and training programs are being implemented. These programs will help solve the problem of finding qualified sales and sales support candidates.
- Industry specialized classes are being added to or improved in the training programs.
- Plans are being developed to add more on-going training for field employees.

D. PROBLEM AREAS

- There is a high level of management interest in creating productive training programs. All respondents expressed the need for training programs where graduates could immediately be effective in their jobs.
 - Nearly 75% of the top sales executives believe there is a shortage of qualified experienced sales and sales support personnel.
- Top sales executives, training directors and sales representatives were asked to rate the importance of various training program content factors in an ideal situation and in their own respective company situation. Responses were aggregated by job function. Respondents rated each factor on a zero to ten point scale where ten was most important.

- Differences between the ideal and actual training program content factor scores is a measure of improvement desired in that factor in the training program.
- Exhibits II-2 and II-3 show the differences between the ideal and actual training program content factors for the sales and sales support training programs.
- The training program content factors show that training programs are not providing as much industry knowledge as is desired and required by field personnel. Product and sales skills training could be improved, as nearly all respondents indicated, but the pressing need is for more industry expertise for sales and sales support personnel.
- Top management is dissatisfied with the level of technical competence being reached in sales support training programs.
- There is not enough in-branch training available to the field. Sales and sales support people cannot obtain refresher training if and when needed.

E. RECOMMENDATIONS

- Companies should create more in-branch training on product knowledge and sales skills. These courses should serve as the vehicle to provide refresher training to sales and sales support personnel.
- To capitalize on the new capabilities of video, companies should make more use of video tape in the training process.
 - Allow sales and sales support staff to see themselves in action in role playing or presentation settings.

EXHIBIT II-2

DIFFERENCE BETWEEN IDEAL AND ACTUAL
SALES TRAINING PROGRAM CONTENT FACTORS
IN THE OPINION OF RESPONDENTS

PROGRAM CONTENT FACTORS	DIFFERENCE BETWEEN IDEAL AND ACTUAL TRAINING PROGRAM CONTENT FACTORS		
	TOP SALES EXECUTIVE	TRAINING DIRECTOR	SALES PERSON
INDUSTRY KNOWLEDGE	2.3	3.1	2.6
PRODUCT KNOWLEDGE	1.3	2.3	1.1
TECHNICAL COMPETENCE	.5	.6	.6
SALES TECHNIQUE	1.9	1.3	1.3
ABILITY TO MAKE PRESENTATIONS	1.6	.9	1.8
COMPANY LOYALTY	.9	.8	.7
TEAMWORK	1.7	.8	.3
MORALE	.9	1.2	.3
IMMEDIATE SALES RESULTS	.4	.4	(.8)
EVENTUAL SALES RESULTS	1.3	.8	.8
POTENTIAL FOR GROWTH INTO MANAGEMENT	1.5	1.4	.5
LEARNING COMPANY POLICIES	1.8	.9	.1

*AVERAGE DIFFERENCE BETWEEN TWO 0 TO 10 POINT SCALES.
A HIGHER NUMBER INDICATES THAT THE ACTUAL PROGRAM
IS MORE LACKING RELATIVE TO THE IDEAL PROGRAM.

EXHIBIT II-3

DIFFERENCE BETWEEN IDEAL AND ACTUAL SALES
SUPPORT TRAINING PROGRAM CONTENT FACTORS
IN THE OPINION OF RESPONDENTS

PROGRAM CONTENT FACTORS	DIFFERENCE BETWEEN IDEAL AND ACTUAL TRAINING PROGRAM CONTENT FACTORS	
	TOP SALES EXECUTIVE	TRAINING DIRECTOR
INDUSTRY KNOWLEDGE	2.2	1.6
PRODUCT KNOWLEDGE	1.9	1.8
TECHNICAL COMPETENCE	2.5	.8
SALES TECHNIQUE	.6	.8
ABILITY TO MAKE PRESENTATIONS	.4	1.1
COMPANY LOYALTY	1.3	.6
TEAMWORK	2.3	.8
MORALE	1.4	.8
IMMEDIATE SALES RESULTS	.1	.3
EVENTUAL SALES RESULTS	.9	.3
POTENTIAL FOR GROWTH INTO MANAGEMENT	1.6	1.4
LEARNING COMPANY POLICIES	1.9	1.3

*AVERAGE DIFFERENCE BETWEEN TWO 0 TO 10 POINT SCALES. A HIGHER NUMBER INDICATES THAT THE ACTUAL PROGRAM IS MORE LACKING RELATIVE TO THE IDEAL PROGRAM.

- Tape high performers in simulated sales situations to show some of their techniques.
- Add more competitive analysis to the training program. Information on other companies, products, services and alternatives should be disseminated and updated for the sales force.
- Computer services companies must prepare to recruit trainees from colleges and train them for sales and sales support jobs.
 - College graduates will offer new ideas for the computer services companies.
 - More people new to the industry are needed in sales if the 12% average growth rate in sales forces is to be realized.
 - More senior sales people, especially successful ones, are demanding and receiving first year earnings guarantees of \$50,000 to \$70,000. Computer services companies cannot afford to pay those salaries to many people. More inexperienced people must be recruited and trained in the future.
 - Marginally successful sales people change companies with the hope that fresh training and a new start will be the answer to their performance problems. These "retreads" are becoming less attractive to computer services companies.
- Computer services companies should be prepared to find new sources of female candidates if their goals for female employees are to be reached.
 - Companies expect to hire 13% more female sales support people in 1980 than will be hired this year.

- Companies expect to hire 61% more female sales people in 1980 than will be hired this year.
- Computer services companies need to recruit from industry specific sources such as banks and manufacturing companies. This is in response to the growing industry specialization by product.
- Companies can work to reduce turnover can be reduced among sales and sales support personnel.
- Companies must invest more time in the initial hiring process. A minimum of three management levels must be involved in the hiring decision.
- Companies must increase the quality of their training programs.
- Where the employee succeeds in the job there is no reason to leave the company. Training must be designed to insure employee success.

III STRUCTURE OF THE COMPUTER
SERVICES INDUSTRY

III STRUCTURE OF THE COMPUTER SERVICES INDUSTRY

A. THE TOTAL INDUSTRY

- The computer services industry in the U.S. is comprised of over 3,000 firms. These firms currently generate over \$8.0 billion in revenue per year, or an average of \$2,700,000 per firm. The sales forces of these firms range in size from 0 to approximately 200 salesmen. Products range from simple batch applications to very complex remote computing applications. Companies focus on narrow local markets and/or broad international markets. This study applies across the total range.
- The largest independent companies in the industry have computer services revenues in the \$300 million range. As the industry grows at a forecasted annual rate of 16%, these companies will reach \$500 million in revenues by the end of the decade. Another group of companies with current revenues in the \$10-100 million annual range anticipate similar growth and will more than double in size by 1982.
- Of the 11 computer services companies interviewed for this study, 10 have current revenues of over \$20 million. One company has current revenues of \$6 million.
- Although the total computer services market continues to grow, factors which can change the structure of the market include:

- IBM and/or AT&T entry into the computer services market.
 - Increased regulation requiring more reporting and control by financial, industrial, and other organizations.
 - Lower hardware costs making in-house solutions more economical in some instances and providing computer services companies with an opportunity to include hardware in their offerings in others.
 - Increasing communications options, e.g., Value Added Networks (VANs) and satellites. These are new factors in applications design.
 - Pricing changes resulting from these and other forces.
- Sales and sales support training programs must adapt to these changes.

B. EMPHASIS ON REMOTE COMPUTING SERVICES

- Companies with large concentrations of Remote Computing Services (RCS) revenues are generally the largest computer services companies with the largest marketing organizations. They tend to be "leading edge" in terms of training programs and were therefore selected as the main source of information in this study. This emphasis also allows a more valid comparison of training programs, statistics, and attitudes than would be the case if batch services, software products, and services were mixed in the results. Where appropriate, services other than RCS are treated to allow vendors of these services to apply the results of this study.
- The estimated 1978 RCS revenue ranges of the top 20 U.S. companies are shown in Exhibit III-1. Ten of these companies participated in the interviews, which are the basis for this report. To protect the confidential nature of the information, the participating companies are not identified. (Since only RCS

EXHIBIT III-1

ESTIMATED 1978 RCS REVENUE RANGES OF THE
TOP 20 U.S. RCS COMPANIES

OVER \$100 MILLION/YEAR
CONTROL DATA CORPORATION GENERAL ELECTRIC INFORMATION SERVICES
\$50-100 MILLION/YEAR
AUTOMATIC DATA PROCESSING COMPUTER SCIENCES CORPORATION MCAUTO TYMSHARE NATIONAL CSS
\$25-50 MILLION/YEAR
BOEING COMPUTER SERVICES COMSHARE UNIVERSITY COMPUTING COMPANY UNITED COMPUTING SYSTEMS XEROX COMPUTER SERVICES
LESS THAN \$25 MILLION/YEAR
COMPUSERVE COMPUTERIZED AUTOMOTIVE REPORTING SERVICE DATA RESOURCES, INC. INFORMATICS ITEL INTERACTIVE DATA CORPORATION KEYDATA ON-LINE SYSTEMS OPTIMUM SYSTEMS RAPIDATA

revenues are shown in Exhibit III-1, many of the companies, of course, have higher total revenues than the levels shown.)

- Characteristics of RCS which make it particularly interesting from a marketing viewpoint are:
 - It is the fastest growing segment, as shown in Exhibit III-2.
 - It is being impacted by an increasing degree of specialization. Almost 60% of the processing services market growth is in industry specialized services (per INPUT's "Computer Services Industry Annual Report, 1978").
 - It is increasingly being used by non-technical (i.e., non-EDP trained) personnel, meaning a broadening market. Examples of industry specialized, non-technical user applications are:
 - Travel agency services.
 - Driver and vehicle scheduling for motor freight companies.
 - Patient recordkeeping and billing for hospitals.
 - Credit handling for retailers.

C. INDUSTRY GROWTH IN REVENUES AND EARNINGS

- A strong overall growth does not mean that all computer services firms will share equally in the growth and profits, nor will they necessarily grow at a constant rate. Exhibit III-3 presents the growth and profit results for nine companies and shows the following range:

EXHIBIT III-2

COMPUTER SERVICES INDUSTRY GROWTH
BY TYPE OF SERVICE
1978-1983

TYPE OF SERVICE	1978	1983	AVERAGE ANNUAL GROWTH
REMOTE COMPUTING	\$2.7B	\$ 6.9B	21%
BATCH PROCESSING	2.0	2.4	5
FACILITIES MGMT.	<u>1.1</u>	<u>2.4</u>	<u>17</u>
TOTAL PROCESSING	5.8	11.7	15
PROFESSIONAL SERVICES	1.4	2.5	13
SOFTWARE PRODUCTS			
SYSTEMS	.5	1.3	20
APPLICATIONS	<u>.5</u>	<u>1.2</u>	<u>21</u>
TOTAL SOFTWARE	\$1.0	\$ 2.5	21%
TOTAL MARKET	\$8.1B	\$16.7B	16%

(B=BILLION)

SOURCE: INPUT, "COMPUTER SERVICES INDUSTRY 1978 ANNUAL REPORT"

EXHIBIT III-3

TOTAL REVENUES AND EARNINGS GROWTH FOR LEADING
PUBLICLY HELD COMPANIES WHICH EMPHASIZE
REMOTE COMPUTING SERVICES

COMPANY	FISCAL YEAR END	REVENUES AND EARNINGS	1977 REVENUES (\$M)	GROWTH 1976-1977
AUTOMATIC DATA PROCESSING	6/30	R E	\$ 245M 46	23% 24
COMPU-SERVE	12/31	R E	14 2	26 4
COMPUTER SCIENCES (FISCAL 1978)	3/31	R E	277 26	18 19
COMSHARE	6/30	R E	18 2	32 76
KEYDATA	7/31	R E	14 .4	(3) (79)
NATIONAL CSS	2/28	R E	42 5	17 25
ON-LINE SYSTEMS	4/30	R E	16 2	34 67
RAPIDATA	12/31	R E	18 2	15 130
TYMSHARE	12/31	R E	101 16	24 20
AVERAGE FOR 18 COMPUTER SERVICES COMPANIES		R E	71 9	19%* 25%*

R = REVENUES
E = EARNINGS
*WEIGHTED AVERAGES

SOURCE: INPUT, "COMPUTER SERVICES INDUSTRY 1978 ANNUAL REPORT"

- 1976-1977 revenue growth of -3% to 34%.
- 1976-1977 profit growth of -79% to 130%.
- Computer services companies were more profitable in 1977 than in 1976. The average profit, as a percent of revenues, grew from 13% in 1976 to 14% in 1977 for 18 public companies.

D. MARKETING BY INDUSTRY SPECIALIZATION

- Computer services markets, as stated earlier, are increasingly industry specialized. Companies are following the lead of hardware manufacturers, particularly IBM, in targeting products and marketing efforts at industry sectors and sub-sectors. Examples of services companies who have successfully built industry specialized product and marketing offerings are MCAUTO (hospital administration systems), CARS (dealer accounting), and Sun Information Services (trust accounting). This specialization has implications for training program plans as discussed in this report.
- Exhibit III-4 shows comparative market shares and growth rates for the 11 traditionally segmented industry markets. Shares range from 2% to 20% and growth rates range from 13% to 17% (with many sub-sectors having lower or higher rates than this range).
- As industry specialized markets grow in importance, management's choice of areas for product development becomes critical. This in turn impacts training programs.
- One of the challenges facing management is to implement training programs in an industry experiencing fast growth (16% or more per year), rapidly changing technology, and high employee turnover (25-35% annually).

EXHIBIT III-4

COMPUTER SERVICES MARKETS SIZE AND
GROWTH RATE BY INDUSTRY SECTOR

INDUSTRY	PORTION OF TOTAL 1978 MARKET	AVERAGE ANNUAL GROWTH 1978-1983
DISCRETE MANUFACTURING	13%	15%
PROCESS MANUFACTURING	7	15
TRANSPORTATION	2	16
UTILITIES	4	13
WHOLESALE	6	14
BANKING AND FINANCE	20	16
INSURANCE	7	15
MEDICAL	7	16
EDUCATION	2	14
RETAIL	6	1
FEDERAL GOVERNMENT	13	17
OTHER	13	16
TOTAL MARKET	100%	16%

1978 TOTAL REVENUES \$8.1 BILLION
SOURCE: INPUT REPORT "COMPUTER
SERVICES INDUSTRY" ANNUAL
REPORT 1978.

IV COMPUTER SERVICES VENDOR SALES AND
SALES SUPPORT TRAINING PROGRAMS

IV COMPUTER SERVICES VENDOR SALES AND SALES SUPPORT TRAINING PROGRAMS

A. INTRODUCTION

- The purpose of the interview profile was to address the issue of training from three viewpoints:
 - Top sales executive.
 - Training director.
 - Sales person.
- A separate questionnaire was developed for each of these three job functions. Questionnaires are shown in Appendix B.
 - Responses were grouped by job function.
 - Responses of all three job functions were not compared within a single company, but rather were grouped by job function, and these groupings were compared.
- The results were analyzed for:
 - Management objectives for training programs stated by respondents.

- Key training program content factors stated by respondents.
- Individual respondent training program profiles, strengths, weaknesses and future changes.
- Overall respondent training program strengths, weaknesses and future changes.
- Reporting relationship of training to sales and marketing.

B. MANAGEMENT OBJECTIVES FOR TRAINING PROGRAMS STATED BY RESPONDENTS

- Management objectives for any training program are based on consistent company goals and objectives. Implementation of their objectives can be difficult if the basic company goals are not clearly stated or communicated to personnel responsible for training.
- According to those interviewed most training programs are based not on objectives, but on a company revenue goal. Training programs are designed to produce product knowledgeable and sales skilled personnel capable of assuming quota responsibility in one to six months from training class completion.
 - One company surveyed indicated that their training program was emphasizing customer service this year. This emphasis was a direct translation of a corporate goal into action by the training department.
 - Training directors were asked to describe their training program objective(s). Representative responses are listed in Exhibit IV-1. The responses are primarily oriented towards a revenue goal, with little support given to employee growth, profitability, competitive position, etc.

EXHIBIT IV-1

SALES TRAINING PROGRAM OBJECTIVES AS STATED BY RESPONDENTS

- PROVIDE PRODUCT, MARKET, COMPANY AND SALES KNOWLEDGE TO ENABLE SALES PEOPLE TO ASSUME A QUOTA TERRITORY.
- PROVIDE NEW EMPLOYEE AND CONTINUING EDUCATION PROGRAMS TO INCREASE RESULTS THROUGH PEOPLE.
- GROW REVENUE AT 23% WITH A 20% BOTTOM LINE.
- HELP SALES MANAGERS TRAIN PEOPLE.
- PREPARE NEW SALES PEOPLE FOR THEIR JOB AND IDENTIFICATION WITH THE COMPANY.
- INCREASE REVENUE, CREATE LOYAL EMPLOYEES, IMPART PRODUCT KNOWLEDGE AND SALES SKILLS.
- ENCOURAGE AND DEVELOP A HIGH LEVEL OF COMPETENCE IN NEW BUSINESS DEVELOPMENT, OPPORTUNITY IDENTIFICATION AND FOLLOW THROUGH.

- There is a high level of management interest in creating productive training programs.
 - There is a shortage of qualified experienced sales and sales support personnel. This sentiment was voiced by all of the top sales executives.
 - Current turnover among sales personnel is 20-30% per year. All respondent top sales executives and training directors believed that a contributing turnover cause is lack of effective training.
 - Sales personnel receive a major portion of their income from commissions. When the sales person can't sell one company's products, the person typically leaves that company for a similar position within another firm. This experience was cited by all top sales executives.
 - All sales personnel interviewed made quota within their present companies. Those respondents that had sales experience with another computer services company said that they left their previous employer for a better opportunity (generally meaning a higher expected income).

C. KEY TRAINING PROGRAM CONTENT FACTORS STATED BY RESPONDENTS

- I. IDEAL TRAINING PROGRAM CHARACTERISTICS IN VIEW OF RESPONDENTS
 - Top sales executives, training directors and sales representatives were asked to create their own ideal sales and sales support training program as well as rate their current program. Twelve training program content factors were addressed.

- A tabulation and averaging of the responses for the ideal programs are shown in Exhibit IV-2 for sales training program factors and in Exhibit IV-3 for sales support training program factors.
 - The top sales executive does not believe that industry knowledge is as important in the ideal sales training program as do the training director and salesperson.
 - The sales representative does not perceive that product knowledge is as important as do the top sales executive and the training director.
 - The sales person believes that sales technique and eventual sales results are the most important content factors in a sales training program.
 - All respondents rated the career factors of loyalty, growth into management, and learning company policies relatively lower than the factors mentioned in the preceding paragraphs.
- The top sales executive does not think that teamwork is as important as do the training director and the sales representative.
- The top sales executive and the training director agree as to the sales support training program content factors.
 - Product knowledge is dominant.
 - As expected, technical competence also rates high.

EXHIBIT IV-2

IDEAL SALES TRAINING PROGRAM CONTENT FACTORS
IN THE OPINION OF RESPONDENTS*

PROGRAM CONTENT FACTORS	RESPONDENTS		
	TOP SALES EXECUTIVE	TRAINING DIRECTOR	SALES PERSON
INDUSTRY KNOWLEDGE	7.7	9.3	8.3
PRODUCT KNOWLEDGE	8.5	9.2	7.8
TECHNICAL COMPETENCE	5.1	5.9	4.5
SALES TECHNIQUE	8.7	9.4	9.0
ABILITY TO MAKE PRESENTATIONS	8.6	8.0	8.7
COMPANY LOYALTY	8.2	7.9	6.9
TEAMWORK	7.5	8.1	8.0
MORALE	8.7	8.5	8.0
IMMEDIATE SALES RESULTS	6.0	6.4	5.8
EVENTUAL SALES RESULTS	9.0	9.3	9.0
POTENTIAL FOR GROWTH INTO MANAGEMENT	5.7	5.9	6.6
LEARNING COMPANY POLICIES	6.0	6.3	6.5

*AVERAGE IMPORTANCE ON A 0 TO 10 SCALE WHERE 10 IS THE MOST IMPORTANT

EXHIBIT IV-3

IDEAL SALES SUPPORT TRAINING PROGRAM
CONTENT FACTORS
IN THE OPINION OF RESPONDENTS*

PROGRAM CONTENT FACTORS	RESPONDENT	
	TOP SALES EXECUTIVE	TRAINING DIRECTOR
INDUSTRY KNOWLEDGE	7.2	7.2
PRODUCT KNOWLEDGE	9.5	9.2
TECHNICAL COMPETENCE	9.6	9.2
SALES TECHNIQUE	5.3	5.8
ABILITY TO MAKE PRESENTATIONS	5.5	6.7
COMPANY LOYALTY	8.3	7.8
TEAMWORK	8.6	8.4
MORALE	8.7	9.3
IMMEDIATE SALES RESULTS	5.4	6.5
EVENTUAL SALES RESULTS	7.7	8.3
POTENTIAL FOR GROWTH INTO MANAGEMENT	5.4	5.6
LEARNING COMPANY POLICIES	5.9	6.6

*AVERAGE IMPORTANCE ON A 0 TO 10 SCALE WHERE 10 IS THE MOST IMPORTANT.

2. ACTUAL TRAINING PROGRAM

- Top sales executives, training directors, and sales representatives also evaluated their own sales and sales support training programs. The rating used the same 12 training program content factors as were used in rating the ideal training programs. Each respondent rated the importance of each factor in their current training program.
- The actual sales training program content factor tabulation and averages are shown in Exhibit IV-4.
- The top sales executive, training director, and sales representative agree on the most important sales training program content factors:
 - Industry knowledge.
 - Product knowledge.
 - Technical competence.
 - Sales technique.
 - Ability to make presentations.
 - Immediate and eventual sales results.
- Sales people do not perceive that company loyalty and morale are very important factors in a sales training program.
- The top sales executive does not think that teamwork is important in a sales training program.

EXHIBIT IV-4

ACTUAL SALES TRAINING PROGRAM
CONTENT FACTORS
IN THE OPINION OF RESPONDENTS*

PROGRAM CONTENT FACTORS	RESPONDENT		
	TOP SALES EXECUTIVE	TRAINING DIRECTOR	SALES PERSON
INDUSTRY KNOWLEDGE	5.4	6.2	5.7
PRODUCT KNOWLEDGE	7.2	6.9	6.7
TECHNICAL COMPETENCE	4.6	5.3	5.1
SALES TECHNIQUE	6.8	8.1	7.7
ABILITY TO MAKE PRESENTATIONS	7.0	7.1	6.9
COMPANY LOYALTY	7.3	7.1	6.2
TEAMWORK	5.8	7.3	7.7
MORALE	7.8	8.5	7.0
IMMEDIATE SALES RESULTS	5.6	6.0	6.6
EVENTUAL SALES RESULTS	7.7	8.5	8.2
POTENTIAL FOR GROWTH INTO MANAGEMENT	4.2	4.5	6.1
LEARNING COMPANY POLICIES	4.2	5.4	6.4

* AVERAGE IMPORTANCE ON A 0 TO 10 SCALE WHERE 10 IS THE MOST IMPORTANT.

- The sales person believes that the company is placing more emphasis on two training program factors than do the top sales executive and the training director. These two areas are:
 - Potential for growth into management.
 - Learning company policies.
 - The actual sales support training program content factor tabulation and averages are shown in Exhibit IV-5.
 - The training director and top sales executive agree on most actual sales support training factors. Where there are differences, the training director feels that better job performance is being obtained than does the top sales executive. This is the case for:
 - Technical competence.
 - Teamwork.
 - Morale.
3. DIFFERENCES IN PERSPECTIVE REGARDING SALES TRAINING BETWEEN SALES PERSON, TRAINING DIRECTOR, AND TOP SALES EXECUTIVE
- Differences between the actual and ideal training program content factors is a way to identify needed improvement in the current training programs.
 - Respondents felt that their sales training program was not providing as much industry knowledge as it should. The industry knowledge training program factor had the greatest difference between the ideal and actual responses.

EXHIBIT IV-5

ACTUAL SALES SUPPORT TRAINING PROGRAM
CONTENT FACTORS
IN THE OPINION OF RESPONDENTS*

PROGRAM CONTENT FACTORS	RESPONDENT	
	TOP SALES EXECUTIVE	TRAINING DIRECTOR
INDUSTRY KNOWLEDGE	5.0	5.6
PRODUCT KNOWLEDGE	7.6	7.4
TECHNICAL COMPETENCE	7.1	8.4
SALES TECHNIQUE	4.7	5.0
ABILITY TO MAKE PRESENTATIONS	5.1	5.6
COMPANY LOYALTY	7.0	7.2
TEAMWORK	6.3	7.6
MORALE	7.3	8.5
IMMEDIATE SALES RESULTS	5.3	6.2
EVENTUAL SALES RESULTS	6.8	8.0
POTENTIAL FOR GROWTH INTO MANAGEMENT	3.8	4.2
LEARNING COMPANY POLICIES	4.0	5.3

*AVERAGE IMPORTANCE ON A 0 TO 10 SCALE WHERE 10 IS THE MOST IMPORTANT.

- Sales personnel and training directors reiterated this point when asked to assess training program weaknesses. Lack of adequate industry knowledge training was cited by respondents as a major weakness in their sales training programs.
 - Top sales executives did not identify the lack of industry knowledge in the training program as a weakness when asked to list major training program weaknesses. INPUT believes that top sales executives did not answer the question on training program weaknesses as openly as they rated the ideal and actual training program content factors.
- All respondents agreed that product knowledge could be improved in the sales training program, but the top sales executive didn't perceive that this was as big a problem as did the training director and the sales representative.
- All respondents agreed that sales technique could be improved in the sales training program. The top sales executive felt that this was a significant problem.
- All respondents thought that the training in making presentations could be improved in the sales training program.
- Sales people perceive that the correct emphasis is placed on potential for growth into management and learning company policies in training programs. This is reflected in the small differences between the ideal and actual training program content factors as stated by the respondents.
- The top sales executive and training director believe that the actual training programs do not have enough emphasis on potential for growth into management and learning company policies.

- The top sales executives and training directors think that more emphasis should be placed on morale in the training program. The sales people think that the correct emphasis is placed on morale in the training program.
- The top sales executive and training director agree that a majority of the sales support training program factors need substantial improvement. These areas are:
 - Industry knowledge.
 - Product knowledge.
 - Technical competence.
 - Ability to make presentations.
 - Company loyalty.
 - Teamwork.
 - Potential for growth into management.
 - Learning company policies.

4. FUTURE IMPORTANCE OF SALES AND SALES SUPPORT TRAINING PROGRAM CONTENT FACTORS

- Respondents estimated the change in importance of each factor in the next one to three years. Each respondent was asked to determine if the ideal factor would grow, decline, or stay the same.
 - The future importance of sales and sales support training program content factors are shown in Exhibit IV-6.

EXHIBIT IV-6

SALES AND SALES SUPPORT
TRAINING PROGRAM CONTENT FACTORS
AS PERCEIVED BY RESPONDENTS

PROGRAM CONTENT FACTORS	GROW *			DECLINE*			STAY THE SAME*		
	TSE	TD	SP	TSE	TD	SP	TSE	TD	SP
INDUSTRY KNOWLEDGE	.7	.9	.8	0	.1	0	.3	0	.2
PRODUCT KNOWLEDGE	.5	.7	.6	0	0	0	.5	.3	.4
TECHNICAL COMPETENCE	.5	.6	.5	.1	.1	.1	.4	.3	.4
SALES TECHNIQUE	.5	.7	.7	0	0	0	.5	.3	.3
ABILITY TO MAKE PRESENTATIONS	.4	.7	.7	0	0	0	.6	.3	.3
COMPANY LOYALTY	.4	.4	.5	.2	0	0	.4	.6	.5
TEAMWORK	.3	.6	.7	0	0	0	.7	.4	.3
MORALE	.4	.3	.5	0	.1	.1	.6	.6	.4
IMMEDIATE SALES RESULTS	.5	.5	.4	.2	.1	.4	.3	.4	.2
EVENTUAL SALES RESULTS	.4	.7	.6	.1	.1	0	.5	.2	.4
POTENTIAL FOR GROWTH INTO MANAGEMENT	.3	.5	.7	.1	.2	.1	.5	.3	.2
LEARNING COMPANY POLICIES	.3	.5	.2	0	0	.1	.7	.5	.7

*FRACTION OF TSE, TD OR SP CHOOSING A PARTICULAR RESPONSE.

TSE= TOP SALES EXECUTIVE
TD = TRAINING DIRECTOR
SP = SALES PERSONNEL

- The training director and sales person perceive a similar future for training program factors. There are several significant differences between their collective feelings and the top sales executive as described below:

- The training director and sales representative think that the following factors will grow in the future. One half of the top sales executive agree that these factors will grow in the future. The other half of the top sales executives believe that the following factors will stay the same in the future:
 - Industry knowledge.
 - Sales technique.
 - Ability to make presentations.
 - Teamwork.
 - Potential for growth into management.

- Top sales executives defined the desired and actual amounts of ongoing training that should be provided to sales and sales support personnel. This data is shown in Exhibit IV-7.
 - The average actual ongoing training program is nearly 30% less than desired by top sales executives.
 - One half of the respondents determined that their actual on-going training program represented only 50% of their desired on-going training program.
 - These figures reflect a serious shortcoming in actual on-going training from the top sales executives' expectations.

EXHIBIT IV-7
TRAINING OF SALES AND SALES SUPPORT PEOPLE: PLANS VERSUS ACTUAL ACTION OF RESPONDENTS

COMPANY	HOW MANY MAN DAYS WOULD YOU DEVOTE TO ON-GOING TRAINING PER SALES AND SALES SUPPORT PERSON PER YEAR?					HOW MANY MAN DAYS DO YOU DEVOTE TO ON-GOING TRAINING PER SALES AND SALES SUPPORT PERSON PER YEAR?				
	<5	5-10	10-15	15-20	>20	<5	5-10	10-15	15-20	>20
1				X			X			
2		X					X			
3			X			X				
4					X				X	
5										X
6									X	
7							X			
8									X	
9									X	
10							X			
AVERAGE										
								13		
									18	

D. INDIVIDUAL RESPONDENT TRAINING PROGRAM PROFILES, STRENGTHS, WEAKNESSES AND FUTURE CHANGES

- INPUT has developed a profile of the training program for each company that participated in this study.
 - Company identity has been protected to encourage open and frank participation by the respondents.
 - A summary table comparing the programs is shown in Exhibit IV-8.
- The median industrial training program length for a new sales trainee is six months. The median sales training program length for all services companies is eight weeks. Computer services companies sales training programs fall within this eight to 26 week range.
 - One half of the respondents have sales training programs lasting an average of 12 weeks.
 - One half of the respondents have sales training programs lasting an average of 26 weeks.

I. PROFILE 1: TWO PHASE TRAINING

- This is the first of ten descriptions of the training programs now in place at the companies interviewed.
- At this company, each new employee receives a welcome letter and an outline of the training program.
- The new employee studies programmed instruction materials on programming languages. He must pass 12 tests prior to entry into a formal training class.

EXHIBIT IV-8

COMPUTER SERVICES COMPANIES TRAINING
PROFILE SUMMARY

TRAINING PROGRAM ELEMENT	COMPANY									
	1	2	3	4	5	6	7	8	9	10
SALES TRAINING PROGRAM LENGTH**	10-14	22-25	12	8-12	9-11	36	16	26	20	0
SALES SUPPORT TRAINING PROGRAM LENGTH**	10-14	21-36	12	3-11	9	10-14	6	0	24	0
LENGTH OF FORMAL SALES TRAINING CLASSES**	4	9-12	1	4	3	9	8	13	3	0
LENGTH OF SALES SUPPORT TRAINING PROGRAM**	4	6-9	1	3	3	6	6	0	3	0
SALES ON-JOB-TRAINING PROGRAM LENGTH**	6-10	12-27	11	4-8	6-8	27	8	13	17	0
SALES SUPPORT ON-JOB-TRAINING PROGRAM LENGTH**	6-10	16-19	11	0-8	6	4-8	0	0	21	0
MANAGEMENT TRAINING PROGRAM LENGTH**	1	3	0	2	1	1	1	0	1	0
FORMAL PRE-CLASS TESTING	Y	N	N	N	Y	N	Y	N	N	N
FORMAL IN-CLASS TESTING	Y	Y	Y	Y	Y	Y	Y	Y	Y	N
TESTING BY ROLE PLAY AND PRESENTATIONS	Y	Y	Y	N	Y	Y	Y	Y	Y	N
CLASS SIZE	10-20	20-22	8-15	25-35	10-15	15-22	8-15	16	12	10*
NUMBER OF CONSULTANTS USED	1	0	0	0	0	1	1-3	0	0	0
FORMAL ON-GOING TRAINING PROGRAM USED	N	Y	N	Y	N	Y	Y	N	N	N

*WHEN CLASSES ARE HELD THEY HAVE 10 STUDENTS, BUT THERE IS NO FORMAL TRAINING PROGRAM.

**IN WEEKS

N= NO, Y=YES

- The formal training class has two phases, each two weeks in length. Phase I training points include:
 - Company introduction.
 - Programming languages, operating systems, and data base languages.
 - Systems sales training.
 - Computer operations.
 - Introduction to major products.
 - Practical sales training, using video tape and role play.
- Phase I is followed by four weeks of field study. The student reads five study guides and must pass 18 tests before to entry into Phase II training.
- Phase II training, which lasts two weeks, covers the following topics:
 - Intensive product training.
 - Product sales presentation.
 - Simulated sales calls.
- The total training program lasts 10 to 14 weeks.
- Testing is utilized throughout the training program. The testing includes written exams, presentations, role play, proposal and workshop grading. Failing students are recommended for termination from the company.
- Class size is 15-20 for Phase I and 10-15 for Phase II. Both Phase I and II classes are conducted at company headquarters.

- Instructors from the training department are assisted by field sales, sales support and sales management personnel. Marketing department product specialists provide most of the technical product knowledge.
- One consultant is used for a class in motivation.
- Virtually all new sales and sales support people attend this training program. Rare exceptions are made for very senior people.
- No formal program exists for follow-on or ongoing training. The training department will conduct classes requested by the field, but this is not a common occurrence.
- A five day course in management training is offered to personnel promoted to a management position. The course topics include:
 - Management style.
 - Management techniques.
 - Psychology of the sales person.
 - Interviewing.
 - Motivation.
 - Time and territory management.
 - Performance analysis.
- It is planned to offer this course to management candidates prior to promotion. This goal has not yet been reached.

2. PROFILE 2: COMBINED SALES AND SALES SUPPORT TRAINING

- All sales and sales support personnel attend up to 17 weeks of common training.
- The training process starts with an industry orientation and is followed by two self-study courses on the products and services offered by the company. This training is not be taken by company employees who are transferred into sales from sales support.
- A one-week introduction to accounting for people not having an accounting background follows the orientation.
- All sales and sales support personnel attend a two week product and industry training class. This formal class is followed by four weeks of field work to reinforce concepts taught in the class.
- This six-week cycle is repeated for a different product and industry group.
- The last joint class session for sales and sales support people is a third two week product and industry training class. After this class, the sales people have a one week sales skills class. The sales support people may attend the sales skills class, but generally go to the field and begin reading specific product manuals in order to specialize in one or more products.
- The last formal class for sales people is a two week sales workshop. The workshop stresses presentations, simulated sales calls and role playing. The sales person then spends between two and five months in further field training at the branch level.
- The sales representative does not become eligible for commissions until the end of this six to nine month training cycle. There is also no quota assigned until completion of the cycle.

- The sales support representative spends two months in additional training after completion of formal classes. The total training process takes about six months to complete.
- Formal testing is used throughout the training process. Written exams, presentations, demonstrations, and role plays are used. Students can be washed out if they fail course work, but are generally washed out for a poor attitude rather than grades.
- Class size is 20-22 students. Formal classroom training for new employees is conducted at headquarters.
- Sales skills are taught by field sales managers. Product oriented courses are taught by the training department staff. Training department instructors get their experience in the field and generally remain instructors for 18 months before returning to the field.
- Industry experts from the marketing staff teach industry specific classes.
- There are advanced courses in selling techniques and industry knowledge that can be elected after one year in the field. These courses are taught at headquarters.
- The company offers a three week management development program for prospective managers. Each week of this program covers a different subject: motivation, interviewing, interpersonal communications, and group dynamics.

3. PROFILE 3: SHORT FORMAL TRAINING PROGRAM

- All new employees attend a one week formal training program at headquarters.

- The balance of the three month training program is spent in the branch gaining product knowledge and making trial sales calls on customers (with a more senior sales or sales support representative).
- Sales people concentrate on product features and benefits. Sales support people primarily focus their attention on the background of the product, but also learn product features and benefits.
- Presentations and written tests help measure student progress. However, no students are fired for failing a test.
- Class size ranges from 8 to 15. Classes are conducted either at headquarters or a hotel nearby.
- All classes are taught by field personnel as there is no formal training department function. Customers are brought in to give the new employee a different perspective on the business. These customers describe how they use the product/service as well as the product/service strengths and weaknesses.
- There are currently no advanced courses, refresher courses or management training courses.

4. PROFILE 4: BRANCH ORIENTED TRAINING

- All new sales and sales support employees spend time in their branch office attending customer training classes.
- A three day sales skill class involving extensive role play is conducted at the branch level.
- New employees attend a two week product knowledge class after the three day sales skills class.

- The sales support personnel go back to the branch after completion of the two week product knowledge class. Additional training is by OJT.
- Sales people attend a one week advanced skills class. Subsequent to the one week sales skills class, the sales people make trial assisted and unassisted sales calls. This process continues at the branch level for 30-60 days after formal class completion. This part of the training is presently unstructured. Plans have been developed to control this part of the training process but have not been implemented.
- Written tests and subjective evaluations are used to rank the students. This ranking is distributed to managers of the new employees.
- Product knowledge classes have 30-35 students. Classes are conducted at headquarters.
- The advanced selling skills class, which generally has 25 students, is conducted at a hotel near headquarters.
- All classes are taught by field personnel. Senior sales support people teach product knowledge. Sales managers teach sales skills.
- Sales and product refresher courses are offered twice yearly at general sales meetings that are conducted regionally.
- Management training is conducted after the promotion to manager. This class lasts two weeks. Topics covered include:
 - Interpersonal relationships.
 - Motivation.
 - Interviewing.

- Management principles.

- Performance.

5. PROFILE 5: FORMAL TRAINING PROGRAM DESIGNED AS A FINISHING SCHOOL RATHER THAN A FUNDAMENTALS SCHOOL

- Sales people spend three weeks in the field prior to attending formal training at headquarters. Sales support people spend six weeks in the field. Both groups then attend the same three week class at headquarters.
- The formal three week class is considered to be a finishing school as opposed to a fundamentals school. All students learn about products prior to the formal class. The class stresses presentations on products, role play and company knowledge.
- Sales representatives assume quota responsibility in three to five weeks after completion of the formal class. The final one to two weeks of field work is spent conducting trial sales calls with the branch manager or a senior sales person.
- Sales representatives spend one to two weeks in customer classes after completion of the formal three week training class.
- Testing is used throughout the training process. The student must pass a test to enter the three week formal class. Testing throughout the formal class serves as a checkpoint to measure training effectiveness as well as student performance.
- Class size is 10-15 students.
- Field experience instructors conduct the sales training and limited product training. Senior sales support, product marketing, promotion and contract

administration personnel teach class segments in their sphere of expertise.

- There are no current refresher or advanced training classes.
- A one week sales manager training class has recently been started. This course is for sales managers recently promoted to that position.

6. PROFILE 6: STRUCTURED TRAINING EMPHASIZING OJT

- Sales and sales support training are conducted separately.
- Sales training for experienced data processing people lasts three weeks. It consists of classroom sessions on product training, how to sell products, sales skills, interpersonal communication, and time management. Additional OJT is conducted informally after the formal class, and its duration varies from individual to individual.
- Sales training for non-experienced data processing people lasts 36 weeks.
 - This program has nine weeks of formal class and 27 weeks of structured OJT. Progress in the OJT is monitored by the training department from reports submitted by the trainee's manager.
 - The main difference between this training program and the training for experienced data processing people is the extra time spent explaining data processing concepts and usage.
- Sales support people begin their training by reading technical manuals and performing technical exercises. This work is carried out under the direction of the training department.
- After completion of the technical exercises, the sales support people attend a three week formal class where they receive in-depth technical training. This formal training is followed by one to two months of OJT. The final segment of

training is another three week formal class where product marketing and sales skills are learned.

- All students must pass written, technical, role play, and subjective tests with a 70% grade or better. Students are dropped from the program and terminated for failure to meet this objective. This is not a common occurrence, but has happened. Line management makes the decision based on a recommendation from the training department.
- Classes have 15 to 22 students and are conducted at headquarters.
- In-house instructors perform much of the training but are assisted by technically oriented personnel and sales managers. A consultant is used for a class in motivation.
- Advanced product training is conducted at the branch level.
- Sales support people receive additional technical training at group meetings held twice a year.
- Management training is conducted after promotion to a management position. The training covers:
 - Communications.
 - Budgeting.
 - Hiring, interviewing and recruiting.
 - Branch manager functions.
- The new manager attends three days of programmed audio/visual instruction plus one day of classroom discussion each quarter.

7. PROFILE 7: REINFORCEMENT TRAINING

- Sales training is 16 weeks in length. The program contains:
 - Three weeks learning about the company and sales skills.
 - Four weeks OJT reinforcing concepts learned in formal class.
 - Three weeks of product training which includes product knowledge and how to sell the products.
 - Four weeks OJT developing territory plans and prospecting under senior sales person direction.
 - Two weeks of sales training at headquarters. This is the only formal sales class held at headquarters. The other formal classes are held at different branch offices.
- Sales support begins with self study on technical subjects. A written test must be taken and passed after completion of this study.
- The self study is followed by six weeks' formal training. The subjects covered include:
 - Product capabilities and functions.
 - Technical sales presentation.
 - Product demonstration.
 - Benchmarking.
 - Proposal creation and presentation.

- Product installation and training.
 - Consulting and problem solving.
 - Case studies.
- Formal testing has only recently been introduced into the training program. Early experiences indicate that it has been effective in maintaining student motivation throughout the training process. Plans are being implemented for pre-class testing to insure that all students have the desired level of knowledge prior to the start of a class.
 - Class size is 8-15 students. All formal training classes except the two week sales class are held at a hotel near a branch office.
 - Ongoing training occurs at the branch level.
 - Sales people receive three weeks' supplemental training yearly.
 - Sales support people receive four weeks' supplemental training yearly.
 - In-house instructors direct and control the formal classes. Senior sales staff and sales managers help teach the sales skills. Senior sales support and marketing personnel teach most of the product related training.
 - Consultants have been used in two ways to supplement the training program:
 - To teach specific classes about the marketplace and new technologies.
 - To develop specialized training classes. These classes to provide specific industry knowledge to the sales and sales support trainees.

- Advanced product specific self study programs are available to all sales and sales support staff. This is a voluntary self study program done on the individual's personal time.
- Graduate study is encouraged and sponsored where the classes are industry related.
- A seven day branch manager training program is used to develop new managers. Although many new managers take this program after their promotion, the goal is to have all prospective managers trained prior to promotion.
- The topics covered in the branch manager training program are:
 - Branch manager responsibilities.
 - Achieving potential.
 - Training.
 - Marketing compensation.
 - Quota setting.
 - Planning.
 - Strategic thinking.
 - Communications.
 - Recruiting.
 - Time and territory management.

- Large account marketing.
- Proposal development.
- Company policies.

8. PROFILE 8: TRAINING PROGRAM FOR SALES PEOPLE AND SALES MANAGERS ONLY

- Sales support people come from the technical staff of the company. There is no formal training for these people as they typically have seven to ten years' experience with the company's products.
- The sales training program lasts for six months. The program has the following structure:
 - Three weeks of data processing concepts, introduction to programming, systems analysis and design.
 - Three weeks on company products and services plus an introduction to sales skills.
 - Three weeks of in-depth product and service workshop activity where students practice the sales cycle from presentation to class.
 - Two months of OJT in a loosely structured program where tasks must be completed but sequence of completion is not monitored. This two month period is composed of:
 - Three separate one week formal classes, each class concentrating on a specific industry.
 - Five weeks of field training.
 - One week of strategic selling skills.

- Two months of loosely structured OJT in the field.
- Written and oral examinations as well as role play and presentations are used throughout the program. A total of 21 events are included in the testing procedure.
- No one is failed in the training program. Student motivation is maintained by distributing examination results throughout the sales organization. All students are ranked from top to bottom based on the cumulative test results.
- Class size is 16. All formal classes are conducted at headquarters.
- The training department draws heavily from the senior sales staff and sales managers for sales training. Marketing and technical personnel conduct almost all of the product related classes.
- There are currently no advanced product or refresher courses offered.
- A management development class is being established. The class will last two to three days initially and will build to one week. The class is designed for people who have recently been promoted to a sales management position.
- The topics being considered for this program include:
 - Duties and responsibilities of a sales manager.
 - Recruiting, interviewing and selecting salesmen.
 - Role of the sales training program in new sales person development.
 - Developing a sales plan.
 - Analyzing sales performance.

- Planning the sales call; a cookbook approach.
- Role of the sales manager in pricing.
- Personnel development and retention.
- Employee appraisal and review.
- Office administration.
- Time management.
- Motivation.
- Sales manager round table discussion.

9. PROFILE 9: TRAINING PROGRAM WITH TRAINEE ADVISORS

- Sales training has two programs: one for experienced sales people and one for non-experienced data processing people.
- A non-experienced data processing sales trainee spends five months in training. During the training program, the trainee will spend three separate weeks at headquarters. The majority of time spent in these formal classes is on selling skills.
- The sales trainee is assigned a sales advisor early in the training process. This advisor trains and assists the trainee in sales skills and product knowledge. The advisor is generally a senior sales person but occasionally is a branch manager.
- The trainee spends time using self study materials which cover product knowledge. These self study materials contain audio/visual aids to make the study as interesting as possible.

- Progress of the sales trainee is closely monitored by the sales advisor. Feedback on progress is made weekly to headquarters. Training is tailored to the sales trainee using this feedback mechanism.
- Experienced sales people have a six week training program. Two of the six weeks are spent at headquarters learning sales skills.
- Experienced sales people spend four weeks on OJT working with their manager.
- Experienced and trainee sales personnel are assigned a small territory toward the end of their training. Progress in territory management is closely monitored. Feedback on performance provides a valuable learning experience to the new sales person.
- Sales support people are in training for six months. The structure of this program is similar to the sales training.
 - Three weeks are spent at headquarters learning selling skills, presentation skills and instructing skills.
 - The balance of the six months training period is spent on OJT, mostly learning product information.
- Written testing, role play and presentation provide valuable feedback on student progress. Students are occasionally dropped from the program if tests are failed.
- Formal classes at company headquarters contain 12 students except for the experienced sales classes which contain 15 to 20 students.
- An in-house instructor uses senior sales or sales managers to help teach sales skills. The marketing staff provides information on how the products and services should be sold.

- Product knowledge is taught during OJT by sales support people, customers, education classes or self study.
- Additional training may be requested of the personnel department by sales or sales support people for subjects not taught by the training department. These requests are handled individually, and the volume of requests is generally one per month or less.
- Supplemental training of a sales skill or product nature is offered when demand arises. This training is done at the branch level.
- Management training is coordinated by the personnel department. The training lasts three days. It is conducted by consultants and outside speakers. The content includes:
 - Management theory.
 - Interviewing.
 - Negotiating.
 - Communications.

10. PROFILE 10: ON-THE-JOB TRAINING PROGRAM

- Sales support people are trained in an OJT environment. The training is performed on an ongoing, but ad hoc basis. There is no formal program for sales support training.
- Sales training is conducted on an ongoing basis without formal classes. Progress is monitored with monthly review meetings.
- Sales managers spend time with new sales people reviewing:

- Practical applications.
 - Case studies.
 - Presentation development.
 - Role play.
 - Rehearsing.
 - Trial sales calls.
- Testing has not been utilized in the training program.
 - Class size averages 10 students but may contain from 1 to 20 people. Classes are conducted at both branch and headquarter locations.
 - Because of the informal nature of training process, many people are involved in training new employees. Senior sales people and sales managers teach sales skills. Marketing and sales support staff teach technically oriented subjects.
 - Advanced or refresher courses are offered on an as needed basis. New courses are offered as product development dictates and needs arise.

E. OVERALL TRAINING PROGRAM STRENGTHS, WEAKNESSES, AND FUTURE CHANGES AS PERCEIVED BY RESPONDENTS

- Training program strengths and weaknesses were examined from three perspectives: the top sales executive, the training director, and a salesperson. The perceptions of these groups are somewhat different.

- The top sales executive responses on training program strengths are listed in Exhibit IV-9. Almost all respondents felt that their training program was well structured, covered topics effectively, and turned out trainees that could do the job.
- There were a few weaknesses in the training program perceived by the top sales executives, as shown in Exhibit IV-10.
- Comments for improving the training process, as shown in Exhibit IV-11, reflected a desire to continually improve training programs. Improving field follow-up and decentralizing some training to the branch level are typical plans.
- All top sales executives feel that they have an active role in the training program. Most executives are actively involved in planning for new courses, although not at the detailed content level.
- Two sales training programs require that each new sales trainee conduct a sales call with the top sales executive. Both trainee and executive like this part of the training program.
 - This approach demonstrates the level of commitment to training by top management.
 - New sales representatives feel a part of the company after this interaction.
- Training directors perceived that their training was relevant and real world oriented. Individual responses are shown in Exhibit IV-12.

EXHIBIT IV-9

RESPONDING
TOP SALES EXECUTIVE PERCEPTIONS OF TRAINING
PROGRAM STRENGTHS

- CONSISTENT, PROVEN, MEASURABLE, GOOD QUALIFIER FOR ASSUMING NEW POSITION, AND FULLY SUPPORTED BY THE CORPORATION.
- TEACH BUSINESS PRINCIPLES, INDUSTRY KNOWLEDGE AND THE "BUY CYCLE" .
- COUNSELOR SELLING (ADVISORS TO SALES TRAINEES), PRODUCT KNOWLEDGE.
- SALES SKILLS.
- IN BRANCH AND HEADQUARTERS MIX OF CLASSES AND RIGID MONITORING OF STUDENT PROGRESS.
- TOTAL COMMITMENT, DP CENTER PERSONNEL INVOLVEMENT, WELL DISCIPLINED PROGRAM, CONSTANT FEEDBACK ON PERFORMANCE IN TRAINING.
- DEVELOP PEOPLE TO BUILD THE BUSINESS.

EXHIBIT IV-10

RESPONDING
TOP SALES EXECUTIVE PERCEPTIONS OF
TRAINING PROGRAM WEAKNESSES

- NOT ENOUGH SELLING SKILLS
- TOO SHORT
- NOT ENOUGH PRODUCT AND INDUSTRY KNOWLEDGE
- LINE PERSONNEL NOT INVOLVED IN TRAINING
- TOO LONG

EXHIBIT IV-11

RESPONDING
TOP SALES EXECUTIVE PLANS FOR CHANGING
TRAINING PROGRAMS

- ADD TECHNICAL COURSES FROM DELTAK, ADD MORE VIDEO TAPE SESSIONS, ADD MORE INDUSTRY EXPOSURE AND TEACH SALES SKILLS TO SALES SUPPORT PEOPLE.
- STRENGTHEN IN-BRANCH TRAINING, DEVELOP A SYSTEM TO ACCOUNT FOR SALES TRAINING TIME AND STRESS THE POINTS OF DIFFERENCE BETWEEN OUR PRODUCTS/SERVICES AND THE COMPETITION.
- EXPAND TIME OF INSTRUCTION, CONTENT AND FOLLOW-UP, AND ADD A COLLEGE HIRING PROGRAM.
- CONSOLIDATE AND CENTRALIZE TRAINING, ADD MORE COURSES, AND ADD A BETTER BRANCH TRAINING FOLLOW-UP SYSTEM.
- ADD TECHNICAL DEPTH TO SALES SUPPORT CLASSES AND ADD DEPTH TO PRODUCT KNOWLEDGE AND SALES SKILLS CLASSES.
- PROVIDE MORE SELF INSTRUCTION AND FIELD TRAINING, AND TO ADD DEPTH TO TECHNICAL PRODUCT AREAS.
- INCREASE ON-GOING TRAINING.

EXHIBIT IV-12

RESPONDING
TRAINING DIRECTOR PERCEPTIONS OF
TRAINING PROGRAM STRENGTHS

- STUDENT INVOLVEMENT AND LOW PERCENTAGE OF LECTURING IN CLASSROOM.
- COMBINE REAL WORLD EXPERIENCE WITH PRODUCT TRAINING.
- CONVINCES PEOPLE THAT SUPPORT STAFF EXISTS AND WILL HELP.
- CLASS OBJECTIVES, HAVE MANAGEMENT COMMITMENT AND ARE ACCOMPLISHING OBJECTIVES.
- DEDICATED TRAINEES, REAL LIFE PROBLEM ORIENTATION OF CLASSES AND COMPANY SUPPORT.
- TURNING OUT PRODUCTIVE PEOPLE AND THE PROGRAM RUNS WELL (NO COMPLAINTS).
- SALES SKILLS, PRODUCT KNOWLEDGE, ATTITUDE, COMPETENCE, COMPANY POLICIES AND PROCEDURES.
- PRODUCTIVITY AND PERFORMANCE QUOTA.
- SELF STUDY ALLOWS SELF PACING, MASTER-APPRENTICE CONCEPT, FEEDBACK TO TRAINING DEPARTMENT ON TRAINEE PERFORMANCE.
- SALES SKILL AND MORALE DEVELOPMENT.

- The weaknesses of training programs perceived by training directors, as shown in Exhibit IV-13, relate to the issues of support: from top management, funding or field management. Given these obstacles, it is interesting to note that the training directors still thought that their programs were very effective.
- The top sales executives and training directors agree that the training program results are very good.
- Training directors are more critical of the weaknesses in their programs than top sales executives, but this can be explained by:
 - The training directors have to work on training programs as a full time task. It is nearly impossible to satisfy all of the different interest groups that would like to see various subjects included or excluded from the program.
 - Staff functions rarely get the budget allocation that they desire. Training departments typically receive the same treatment.
 - Sales people will be more open with the training director than with the top sales executive. The training director probably gets more accurate feedback on course effectiveness than does the top sales executive.
- Training director plans for changing their training programs, are shown in Exhibit IV-14.
- More industry specific training is needed. Training departments appear to be changing their training programs to provide this industry specific training.
- Refresher and advanced courses in sales skills and product knowledge are needed for sales and sales support personnel. Training departments would like to add such courses but budgeting constraints appear to be a limiting factor in the development of these courses.

EXHIBIT IV-13

RESPONDING TRAINING DIRECTOR PERCEPTIONS OF TRAINING PROGRAM WEAKNESSES

- SENIOR MANAGEMENT NOT INVOLVED.
- HARD TO TEACH BROAD AUDIENCE WITHOUT SPECIALIZATION.
- DOESN'T TEACH PROBLEM SOLVING.
- ENTIRE TRAINING PERIOD IS NOT DEFINED.
- LOCAL FIELD MANAGER SUPPORT AND FOLLOW-UP AND MEASURING SUCCESS OR FAILURE OF THE PROGRAM.
- NOT ENOUGH MONEY AND INSTRUCTORS, AND WEAK TECHNICAL CONTENT.
- INDUSTRY KNOWLEDGE.
- LACK OF FIELD WORK DIRECTION.
- NO ADVANCED SELLING SKILLS.
- COMMUNICATING AND UNDERSTANDING AT THE FIELD LEVEL.
- NO NON-DP TRAINEES ARE BROUGHT INTO THE PROGRAM.

EXHIBIT IV-14

RESPONDING TRAINING DIRECTOR PLANS FOR
CHANGING TRAINING PROGRAMS

- SEPARATE SALES AND SALES SUPPORT CLASSES, ADD ADVANCED PRODUCT AND SALES SKILLS COURSES (AND REFRESHERS), DEVELOP A MODULAR TRAINING PROGRAM SO THAT EXPERIENCED PEOPLE CAN COMPLETE FORMAL TRAINING MORE QUICKLY AND EFFICIENTLY.
- FINE TUNING.
- IMPROVE INDUSTRY TRAINING.
- TRAINING PROGRAM FOR SALES TRAINEES.
- ADVANCED TRAINING, MORE COHESIVE TRAINING, A COLLEGE HIRING PROGRAM, AND "LIVE" EXAMPLES IN CLASSES.
- MORE ADVANCED AND IN-DEPTH PRODUCT AND SALES TRAINING.
- MORE IN-BRANCH TRAINING, MORE SELF STUDY CLASSES, MORE PREREQUISITE TRAINING PRIOR TO CLASS ENROLLMENT, SHORTEN FORMAL CLASSES AND MORE INDUSTRY TRAINING.
- ADVANCED CLASSES, SALES MANAGER TRAINING, VIDEO TAPE OF TOP SALESPERSON SELLING PRODUCTS AND SERVICES.
- CHANGING PACKAGED SALES COURSE FOR OUR PRODUCTS, ADVANCED SELLING SKILLS.
- INDUSTRY SPECIALIZATION AND SALES TECHNIQUES FOR THOSE INDUSTRIES.

- More in-branch training with appropriate follow-up systems to judge effectiveness are needed. Training departments are responding to this need as rapidly as they can.
- One company had a unique way of showing effective selling techniques. The company video taped their top sales person in a simulated sales call. The simulated call was based on real experiences and conditions that the sales person encountered in various selling situations. The training department plans to video tape other successful sales people in simulated selling environments.
- Nearly all sales representatives thought that the current training program was the best that they had ever had. This may be the case, but could also be explained by:
 - Sales people interviewed were successful by their own definitions so that their response reflects their high level of morale.
 - Sales people that received training from companies three to five years ago probably received inferior training, judged by today's standards. Many training programs have been significantly bolstered in the last three years.
- Perhaps the best comment summarizing the effectiveness of training programs from the sales representative perspective is: "The bottom line is that trainees leave the training program and can sell when they get into the field."
- Sales representatives felt that five areas of training could be improved.
 - Add more competitive information on companies, products, services, and alternatives.

- Lengthen the training program so that people have more time to absorb the information. This could be accomplished by more effective scheduling and follow-up in the OJT period.
 - Improve the selling skills classes.
 - Add or improve classes on industry knowledge.
 - Add advanced and refresher type courses.
- Sales representatives felt that all personnel involved in the training process were effective. There was a marked preference for sales experienced instructors, but that is expected and understandable.
 - Exhibits IV-15 and IV-16 show the sales representative perceptions of training program strengths and weaknesses. There are two major areas of perceived differences with management (top sales executives and training directors).
 - Sales people perceived that a major benefit of the formal training classes at headquarters were the contacts made with other company people. Sales people used these contacts after completion of the training program to help answer questions on products and sales situations. Management did not perceive this benefit of the formal training classes.
 - Sales representatives believed that more emphasis should have been placed on the competitive aspects of the industry during the training program. The sales people needed this information to be effective on the job. Management did not perceive this need of the sales force.
 - Training directors have a variety of problems with their training programs as Exhibit IV-17 indicates.

EXHIBIT IV-15

RESPONDING SALES REPRESENTATIVE PERCEPTIONS
OF TRAINING PROGRAM STRENGTHS

- PRIORITY MANAGEMENT AND INDUSTRY KNOWLEDGE.
- PRODUCT COVERAGE, SALES SKILLS AND COMPANY SUPPORT
- TRAINING PROGRAM NOT STRUCTURED AND PERSONAL CONTACT AT MANY LEVELS IN THE COMPANY.
- QUALIFIED INSTRUCTORS AND COMPANY DEDICATION TO TRAINING.
- DP INTRODUCTION, SALES PRACTICE AND CLASS SIZE.
- ROLE PLAY AND PEOPLE EXPOSURE.
- PROFESSIONAL TRAINERS AND TOP EXECUTIVE CONTACT.
- PRODUCT COVERAGE.
- VIDEO TAPE, ROLE PLAY AND PEOPLE CONTACT WITHIN CORPORATE ORGANIZATION.
- PEOPLE CONTACT AND EXCHANGE OF IDEAS.

EXHIBIT IV-16

RESPONDING SALES REPRESENTATIVE PERCEPTIONS
OF TRAINING PROGRAM WEAKNESSES

- CANNED SALES COURSE.
- TOO MUCH INFORMATION TOO FAST, NEED BREATHERS WITH FIELD WORK.
- LACK OF ORGANIZATION AND NO LOGICAL FLOW.
- TESTING.
- NO COMPETITIVE INFORMATION, COST JUSTIFICATIONS AND ON THE JOB TRAINING.
- NOT ENOUGH SELLING SKILLS AND INDUSTRY TRAINING.
- LACK OF LOGICAL FLOW AND LOTS OF WORK.
- LACK OF ROLE PLAY.
- NO SALES STRATEGY DISCUSSION.
- LACK OF TIME MANAGEMENT, COMPETITION, INDUSTRY KNOWLEDGE.
- NOT ENOUGH TECHNICAL CONTENT AND STUDENT PARTICIPATION.

EXHIBIT IV-17
COMMON RESPONDENT TRAINING DIRECTOR PROBLEMS*

COM-PANY	DE-VELOP-ING TEA-CHERS	MAN-AGE-MENT IN-VOLVE-MENT	ADE-QUATE FIND-ING	DE-VELOP-ING COURSE MATER-IALS	UP-DAT-ING COURSE MATER-IALS	MOTI-VATING STU-DENTS	ADE-QUATE FACILI-TIES	TOTAL	AVERAGE
1	5	2	3	3	3	5	3	24	3.4
2	3	10	5	5	4	1	0	28	4.0
3	5	2	1	3	3	2	3	19	2.7
4	10	0	0	5	0	0	0	15	2.1
5	5	8	9	7	9	4	3	45	6.4
6	2	10	7	8	8	5	8	42	6.0
7	9	9	4	4	5	6	2	36	5.1
8	6	0	8	9	9	0	0	32	4.6
9	1	2	8	3	3	3	8	26	3.7
10	10	0	5	5	5	9	0	33	4.7
11	0	10	4	7	2	0	3	26	3.7
AVERAGE	5.1	4.8	4.3	5.4	4.6	2.8	3.6	29.6	4.2

*PROBLEM IMPORTANCE ON A 0 TO 10 SCALE WHERE 10 REPRESENTS AN EXTREME PROBLEM.

- Developing course materials is the biggest problem that training directors have. Sixty percent of the responding training directors rated this as a significant problem (5 or higher on a 0-to-10 scale).
- Sixty-four percent of the training directors indicated that developing teachers is a significant problem.
- Obtaining management involvement was a significant problem in approximately one-half of the responding companies.
- Training directors did not believe that motivating students or obtaining adequate training facilities were problems.
- No relationship was found between training director problems and turnover or revenue production per sales person.

F. REPORTING RELATIONSHIP OF TRAINING TO SALES AND MARKETING

- Companies generally debate the issue of to whom training should report in an organization.
- In most cases, training reports to the vice president of marketing. Respondent marketing vice presidents typically have total sales responsibility.
 - Occasionally, training reports to a staff vice president of marketing. Organizations with this structure typically encounter line versus staff arguments on training responsibilities.
 - The majority of companies give the training director responsibility for the training program, its course content and scheduling. The only exceptions to this are small companies that do not have a separate training function.

V EDUCATION/TRAINING VENDORS

V EDUCATION/TRAINING VENDORS

A. TRAINING PROGRAM PROFILES

- INPUT interviewed the six following vendors of educational courses to provide clients with information about companies providing services which can be incorporated into in-house programs:
 - Advanced Systems, Incorporated.
 - Control Data Education Company.
 - Deltak, Incorporated.
 - Edutronics Division - McGraw-Hill.
 - Tratec, Incorporated (in the process of being acquired by McGraw-Hill).
 - Xerox Learning Systems.
- These vendors offer technical and sales related courses. Many of the courses are prepackaged and are available as programmed instruction courses with various audio, visual or video tape training aids.

- Several of these vendors perform custom training and custom class development.
- A profile of each vendor is presented in the following section.

I. PROFILE I

- Vendor offers audio visual programs in data processing and management development. The majority of material is technical information in the data processing area.
- Training sessions run from two to four hours.
- Audio visual aids are supplemented with a student text which contains:
 - Reviews.
 - Reinforcements.
 - Programmed instruction.
 - Case studies.
 - Application exercises.
- Class size can range from one up. Classes are at the user site.
- Successful training is measured by altered behavior and can occur upon completion of a course or after a period of time in the operating environment. Altered behavior is measured by performance on written tests and application exercises.
- The vendor cites a cost efficient and flexible working training system as the greatest strength of the training programs offered.

- Cost efficient refers to the low cost of using video taped and programmed instruction training compared to the higher cost of using an instructor for each course.
- A flexible working training system is modular (classes are segmented into subject units), can contain any number of students, and may contain any amount of field work.
- The typical contract price range is \$10,000-30,000. The contract price is a function of the duration of training and the specific courses selected by the client.

2. PROFILE 2

- The vendor offers modular packaged courses and custom training programs.
- Modular courses last from one to nine days, are offered at the customer site, and cost between \$75 and \$140 per day per student.
- Many types of written tests are administered throughout the modular course training period.
- The modular courses may be self paced with one student or group oriented with 15-20 students.
- Successful training is measured by behavior change which should occur at the end of the training program and which is measured by the results of written tests.
- Modular classes are offered in:
 - Sales skills.
 - Management skills.

- Customer service skills.
- Industry orientations.
- The vendor perceives that the greatest strength of their training programs is in being results oriented. These training programs are designed to help people become more productive on the job immediately after the training program is completed.

3. PROFILE 3

- The vendor provides training programs for:
 - Sales.
 - Management and supervision.
 - Customer service.
 - Technical functions.
- The vendor will teach the courses at the customer's site, the vendor's site, or will train the customer's trainer to teach the courses at the customer's site.
- Most basic programs last one to three days and may cost from \$12 to \$200 per person per day. Site and trainer considerations cause the greatest variability in price. The price will be lowest if the user teaches his own courses at his own facility.
- Testing is performed by statistical measures, self analysis, peer analysis and management analysis.
- The recommended class size varies from course to course, but generally ranges between 8 and 15.

- Successful training is determined by a positive behavioral change in the student after completion of the training. The behavioral change is determined by statistical measures, self analysis, peer analysis and management analysis.
- Programmed instruction materials and multiple media are used in all courses.
- The vendor perceives accountability and efficiency as the training program's greatest strengths.
- Custom tailored courses are available from this vendor.

4. PROFILE 4

- This vendor offers video assisted instruction in technical data processing functions, manufacturing, management training, engineering, mathematics and electronics.
- Courses last 5 to 20 hours and cost \$4,000-5,000 per course on a purchased bases. Rental plans are available.
- Sales training is conducted with an instructor without using video assisted instruction.
- All courses utilize multiple written tests to measure progress:
 - A test prior to taking the course.
 - Tests during and immediately after the course.
 - A test three months after taking the course.
- The written tests used at the three testing intervals are designed to measure the student's knowledge of the course subject matter. The tests do not use the same questions, but cover the same course material.

- Classes are offered at the customer location.
- Instruction is self paced and guided by the programmed instructions.
- Successful training is defined as changed action after course completion. This is measured by self analysis and management analysis.
- The vendor believes that the training program's greatest strengths are in the state-of-the-art technology offered by the courses and in the follow-up performed by the vendor's personnel after a training class has ben conducted by a user.

5. PROFILE 5

- This vendor offers video tape based courses in the areas of:
 - Date processing technical products.
 - Management development
 - Personal development.
 - Science and engineering.
 - Marketing and customer relations skills.
- Classes last from 15 to 26 hours and cost \$100 and up. Courses may be purchased or rented.
- Written examinations are administered before, during, and after the course. Different tests are used at the three testing points, but all tests cover the same subject material.

- The recommended class size is 10-15, but it can also be self paced by a single student.
- Successful training implies immediate changed behavior.
- Classes are offered at the user site.
- The vendor sees the training program's strengths as quality of program and support, and broadness of the product line.

6. PROFILE 6

- This vendor offers individualized, multimedia, computer based training.
- Classes are typically three days in length and cost \$200-400 per student.
- Class size can be one or more; however, 15 is the recommended number.
- Courses are offered in:
 - Management.
 - Sales.
 - Computer sciences.
 - Utilities (gas, electric and water).
 - Heavy manufacturing.
 - Insurance.
- The last three course areas teach industry expertise.

- Success in training is defined as changed behavior, and the class is seen as one step to change that behavior. Field work utilizing the class concepts is the other main ingredient to change behavior.
- The vendor sees the training program's greatest strength in that it is computer based, which allows interaction with and immediate feedback to the student.

B. NEW COURSE NEEDS

- Computer service companies already have or can develop both product knowledge and sales skills classes.
 - Many computer service companies use the Xerox professional selling skills course or a variation for a major portion of sales training. The small computer service company that does not have a formal training program in sales skills could use such an approach on a cost effective basis.
- Tratec has developed industry orientation courses that are used by many computer service companies. Nearly one half of the respondents indicated that Tratec off the shelf courses are used to impart industry knowledge. Small computer services companies could use this type of course to give their personnel an industry orientation.
- There appears to be a need for more industry oriented training. Existing course offerings either are not well known or do not fully meet the needs of many computer services companies.
 - Nearly one third of the respondents were not aware of the Tratec or other vendor industry orientation courses.

- The majority of computer services company respondents expressed a failing of their own training programs in the area of providing industry experience to the sales and sales support personnel. This is especially important because the respondents believe that industry knowledge is important (and will become more important in the future) for sales and sales support personnel.
- No computer services company interviewed offers customer service training to their sales support staff. Several educational vendors offer such courses.
 - Computer services companies will begin to offer customer support classes to their staff as the quality of customer service becomes a more important element in the computer services sales cycle.
 - Respondents believe the customer support will become a more important factor in the sale of computer services in the future. As product offerings begin to look alike on a feature by feature analysis (from the prospect's or user's perspective), the main point of difference between vendors will be level and quality of service offered to the customer.
- Computer assisted instruction will become an important training technique in the next two to five years. This instruction medium provides immediate student and/or instructor feedback on student training progress.
 - Only one education vendor interviewed is planning to implement this training technique within the next 12 months.
 - This training technique will be implemented by:
 - Computer services vendors through remote computing services, including placement of hardware at the user's site.

- . Individual companies using their own network or distributed processing system.
- . Educational vendors using a computer services company network.

VI DESCRIPTION OF CURRENT AND PROJECTED
SALES AND SALES SUPPORT PERSONNEL

VI DESCRIPTION OF CURRENT AND PROJECTED SALES AND SALES SUPPORT PERSONNEL

A. NUMBER OF SALES AND SALES SUPPORT PERSONNEL

- An objective of the study was to estimate the current and future requirements for sales and sales support personnel.
 - The sales and sales support personnel statistics of companies interviewed are shown in Exhibit VI-1. Respondents provided data for 1977, 1978, 1979, and 1984.
 - Respondent sales force size will increase 15% on average each year between 1979 and 1984, but the range is 9% to 24% annually.
 - Respondent sales support force size will increase 12% on average each year between 1979 and 1984, but the range is 6% to 19% annually.
- The number of past, current and future openings for sales and sales support personnel is shown in Exhibit VI-2. The order of companies shown in this exhibit is the same as in Exhibit VI-1.
- Exhibit VI-3 shows the number of sales and sales support personnel to be hired by respondent companies in 1979 and 1984.

EXHIBIT VI-1

AUTHORIZED NUMBER OF SALES AND SALES SUPPORT PERSONNEL, 1977-1984
AS STATED BY RESPONDENTS

COMPANY	SALES					AAGR 1979-1984	SALES SUPPORT					AAGR 1979-1984
	1977	1978	1979	1984			1977	1978	1979	1984		
1	65	105	115	230		15%	65	105	115	230		15%
2	50	60	70	120		11	40	50	55	90		10
3	95	106	118	190		10	100	110	130	197		9
4	72	84	100	150		9	72	84	100	150		19
5	80	100	110	240		17	70	115	130	252		14
6	79	101	140	220		10	86	97	110	150		6
7	28	33	37	92		20	NA	NA	NA	NA		NA
8	12	16	24	40		11	18	23	33	50		9
9	NA	21	26	50		14	NA	18	21	50		19
10	90	116	134	400		24	130	163	185	350		14
AVERAGE	-	-	-	-		15%	-	-	-	-		12%

NA = NO ANSWER

NUMBER OF PAST, CURRENT AND FUTURE OPENINGS FOR SALES AND SALES SUPPORT PERSONNEL, 1977-1984
AS STATED BY RESPONDENTS

COMPANY	SALES					SALES SUPPORT					AVG. % OF SALES SUPPORT FORCE SIZE
	1977	1978	1979	1984	AVG. % OF SALES FORCE SIZE	1977	1978	1979	1984		
1	10	0	0	NA	4%	10	10	NA	NA	12%	
2	5	5	7	12	10	0	0	0	0	0	
3	8	8	8	8	6	9	9	9	9	7	
4	12	12	12	12	12	7	7	7	7	8	
5	30	7	7	7	10	30	10	10	10	11	
6	5	5	5	5	4	5	5	5	5	5	
7	15	5	15	30	34	NA	NA	NA	NA	NA	
8	8	10	6	10	37	8	6	3	5	18	
9	NA	3	3	5	11	NA	3	3	5	28	
10	9	12	15	40	10	4	5	5	11	3	
AVERAGE	18%	9%	9%	9%	9%	13%	7%	5%	4%	4%	

NA= NO ANSWER

EXHIBIT VI-3

NUMBER OF SALES AND SALES SUPPORT PEOPLE TO BE
HIRED IN 1979-1984
AS STATED BY RESPONDENTS

COMPANY	SALES		SALES SUPPORT	
	1979	1984	1979	1984
1	28	46	14	28
2	42	48	12	20
3	41	46	42	39
4	32	42	25	33
5	41	73	50	79
6	26	31	19	25
7	24	48	NA	NA
8	11	18	6	13
9	8	13	8	13
10	65	120	47	64
AVERAGE	32	49	22	31
PERCENT OF SALES / SALES SUPPORT STAFF	36%	28%	25%	21%

NA = NO ANSWER

- These figures were derived from turnover rates, current and projected openings, and growth statistics.
- Computer services companies need to hire over a third more people than they currently have on their sales staff just to reach their 1979 headcount quota goals.
- Computer services companies need to hire at least one quarter more people than they currently have on their sales support staff in order to reach their 1979 headcount quota goals.
- The hiring rates for sales and sales support personnel will slightly decrease during the next five years. Twenty-eight percent of the sales force and 21% of the sales support force will need to be added in 1984 compared with 36% and 25% for sales and sales support during 1979.
- The number of sales people serving the computer services industry is estimated to be 10,000 to 13,000. This was estimated using the following technique:

$$\begin{aligned}
 \text{Number of salespeople} &= \text{Market size of the industry} \div \\
 \text{serving the industry} & \quad \text{Revenue production per} \\
 & \quad \text{sales person} \\
 &= \$8.1\text{B} \div \$0.61\text{M/Sales person} \\
 &= 13,000 \text{ sales people}
 \end{aligned}$$

- Sales force growth rate is estimated to be 15% annually for the next five years (see Exhibit VI-1).
- The computer services market is growing 16% annually and will have a market size of \$19.4B by 1984.

- The productivity per sales person must grow at least 7% a year to satisfy the demand for computer services given the growth rate anticipated in sales force size. The average annual revenue production per sales person will be nearly one million dollars by 1984.
- The number of sales people needed in 1984 will be 15,000 to 25,000.
 - Computer services companies will hire 4,000 to 7,000 new sales people in 1984. This figure is nearly 50% of the total number of sales people serving the industry today.
- Hiring practices and training programs must become more efficient to handle the influx of people into the industry.
- Revenue production per sales person is shown in Exhibit VI-4. These figures do not appear related to company size, employee turnover or training program length. This data was derived from INPUT estimates of 1978 revenues for respondent companies.

B. AGE COMPOSITION OF SALES AND SALES SUPPORT PERSONNEL

- The sales force age composition is shown in Exhibit VI-5.
- The age distribution is representative of an industry that is relatively young.
 - Many sales people received initial training from hardware vendors in the mid 1960s and later. This group of people is now in the 30 to 45 age bracket.

EXHIBIT VI-4

AVERAGE REVENUE GENERATED PER SALES PERSON IN
RESPONDING COMPUTER SERVICES COMPANIES FOR 1978

COMPANY	AVERAGE REVENUE PER SALES PERSON (\$ MILLIONS)
1	\$.29
2	.39
3	.27
4	.67
5	.65
6	.85
7	.61
8	.43
AVERAGE	.61

EXHIBIT VI-5

RESPONDENT SALES FORCE AGE COMPOSITION

COMPANY	PERCENTAGE BY AGE CATEGORY			
	25 YEARS	25-35 YEARS	35-45 YEARS	45 YEARS AND OVER
1	25%	75%	0%	0%
2	10	85	5	0
3	0	80	20	0
4	10	50	30	10
5	15	60	25	0
6	0	45	50	5
7	5	75	20	0
8	10	65	25	0
9	25	60	10	5
10	25	75	0	0
AVERAGE	13%	65%	20%	2%

- Successful sales people desiring to move into management have been afforded that opportunity because of tremendous growth in the industry. People in the 35 to 45 age bracket have typically moved into management if they desired that career path.
- The age distribution is changing.
 - Approximately 60% of the respondents believe that the average age of the sales representative is getting lower.
 - Twenty percent of the respondents believe that the average age of the sales representative is getting older. These respondents have a conscious strategy to introduce stability and experience into the sales force.
- INPUT believes that computer services companies must make a concerted effort to find, attract and hire college graduates or recent graduates for sales training.
 - College graduates bring a different, often constructive, perspective to the computer services company.
 - More people are needed in sales if the 12% average growth rate in sales forces is to be realized. There are a limited number of older candidates available, and that number cannot sustain the growth projected for this industry.
 - More senior sales people, especially successful ones, demand and receive first year earnings guarantees of \$50,000 to \$70,000. A bidding war will only add to the instability which now leads to turnover.

- Many marginally successful sales people change companies with the expectation that fresh training and a new start will be the answer to their performance problems. These "retreads" are becoming less attractive to computer services companies.
- The age range, average new hire age, and years work experience of newly hired sales representatives is shown in Exhibit VI-6.

C. DISTRIBUTION OF SALES AND SALES SUPPORT PERSONNEL BY SEX

- The sales and sales support personnel distribution by sex is shown in Exhibit VI-7.
 - The percentage of females involved in sales support is currently three times that of sales.
 - This statistic should change in 1980 as respondents expressed an interest in raising the percentage of females in the sales force.
 - Companies expect to hire 13% more female sales support people in 1980 than will be hired this year.
 - Companies expect to hire 61% more female sales people in 1980 than will be hired this year.
- There will not be enough capable female sales candidates available for computer services companies in 1980 unless new sources of female candidates are found.
 - Younger females with less experience than the usual trainees must be recruited.

EXHIBIT VI-6

AGE RANGE, AVERAGE NEW HIRE AGE AND YEARS
 WORK EXPERIENCE OF NEWLY HIRED SALES
 REPRESENTATIVES
 OF RESPONDING COMPANIES

COMPANY	AGE RANGE	AVERAGE NEW HIRE AGE	YEARS WORK EXPERIENCE OF NEW HIRES
1	22-35	27	2-4
2	22-45	26	3
3	26-45	30	5-6
4	22-48	28	5-6
5	22-42	29	4-5
6	23-50	34	10
7	22-42	28	6
8	25-35	30	5
9	22-55	28	3
10	24-32	26	3-4
AVERAGE	22-50	29	4-5

EXHIBIT VI-7

RESPONDENT
SALES AND SALES SUPPORT PERSONNEL DISTRIBUTION BY SEX*

COMPANY	SALES FORCE		SALES SUPPORT FORCE	
	1979	1980	1979	1980
1	10%	10%	10%	10%
2	10	20	20-25	20-25
3	10	20	25-30	30-40
4	16	16	22	22
5	20	30	50	50
6	5	5-7	20-30	20-30
7	9	9-10	9	9-10
8	20	25	20	25
9	12	20	40	40
10	0	0	0	0
11	5	6-7	20	20-25
AVERAGE	10%	15%	24%	25%

*PERCENTAGE OF WOMEN INVOLVED IN SALES OR SALES SUPPORT

- More female sales support staff must be attracted into sales.
- Females must be recruited directly from college (undergraduate or graduate programs).

D. SELLING COSTS FOR RESPONDING COMPANIES

- Selling cost percentages for respondent computer services companies are shown in Exhibit VI-8.
- The range of sales salaries and commission costs is between 2-6% of revenue for companies with annual revenues exceeding \$50 million and 5-15% of revenue for companies with annual revenues at or below the \$50 million level. This same relationship was found in previous INPUT studies.
 - The computer industry average of sales salaries and commission costs is between four and five percent of revenue.
 - Computer services companies have the same compensation cost structure as the rest of the computer industry.
- Commission structure is highly variable as Exhibit VI-8 shows. Respondents indicated a range of 30-75% of total sales compensation was earned from commissions. The average commission plan of respondents indicates their sales people would earn about 40 percent of their compensation from commissions. This is consistent with previous INPUT studies.
 - The average commission for all industrial companies is 18-20% of total sales compensation.
 - Computer services companies provide a much higher incentive for selling than industrial companies. This can largely be explained by the

EXHIBIT VI-8

SELLING COSTS FOR RESPONDING
COMPUTER SERVICES COMPANIES

COMPANY	SALES SALARIES AND COMMISSION COSTS AS A PERCENT OF REVENUE	COMMISSION AS A PERCENT OF TOTAL SALES COMPENSATION
1	NA	35-40%
2	5-6	50
3	2	50
4	4-5	30
5	5	60-70
6	NA	35
7	5	46
8	5	75
9	11.2	33
10	8	30
11	NA	33
AVERAGE	5.2%*	44%

NA = NO ANSWER

*WEIGHTED AVERAGE BASED ON COMPANY REVENUE

more difficult nature of services sales over physical product sales. Sales personnel are provided with a strong incentive for selling services in the form of a higher commission rate.

E. TRAINING COSTS FOR RESPONDING COMPANIES

- Sales and sales support training costs are shown in Exhibit VI-9.
 - Top sales executives indicated training budgets for 1979 and 1980. The budget figures include salary and expenses of new sales and sales support trainees and training department expenses (except as noted).
 - Training directors estimated the cost for training a college hire and an experienced person. The respondent sample is small, but it appears that it costs about 15% to 20% more to train a college graduate than an industry experienced person.
 - The average amount to be spent on new sales and sales support hires in 1979 and 1980 has been calculated based on budget allocations and numbers of people to be hired.
- It costs at least \$10,000 to \$20,000 to train a new sales or sales support employee in a four to six month training program.
 - This figure covers only the training department costs and out of pocket travel expenses for the person in training.
 - The cost of the sales or sales support person's salary is not included in this figure.
 - The costs of OJT and management are not included in this training cost figure.

EXHIBIT VI-9

SALES AND SALES SUPPORT TRAINING COSTS
FOR RESPONDING COMPANIES

COMPANY	1979 BUDGET AMOUNT *	1980 BUDGET AMOUNT *	COSTS FOR TRAINING COLLEGE HIRE	COSTS FOR TRAINING INDUSTRY EXPERIENCE
1	\$ 500K	\$ 550K	\$30K	\$15K
2	1,000	1,200	75	75
3	150	250	NA	50
4	450	500	11	4
5	600	720	14*	13*
6	1,000	1,100	NA	11*
7	1,900	2,300	NA	25
8	350	420	NA	NA
9	50	75	NA	NA
10	40	50	10*	10
11	300	750	NA	10
AVERAGE PER SALES & SALES SUPPORT HIRED	\$ 11K	\$ 13K	\$32K	\$29K

NA=NO ANSWER

*INCLUDES TRAINING DEPARTMENT EXPENSES AND OUT OF POCKET
TRAVEL EXPENSES ONLY

- Total initial training costs of a new hire are in the range of \$30,000 to \$50,000. The cost of a turnover is even higher than this when lost revenue opportunities are considered.
- INPUT has calculated the percent of revenue allocated to the training budget. These figures are shown in Exhibit VI-10. There is no relationship between the order of companies on this exhibit and any other exhibit.
- The range of training allocations by respondents is 0.3% to 3.6% of revenue. The average training budget is 1.1% of revenue. There was no relationship between training budget allocations and revenue production generated per sales person.

EXHIBIT VI-10

RESPONDENT
 TRAINING BUDGET AS A PERCENT OF REVENUE

COMPANY	TRAINING BUDGET AS A PERCENT OF REVENUE
1	.5%
2	1.1
3	.3
4	.5
5	3.6
6	1.5
7	1.5
8	1.8
9	.6
AVERAGE	1.1%*

*WEIGHTED AVERAGE BASED ON COMPANY REVENUE

VII RECRUITING, HIRING AND TURNOVER

VII RECRUITING, HIRING AND TURNOVER

A. CANDIDATE SOURCES

- The need for new sales and sales support personnel as developed in the previous section raises the issue of recruiting.
 - Exhibit VII-1 shows the recruiting sources for sales and sales support personnel among respondents.
 - A majority of the companies use colleges for at least some recruiting. This source will grow in importance as qualified candidates become harder to find. MBA graduates are prime candidates, but companies also recruit business, science and engineering graduates.
- Several respondents indicated that they did not expect to recruit more recent college graduates. These respondents might reconsider if candidates are not found from other sources. Respondents that expressed this lack of interest in recent college graduates wanted to find candidates with three to four years of business experience.
- Nearly all respondents indicated that competitors were a rich source of candidates. Virtually all respondents recruited candidates from competitors and other computer industry companies.

EXHIBIT VII-1

SALES AND SALES SUPPORT
RECRUITING SOURCES
OF RESPONDENTS

COMPANY	COLLEGE	TRADE SCHOOLS	COMPETITORS AND OTHER COMPANIES	INDUSTRY SPECIFIC COMPANIES	IN-HOUSE
1	10%		40-50%	40-50%	
2	X		X	X	
3			X		
4	15		55	15	15
5	20		10	70	
6			70		30
7	30		30-40	30-40	
8		25	75		
9	X				
10	25		33	42	

X = USED AS A RECRUITING SOURCE, BUT PERCENTAGE NOT AVAILABLE.

- Many respondents indicated that candidates were being recruited from specific industries.
 - Computer services companies need industry specific expertise as their products become more specialized.
 - Computer services companies are training these industry experienced people in data processing concepts.
 - Examples of industries providing recruits are banking, manufacturing and engineering.

- The effectiveness of potential sources of sales and sales support candidates is shown in Exhibit VII-2.
 - The variation in responses is large. Each potential source has at least one company that is a strong advocate for the source and one company that sees no value to that specific source.
 - Although respondents indicated an abhorrence of personnel agencies and executive search firms, this source had the second highest average rating. As one sales vice president indicated: "They are a necessary evil." Agency fees vary greatly across the country, running 1% per thousand dollars of first year's compensation up to 50% of the first year's compensation, with an average of 15%.

- The most effective potential source of sales and sales support candidates is internal company promotions and transfers.
 - Only two respondents indicated that a significant number of people were recruited from this source (see Exhibit VII-1). This seems to indicate that the internal candidates are an effective potential source, but the source is not large enough to satisfy the demands for large numbers of sales and sales support personnel.

EXHIBIT VII-2

EFFECTIVENESS OF POTENTIAL SOURCES OF SALES AND SALES SUPPORT
CANDIDATES AS INDICATED BY RESPONDENTS *

COMPANY	AD- VERTISING	EXECUTIVE SEARCH/ PER- SONNEL AGENCY	REFER- RALS/ FRIENDS	INDUSTRY ASSO- CIATES	PROMOTIONS/ TRANSFERS	COLLEGES
1	2	10	4	1	4	1
2	6-7	2	5-6	7-8	9	8-9
3	3	10	2	0	7	0
4	5	0	10	10	8-9	5
5	8	5	5	0	7	5
6	2	10	5	1	10	2
7	1	6	2	0	5	2
8	7	9	2	3	2	2
9	0	8	5	8	7	0
10	6	0	5	0	6	4
11	3	1	10	7	0	5
AVERAGE	4.0	5.5	5.0	3.4	6.0	3.0

*AVERAGE EFFECTIVENESS ON A 0 TO 10 SCALE WHERE 10 IS THE MOST EFFECTIVE AND 0 IS NOT EFFECTIVE OR NOT USED.

- Colleges were rated as the least effective source of sales candidates, although:
 - Most computer services companies recruit from college.
 - Many computer services companies have developed or are developing training programs for college graduates.
- Only one respondent reported using trade or technical schools as a source of EDP trained candidates.

B. CANDIDATE SCREENING

- Exhibit VII-3 shows sales candidates screening procedures reported by respondents.
- The most common screening approach is:
 - Interview candidate at lowest sales management level.
 - If candidate passes that interview, check references.
 - If references are positive, the candidate will interview at least one higher sales management level and often two or three higher sales management levels.
- Companies with the most complex and lengthy interviewing process had the lowest turnover rates among sales and sales support personnel. Although there is considerable time and expense involved in multiple interviews, the cost of a hiring mistake is at least \$40,000 to \$100,000. INPUT believes that the additional interviews and management screening is well worth the added expense. The sales person will think twice about leaving a company where

EXHIBIT VII-3

RESPONDENT
SALES CANDIDATE SCREENING PROCEDURES

- USE PERSONNEL AGENCY AND FORMAL TESTING, BUT WILL SOON DROP TESTING AS IT HASN'T WORKED
- USE PERSONNEL AGENCY, STRONG REFERENCE CHECKING, AND THREE MANAGEMENT LEVELS OF INTERVIEWS
- USE FORMAL TESTING (McQUAIG) AND REFERENCE CHECK BETWEEN FIRST AND SECOND LEVEL INTERVIEWS
- CHECK REFERENCES AND INTERVIEW WITH AT LEAST TWO MANAGEMENT LEVELS
- PLANNING TO ADD FORMAL TESTING, CHECK REFERENCES, INTERVIEW WITH THREE MANAGEMENT LEVELS
- CHECK TWO TO THREE REFERENCES, SCREEN CANDIDATES WITH INTERNAL RECRUITERS AND TWO LEVELS OF SALES MANAGEMENT
- INTERVIEW CANDIDATES AT TWO OR THREE MANAGEMENT LEVELS AND CHECK REFERENCES
- USE REFERENCE CHECKS, SOME AGENCY SCREENING AND THEN INTERVIEWS WITH BRANCH, REGIONAL, AND DISTRICT MANAGERS, TRAINING DIRECTOR, AND SALES VICE PRESIDENT
- USE SOME AGENCY SCREENING, REFERENCE CHECKING AND TWO OR THREE LEVELS OF MANAGEMENT INTERVIEWING
- CHECK REFERENCES, AGENCY HELPS SCREEN, INTERVIEW WITH A SALES TRAINEE, TRAINING DIRECTOR AND SIX MANAGEMENT LEVELS (TO THE MARKETING VICE PRESIDENT)

management has shown a high degree of concern and involvement in the hiring process.

- Four respondents indicated that candidates had to interview with three or more management levels with the company. Turnover in these companies was about one third less than the average turnover of the ten respondents.
- Annual turnover among the four respondents with lengthy interviewing programs averaged 20% for sales and 13% for sales support personnel. The other six respondents averaged 36% and 25%, respectively, for sales and sales support turnover.
- Testing prior to hire appears to have few sponsors. One respondent is in the process of dropping this form of testing, another respondent uses it, and a third respondent is planning to implement it. The rest of the respondents do not use and have no plans to use pre-hire testing.
- Most sources believe that the pre-employment testing is inconclusive. IBM is reportedly dropping its testing program which had been used for years.
- Personnel agencies do a very limited amount of candidate screening. The respondent companies felt that agencies were a useful "paper generator," but not a good judge of promising candidates.

C. TURNOVER

- Annual turnover statistics for sales and sales support personnel are shown in Exhibit VII-4.
 - 1977 was a bad year for turnover among sales and sales support people. The turnover is expected to decrease slightly in 1979 as it did in 1978.

EXHIBIT VII-4

SALES AND SALES SUPPORT TURNOVER
OF RESPONDING COMPANIES

COMPANY	SALES				SALES SUPPORT			
	1977	1978	1979	1984	1977	1978	1979	1984
1	33%	30%	28%	20%	35%	30%	25%	15%
2	20	30	20	20	15-20	15-20	15-20	15-20
3	36	34	31	25-30	36	34	31	25-30
4	20	17	15	12	13	13	13	13
5	35	25	24	20	12	12	12	12
6	35	65	50	30	15	20	20-25	20-25
7	20	5	25	20	NA	NA	NA	NA
8	40	40	20	20	25	25	10	15
9	NA	15	20	15	NA	20	25	15
10	35-40	35-40	35-40	20	20-25	20-25	20-25	15
AVERAGE	31%	30%	27%	20%	22%	22%	20%	17%

NA = NO ANSWER

- Respondents were optimistic that turnover could be reduced by 1984, but would still exceed the 20% level.
- Employee turnover among sales and sales support forces is a function of several factors.
 - Turnover is lower among companies that spend a great amount of time interviewing candidates. This process seems to insure a proper match of candidates to company. The candidate perceives that the company is involved with and genuinely concerned about each employee. The four respondents that required interviews with three or more management levels had an average turnover of 20% in sales and 13% in sales support.
 - Turnover is lower in companies with longer training programs. INPUT believes that the true yardstick is quality of training rather than time of training. The training programs outlined by respondents which were longer programs were of high quality. Sales turnover among the companies with training programs lasting 20 weeks or longer (4 respondents) was 22%. Sales support turnover in those companies was 17%.
 - Many top sales executives interviewed felt that turnover was not linked just to money. One company tells its employees that if they don't receive one or two job offers a month from competitors, the employee must not be doing a very good job.

VIII SALES AND SALES SUPPORT

VIII SALES AND SALES SUPPORT TRAINING ISSUES

A. PRODUCTIVITY AND SUCCESS

- Since success is related to revenue, production and turnover, top sales executives and sales representatives were asked to define success.
 - Exhibits VIII-1 and VIII-2 show the definitions from each group of respondents.
 - Nearly all top sales executives indicated that meeting or exceeding quota was a common measure of success.
 - Approximately one-half of the sales people listed quota achievement in their definition of success; the remainder had more personal goals.
- The number of successful sales people and the percent of the sales force that is considered successful by the top sales executives definition are shown in Exhibit VIII-3.
 - Slightly over one-half of the sales force is considered successful at present.
 - Top sales executives would like to see six out of ten sales people become successful by 1984.

EXHIBIT VIII-1

RESPONDING TOP SALES EXECUTIVE DEFINITIONS OF SUCCESSFUL SALES PEOPLE

- AGGRESSIVE, PROFIT ORIENTED, LEADER WHO ACHIEVES 100% OF QUOTA
- ACHIEVES 100% OF QUOTA WITHIN 24 MONTHS OF RECEIVING QUOTA RESPONSIBILITY
- EXCEEDS 100% OF ASSIGNED QUOTA
- CAPABLE OF ACCOUNT MANAGEMENT; BEING ABLE TO MATCH PROSPECT NEEDS WITH PRODUCTS; ABILITY TO KNOW WHEN TO GET OUT OF AN ACCOUNT; ACHIEVE 100% OF QUOTA
- SELLS DESIRED PRODUCTS; DEVELOPS ACCOUNT LONGEVITY WITH LONG-TERM PROSPECT PROBLEM-SOLVING TECHNIQUES
- ACHIEVES 110% OF QUOTA; IS SELF SUFFICIENT IN ABILITY TO GENERATE AND SERVICE BUSINESS; HAS BEEN ON THE JOB AT LEAST ONE YEAR
- MAKING MARKETING ACHIEVEMENT CLUB (100% OF QUOTA)
- POSITIVE GROWTH, ATTITUDE; QUOTA ATTAINMENT
- PROFESSIONAL, TEAM ORIENTED, EXCEEDS QUOTA
- SELF MOTIVATOR CAPABLE OF EFFECTIVE TIME MANAGEMENT; ABLE TO UNDERSTAND PROSPECT NEEDS QUICKLY; ABLE TO SELL \$200K OF NEW BUSINESS ANNUALLY WHILE SUPPORTING A \$500K BASE

EXHIBIT VIII-2

RESPONDING SALES REPRESENTATIVE DEFINITIONS OF SUCCESS

- MAINTAINING EXISTING BUSINESS, FINDING NEW BUSINESS AND MAKING QUOTA
- WHEN FIRST ORDER CLOSED
- ESTABLISHING SOUND BUSINESS BASE OF PROCESSING CLIENTS AND DEVELOPING KEY ACCOUNTS TO SELL TO
- MAKING MONEY AND BEING HAPPY
- MEET GOALS: SALES QUOTA, PERSONAL QUOTA, STAY ON TOP OF NEW PRODUCTS
- FULFILLING PERSONAL GOALS AND COMPANY GOALS
- TRACK RECORD OF OVER ACHIEVEMENT (125% OF QUOTA)
- COMFORTABLE WITH PRODUCTS, DECENT PIPELINE OF BUSINESS, UNDERSTAND PROCEDURES, MAKE QUOTA
- ASKED TO PARTICIPATE IN THE TRAINING PROGRAM AS A SENIOR SALES COUNSELOR; MADE MARKETING CLUB BY EXCEEDING QUOTA
- HAVING FULL KNOWLEDGE OF WHAT YOU ARE DOING
- ABILITY TO PROVIDE ACCOUNT PROFITABILITY

EXHIBIT VIII-3

NUMBER OF SUCCESSFUL SALESPEOPLE
OF RESPONDING COMPANIES

COMPANY	NUMBER OF SUCCESSFUL SALES PEOPLE				PERCENT OF SALES FORCE THAT IS SUCCESSFUL			
	1977	1978	1979	1984	1977	1978	1979	1984
1	NA	16	18	38	NA%	76%	69%	76%
2	25	31	30	74	89	94	81	80
3	3	4	6	10	25	25	25	25
4	49	47	72	120	62	47	51	55
5	48	55	66	99	67	65	66	66
6	20	25	44	132	25	25	40	55
7	25	47	52	104	38	45	45	45
8	35	36	53	90	70	60	76	75
9	60	70	70	152	63	66	59	80
10	36	46	54	160	40	40	40	40
AVERAGE	-	-	-	-	53%	51%	53%	57%

NA = NO ANSWER

- INPUT asked top sales executives to estimate the time it takes for a new sales person to become productive on the job. The results of that question are shown in Exhibit VIII-4.
 - College hires are expected to become productive within 14 months from completion of the training program. Industry experienced hires should become productive in nine months from training completion.
 - The range of time respondents would wait before firing an unsuccessful person ranged from 3 to 24 months.
- INPUT asked the sales representatives how long it took for them to become successful. These respondents are shown in Exhibit VIII-5. The average of the responses was 12 months, which is in line with the top sales executive's perception.

B. ROLE OF AUDIO VISUAL AND OTHER TRAINING TECHNIQUES

- The use of audio visual and multimedia training techniques is increasing in computer services companies.
 - The main new use of programmed instruction courses is to offer decentralized product and sales skills training and refresher courses at the branch level.
 - Respondent comments on the role of audio, visual, and other training techniques on training are shown in Exhibit VIII-6.
- An old concept but one that is reaching economic viability is computer assisted instruction.

EXHIBIT VIII-4

TIME FOR SALES TRAINEES TO BECOME PRODUCTIVE
OR BE FIRED AS STATED BY RESPONDENTS

COMPANY	TIME FOR COLLEGE HIRE TO BECOME PRODUCTIVE (MONTHS)	TIME FOR INDUSTRY EXPERIENCED HIRE TO BECOME PRODUCTIVE (MONTHS)	TIME FOR SALES PERSON TO BECOME SUCCESSFUL OR FIRED (MONTHS)
1	9	4	12
2	18	12	20-24
3	NA	6-9	3-12
4	24	18-24	12-24
5	6	6	12
6	12-18	6-9	9-12
7	24	24	24
8	4	2	6
9	12	3	6-12
10	12	6	6
11	18	4-6	6-9
AVERAGE	14	9	12

NA= NO ANSWER

EXHIBIT VIII-5

RESPONDING

SALES REPRESENTATIVE PERCEPTION OF TIMES TO BECOME
SUCCESSFUL

- NOT YET SUCCESSFUL
- SEVEN MONTHS
- ONE YEAR
- ONE TO 1½ YEARS
- THREE MONTHS
- AT LEAST ONE YEAR
- THREE TO FOUR YEARS
- SIX TO SEVEN MONTHS
- ONE YEAR
- THREE MONTHS
- SIX MONTHS

EXHIBIT VIII-6

ROLE OF AUDIO, VISUAL AND OTHER TRAINING
TECHNIQUES ON TRAINING
AS STATED BY RESPONDENTS

- VIDEO TAPE IMPORTANT; FILMS AND CASSETTES WITH PROGRAMMED INSTRUCTION GROWING IN IMPORTANCE AT THE BRANCH LEVEL
- USE COMPUTER ASSISTED INSTRUCTION
- DEFINITELY ON THE UPSWING
- USE ALL MEDIA HEAVILY - VIDEO TAPE OF ROLE PLAY AND PRESENTATIONS IS EXCELLENT TRAINING VEHICLE
- DEVELOPING BRANCH AND REGIONAL SELF PACED TRAINING FOR IN-HOUSE PERSONNEL AND CUSTOMERS
- ADDING BRANCH LEVEL AUDIO/VISUAL TRAINING

- The computer can provide an interactive training environment with immediate feedback to the student and/or instructor.
- This training technique will begin to grow rapidly in the next two to five years.
- All education vendors expressed the importance of multimedia courses to maintain student interest and teach concepts efficiently (using the proper medium to teach each training point).

C. IMPACT OF RCS VENDORS SELLING ON-SITE MINICOMPUTERS ON TRAINING SALES AND SALES SUPPORT PEOPLE

- The increasing involvement of RCS vendors in selling on-site minicomputers is having an impact on training. Typical responses of top sales executives regarding this issue are shown in Exhibit VIII-7.
- Respondents took one of three positions:
 - There will be no impact on training because the on-site minicomputer looks the same to the user.
 - There is no impact yet because on-site minicomputers are not yet economically attractive for most computer services applications.
 - There is a major impact on training in the areas of:
 - Hardware knowledge.
 - Processing economics.

EXHIBIT VIII-7

RESPONDING TOP SALES EXECUTIVE PERCEPTIONS OF THE IMPACT
ON TRAINING OF COMPUTER SERVICES COMPANIES
SELLING ON-SITE MINICOMPUTERS

- MORE KNOWLEDGE ON HARDWARE AND PROCESSING ECONOMICS NEEDED
- LITTLE IMPACT ON TRAINING IF SERVICE LOOKS THE SAME TO THE USER
- UNKNOWN
- CREATES THE NEED FOR A NEW TYPE OF SUPPORT PERSON THAT MUST HAVE DIFFERENT SKILLS AND TRAINING FROM EXISTING PROGRAMS
- ADD ONE OR TWO DAYS OF TRAINING FOR THIS; HARDWARE SALE IS EASIER THAN SERVICES, BUT MUST ADD COURSES IN FINANCING, LEASING, ETC.
- NO IMPACT YET
- SALES PEOPLE MUST BE ABLE TO DEMONSTRATE THE USE OF THE PRODUCT AND SELL HARDWARE

- Support training for turnkey solution rather than just software solution.
 - Product demonstrations to prospects.
- Education vendors were asked for their opinion on the impact of RCS on-site minicomputers on training. The respondents took one of two positions (the respondents were equally divided on this issue).
 - There is no impact yet, and none foreseen in the next 2-3 years.
 - There will be a tremendous impact on training through the use of:
 - Interactive computer usage. The customer can use the mini-computers to access the computer assisted training courses.
 - Video disk. When video disk is connected to computers then computer assisted instruction can develop into a truly multimedia experience with print, visual, and audio training techniques.

D. IMPACT OF INDUSTRY SPECIALIZATION ON TRAINING

- There are many opinions of the impact of product specialization on training. Top sales executives discussed that issue.
- The responses can be categorized into four broad areas:
 - There is no significant impact of product specialization on training. This view comes from two sources:

- Those companies that already have specialized product by industry.
 - Those companies that don't have specialized products and do not plan to tailor their products to specific industries.
- More industry specific knowledge is needed to train people in the issues and language of target industries.
- Elective courses should be added to the training program for sales or sales support personnel who would like to specialize in an industry. This training would not be mandatory but would be supplemental to the initial training program. Management would need to oversee this program to be sure that the distribution of sales people specializing in individual industries meets company objectives.
- Industry specialization will reduce training time because sales and sales support people will not have to learn as many products with a specialized approach as must currently be learned.
- Education vendors were asked to comment on impact of industry specialization on training. The responses were:
 - There is no impact yet. Computer services companies are not willing to pay for specialized course development (two respondents).
 - Courses have already been developed to address this issue (three respondents).
 - Courses are being developed to address this issue (one respondent).

E. ROLE OF CONSULTANTS, EDUCATION/TRAINING VENDORS AND OUTSIDE COMPANY EXPERTISE ON TRAINING

- Most of the computer service company respondents are using one or more pre-packaged training courses from education/training vendors.
- INPUT asked training directors for the role that outside classes had in sales and sales support training. The responses are shown in Exhibit VIII-8.
- A small group of computer service vendors would not consider outside courses because of a fear of dependence on those vendors (20% of respondents).
- The majority of training programs used motivational or industry expert speakers as a part of the training program. The use of outside speakers provides a perspective which may be different from or challenge company positions.
- Outside training courses are oriented toward:
 - Industry knowledge.
 - Sales skills.
 - Technical data processing knowledge.

F. FUTURE CONSIDERATIONS

- A main area of concern to top sales management is the issue of job progression.

EXHIBIT VIII-8

ROLE OF OUTSIDE CLASSES IN
SALES AND SALES SUPPORT TRAINING
PROGRAMS AS STATED BY RESPONDENTS

- XEROX LEARNING SYSTEMS MANAGEMENT TRAINING, EFFECTIVE LISTENING AND PSS-II COURSES ARE GOOD; SO IS TRATEC SALES COURSE
- PLANNING TO USE DELTAK FOR SOME TECHNICAL COURSES; ALREADY USE XEROX PSS-II
- USE XEROX PSS-II AND DELTAK TECHNICAL AND OPERATIONS TRAINING CLASSES; USED TO USE TRATEC COURSE
- USE XEROX FOCUSED SELECTION INTERVIEWING
- USE VIDEO TAPE COURSES IN TECHNICAL AREAS
- USE OUTSIDE SOURCE FOR INDUSTRY TRAINING (TRATEC)
- USE XEROX PSS-II AND TRATEC COURSES
- DON'T WANT TO DEPEND ON OUTSIDE VENDORS

- Historically, new sales representatives expected that after one or two years of successful selling they would be promoted to sales manager.
- The days of rapid field promotions appear to have ended.
- Computer services companies must now be able to deal with the problem of keeping people in jobs for extended periods of time. This includes sales, sales support, lower and middle management personnel. This is not an easy task to address since many sales or sales support people hired two to four years ago are expecting promotions to a management level.
- Top sales executives were asked to comment on the state of sales and sales support training.
 - Earnings expectations of first year sales representatives are not being met. Respondents indicated that overly optimistic earnings levels were frequently forecasted by the first level sales managers. This causes turnover as those individuals leave to seek better opportunities.
 - Computer service companies are too busy running and catching up to train effectively.
 - There is a need to focus management attention on the first sales management level. This level of management either causes turnover or remedies turnover problems.
 - The first sales management level is generally responsible for OJT after formal classes are completed.

- . The relationship between the sales trainee and his/her manager is a critical point in the training process. If the relationship is positive, the trainee will receive the necessary OJT. If the relationship is negative the trainee must either succeed on his own or eventually leave the company because he cannot succeed.

- People entering the computer industry are bright. These people must be constantly challenged and directed toward specific tasks so that they will not get bored and leave the company.

- Selling a service is difficult because the prospect doesn't know that he needs the services.

- The cost of computer services company turnover is either paid by customers in terms of increased product and service costs, or is paid by company stockholders by lower income per share.

APPENDIX A: DEFINITIONS

APPENDIX A: DEFINITIONS

- Computer Services.
 - These are services provided by vendors which perform data processing functions using vendor computers, or assist users to perform such functions on their own computers.

- Remote Computing Services (RCS).
 - Provision of data processing to a user by means of terminals at the user's site(s) connected by a data communications network to the vendor's central computer.

- Sales Personnel.
 - Those individuals whose primary job function is to generate revenue.

- Sales Support Personnel.
 - Those individuals whose primary job function is to support the sales force, and to help prospects and customers better understand the products and services offered by the computer services companies. Sales support personnel are often responsible for customer training.

APPENDIX B: INTERVIEW PROFILE AND QUESTIONNAIRES

APPENDIX B: INTERVIEW PROFILE AND QUESTIONNAIRES

INTERVIEW PROFILE

	<u>Number</u>
● Computer services companies interviewed	11
● Top sales executives interviewed	12
● Training directors interviewed	11
● Sales people interviewed	12
● Education vendors interviewed	6

VP SALES & SALES SUPPORT QUESTIONNAIRE

1.

	SALESPEOPLE				SALES SUPPORT PEOPLE			
	1977	1978	1979 (est)	1984 (est)	1977	1978	1979 (est)	1984 (est)
a) Authorized headcount								
b) Number of current openings								
c) Percent annual turnover								
d) Number of "successful" salesmen								

2. a) How would you describe a "successful" salesman?

b) How many people will you hire this year? (1979)

c) How many people will you hire next year? (1980)

3. What percent of sales/support force is female? _____ Is it growing? _____
 What percent by 1980? _____.

4. a) What are sales compensation plus commission costs as a percent of sales?

b) How much, in percent, of an average salesman's compensation is commission?

5. Since what year have you had a sales training program? _____

If none, when do you anticipate having one?

6. With regard to sales training programs, please rate the following factors in degree of importance (10 = high, 0 = unimportant).

FACTOR	The ideal program		Your own current program		In the future will this factor grow in importance, decline or stay the same?		
	Sales	Sales Sup.	Sales	Sales Sup.	Grow	Decline	Same
Product knowledge	—	—	—	—	—	—	—
Sales Technique	—	—	—	—	—	—	—
Ability to make presentations	—	—	—	—	—	—	—
Technical competence	—	—	—	—	—	—	—
Company loyalty	—	—	—	—	—	—	—
Teamwork	—	—	—	—	—	—	—
Morale	—	—	—	—	—	—	—
Immediate sales results	—	—	—	—	—	—	—
Eventual sales results	—	—	—	—	—	—	—
Potential for growth into management	—	—	—	—	—	—	—
Learning company policies	—	—	—	—	—	—	—
Other (specify)	—	—	—	—	—	—	—
	—	—	—	—	—	—	—
	—	—	—	—	—	—	—

7. a) How long will you carry a salesman before he becomes successful or is fired?

b) What is the average time it takes:

1) A college hire to become productive?

2) An industry experienced hire to become productive?

8. Where do you recruit new people?

College

Bachelor's

Master's

MBA

High School graduates

Trade or technical school graduates

Other companies

From specific industries (describe)

Other

9. a) Please rate the following techniques for finding new candidates (10 = high, 0 = unimportant).

	<u>Rating</u>
Advertising	_____
Executive search/personnel agency	_____
Referrals/friends	_____
Industry associations	_____
Promotions/transfers	_____
Colleges	_____
Other (describe)	_____

b) Of the above are any growing or declining in relative importance?

10. Which of the following do you use to screen candidates?

- Executive search/personnel agency
- Formal testing
- Reference checking

Describe the procedure used:

11. What are the strongest points of your training programs?

12. What plans are in place to change your planning programs in 1979 and beyond?

13. What is the impact on training of the trend to:

- a) product specialization by user industry (products becoming more specialized)?

- b) inclusion of hardware at the user site as part of the services offering?

14. What amount did you budget in 1979 for sales and sales support training?

What do you expect to budget in 1980?

15. To what degree do you personally get involved in the training process?

16. Do you expect your involvement to increase? _____ Explain.

17. Please comment on the overall question of sales and sales support personnel in the computer services industry.

18. What percent of your sales force is in each of the following age ranges?

_____ < 25 _____ 25-35 _____ 35-45 _____ > 45

Is this distribution changing? If yes, how?

What is the age range for the sales force?

19. What is the average age of new sales representatives?

20. How many years of experience does the average sales representative have at date of hire?

21. How many man-days would you devote to training per person per year (beyond initial training)?

_____ < 5 _____ 5-10 _____ 10-15 _____ 15-20 _____ > 20 days

22. How many man-days do you devote to training per person per year (beyond initial training)?

_____ < 5 _____ 5-10 _____ 10-15 _____ 15-20 _____ > 20 days

TRAINING DIRECTOR QUESTIONNAIRE

1. What is the objective of your sales training program?

2. What is the duration of your training program for:

1) Sales?

2) Sales support?

3. From your experience in running your own program, please rate the following problems (10 = most difficult, 0 = not a problem)

<u>Potential problem</u>	<u>Rating</u>
Developing teachers	_____
Getting management involvement	_____
Getting adequate funding	_____
Developing course material	_____
Updating course material	_____
Motivating students	_____
Adequate facilities	_____
Other (describe)	_____

4. Does class involve any field work? _____ If so, how much?

5. With regard to sales training programs, please rate the following factors in degree of importance (10 = high, 0 = unimportant).

FACTOR	The ideal program		Your own current program		In the future will this factor grow in importance, decline or stay the same?		
	Sales	Sales Sup.	Sales	Sales Sup.	Grow	Decline	Same
Product knowledge	—	—	—	—	—	—	—
Sales Technique	—	—	—	—	—	—	—
Ability to make presentations	—	—	—	—	—	—	—
Technical competence	—	—	—	—	—	—	—
Company loyalty	—	—	—	—	—	—	—
Teamwork	—	—	—	—	—	—	—
Morale	—	—	—	—	—	—	—
Immediate sales results	—	—	—	—	—	—	—
Eventual sales results	—	—	—	—	—	—	—
Potential for growth into management	—	—	—	—	—	—	—
Learning company policies	—	—	—	—	—	—	—
Other (specify)	—	—	—	—	—	—	—
	—	—	—	—	—	—	—
	—	—	—	—	—	—	—

6. Describe the content of your program including duration, content, etc. for:

a) Sales Training

b) Sales Support Training

7. How many of each of the following are involved in the training program?

Number

Number

_____ Sales staff

_____ Sales manager

_____ Sales support staff

_____ In-house trainer/instructor

_____ Marketing staff

_____ Consultant/outside company person(s)

8. Who has overall responsibility for the training program?

course content?

scheduling?

To whom does the responsible person report?

9. Is testing a part of the training program? _____ If yes, how is it administered?

How effective has it been?

10. Are there different classes for different experience levels of students? _____ Describe.

11. Is there a sequence of courses that can be taken over an extended period of time (eg. advanced product training, marketing, sales techniques, refresher)? Explain.

12. How large are the classes?

13. Where are the classes held? (may be a mix)

_____ Branch

_____ Headquarters

_____ Off-site

_____ Other (describe)

14. What are the greatest strengths of the training program?

15. What are the greatest weaknesses of the training program?

16. What plans are in place to change training programs in 1979 and beyond?

17. What is the role of:

a) Audio, video or other training techniques?

b) Outside training courses?

18. How much does it cost to train a new person from college?

How much does it cost to retrain a person hired from another services company?

19. Does your company offer an in-house sales management training program?

Is it before or after promotion to sales manager?

How long is the training program?

What is the topic content?

20. In the sales training program, who teaches the technically oriented subjects?

Professional sales trainer (identify) _____

In-house technical staff

Other (identify) _____

SALES AND/OR SALES SUPPORT QUESTIONNAIRE

1. How did you find out about the sales opening at your present company?

Responded to advertisement

Executive search/placement agency

Friend

Internal transfer/promotion

Other (describe)

2. How much work experience did you have prior to taking your present job?

Describe duration and type of experience.

Sales

Technical

Marketing

Administrative

Unrelated

3. Did you have to take any aptitude or other type of tests prior to being hired?

Yes No

If yes, what type of test? _____

What did you think of the test? _____

4. How long were you in training? _____

5. What did the training program include?

-- product knowledge -- sales skills -- speaking -- field trips/work

6. What is your education background?

- Bachelor's
- MBA
- Other masters
- High School
- Other

7. Who taught the training classes?

- | | |
|----------------------------|---|
| _____ Salespeople | _____ Sales Manager |
| _____ Sales support person | _____ In-house trainer/instructor |
| _____ Marketing staff | _____ Consultant/outside company person |

Who were the most proficient? _____

8. With regard to sales training programs, please rate the following factors in degree of importance (10 = high, 0 = unimportant).

FACTOR	The ideal program		Your own current program		In the future will this factor grow in importance, decline or stay the same?		
	Sales	Sales Sup.	Sales	Sales Sup.	Grow	Decline	Same
Product knowledge	—	—	—	—	—	—	—
Sales Technique	—	—	—	—	—	—	—
Ability to make presentations	—	—	—	—	—	—	—
Technical competence	—	—	—	—	—	—	—
Company loyalty	—	—	—	—	—	—	—
Teamwork	—	—	—	—	—	—	—
Morale	—	—	—	—	—	—	—
Immediate sales results	—	—	—	—	—	—	—
Eventual sales results	—	—	—	—	—	—	—
Potential for growth into management	—	—	—	—	—	—	—
Learning company policies	—	—	—	—	—	—	—
Other (specify)	—	—	—	—	—	—	—
	—	—	—	—	—	—	—
	—	—	—	—	—	—	—

9. Was testing a part of your training? _____ If yes, how was it administered?

Did you think the testing was helpful? _____

10. Are there different classes for varying experience levels (when joining the company)?

11. Is there a sequence of courses that can be taken over an extended period of time (e.g. advanced product training, marketing, sales techniques refresher)?

12. How large are the classes?

13. Where were the classes held?

- Branch
- Headquarters
- Off-site
- Other (describe)

14. How long did it take for you to become "successful" in your job?

15. How do you define "successful"?

16. How could the training program be improved?
17. What were the best points of the training program?
18. Were any special audio or visual training methods employed? _____
If so, what _____
- Were they effective?
19. When new products are announced do you go to a product knowledge training class? _____ If yes, how does it work?
20. With regard to training you have had at other companies, how would you rate each?

INDUSTRY OR TRAINING EXPERT QUESTIONNAIRE

1. What sales or sales support training classes do you offer:

length?

content?

Price?

combined with field work?

is formal testing used _____ If so, what type?

size of classes?

location?

2. How long does it take for a new person to become "successful"?

3. How do you define "successful"?

4. What is the role of:

1) Audio, video or other training techniques?

2) Outside training courses?

5. What is the relationship between training and:
- 1) Performance?

 - 2) Turnover?
6. What is the impact on training of the trend to:
- a) product specialization by user industry (products becoming more specialized)?

 - b) inclusion of hardware at the user site as part of the services offering?
7. What are the greatest strengths/weaknesses of your training program?

APPENDIX C: RELATED INPUT REPORTS

APPENDIX C: RELATED INPUT REPORTS

<u>Title</u>	<u>Publication Date</u>	<u>Price</u>
Impact of Marketing Compensation Plans in the computer Services Industry. Impact Report #7.	Dec. 1977	2,500
Computer Services Industry 1978 Annual Report.	Nov. 1978	4,000
Opportunities in Education Services	In Progress	

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