A STUDY OF THE IMPACT OF A COACHING PROGRAM ON CUSTOMER PERCEPTIONS AND COMPANY FINANCIAL PERFORMANCE

by

William A. Kent

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APPROVED:

Yan Luo-Beitler, Ph.D. Faculty Mentor and Co-Chair

Timothy K. Mantz, DBA, Committee Member, Co-Chair

3/3/15

Mathias Eggertsson, DIBA, Committee Member

ACCEPTED AND SIGNED:

3/3/15

John Fitzgerald, DBA Program Chair

3/3/15

Timothy K. Mantz DBA Dean of the Business School

Abstract

In this world of globalized business, corporate training programs are based on the common belief that better-trained employees will enhance business performance. Early research was focused on the impact of training on company performance in the business-to-business (B2B) environment. All of the early studies included employee opinions to measure what is called internal market orientation (IMO) as well as identification of the key constructs of trust, commitment, and relationship satisfaction, which affect performance. Later, survey-based research on external (customer) market orientation (EMO) in an international business also expanded the cultural complexity of the supplier-buyer relationships. Targeted coaching, rather than generic training programs, became appropriate. No empirical evidence in the literature provided quantitative measurement of the results of coaching programs on either EMO or company financial results. This research served to analyze the impact of an ongoing salesperson coaching program on both customer perceptions (EMO) and the financial results of the company. Two surveys of two different customer populations, with a 6-month time span between surveys, provided data to quantify any shifts in EMO. No significant shifts were found in either the domestic or the international customer populations. However, the company financial data confirmed a positive impact on profitability and a strong return on investment (ROI). Further research is needed which takes into consideration different parameters, including longer time spans between customer surveys, deeper interview-based analysis of customer perceptions and buying habits, and the different coaching strategies employed during the study.

Dedication

Early in my life, I learned that happiness came from continuous learning. My parents, now deceased, provided a strong Christian family structure which allowed me to work my way through college and constantly strive to utilize all of my God-given talents to the best of my ability. This objective became my mission in life. My beautiful wife, Kim Kent, provided the nurturing environment during the past 3 years to allow this learning adventure to evolve. The urge to achieve this degree began 30 years ago; the renewed inspiration to accomplish this goal came from Dr. Art Keiser, the Chancellor of Keiser University.

The seven vice presidents running the Team Horner group of companies have made it easy for me to do my job as president and pursue this academic dream simultaneously. I am blessed to have a large cadre of family and friends that provide support for the truly important goals life offers; their support has been very much appreciated. According to Erada, an organization focused on awakening the potential of the individual, –If it's both terrifying and amazing, then you should definitely pursue it.‖ This thought captures the essence of this work. However, the best is yet to come!

Acknowledgments

The motto at Keiser University is ―student first.‖ My committee of professors truly lived by this motto in guiding me through this learning adventure; each has fingerprints on this work:

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CHAPTER 1. INTRODUCTION

Based on over 30 years of personal experience in the export business, this researcher has found that one characteristic of globalization is the democratization of the business community beyond national borders. The scope of competition increases as any business expands its territorial selling activity; the capabilities of an organization's sales staff to develop long-term relationships will depend on sustainable competitive advantage (SCA) (Aaker, 1989). Understanding the motives and paradigms of each customer individually and the market in general becomes paramount for the organization. Since buyers normally have discretionary authority to make sourcing decisions, the capability of the sales representative to develop a positive, meaningful relationship with the buyer will have a significant influence on the quality and quantity of the transacted business (Aker, 1989).

This inference suggests that a customer-driven market orientation (MO) will have several behavioral components including that of the customer, the competitors, the inter-functional coordination, the short-term focus, and the strategic organizational objectives of the customer (Narver & Slater, 1990). Narver and Slater (1990) defined customer orientation as the competent understanding of one's key target customers, which creates superior perceived value from the customer perspective; a methodology was developed for measuring MO, but ultimately suggested that MO operated in a continuum. While noting that there is a relationship between higher MO and higher levels of profitability, Narver and Slater made no effort to measure the actual return-on-investment (ROI) related to the costs involved in improving the MO.

Given the reality of constant change in every marketplace, an organizational focus on flexibility and employee training becomes a presumed prerequisite for success. A culture of continuous improvement in a dynamic marketplace requires rapid decision-making and effective conflict-resolution skills by every salesperson with each customer. A huge industry focused on sales training has evolved to fill this presumed need. However, sales training organizations offer no methodology to link the cost of their programs to any direct impact on the financial results of the customer organization. Organizational leadership has a responsibility to evaluate discretionary spending projects, including any programs focused on individual performance improvement. While employees naturally appreciate company investments in their personal capabilities, management has a responsibility to the shareholders to invest responsibly. A method should be in place to assess financial impact on the company. No common methodology exists to quantify the impact of a coaching program and no research has been done to directly link the expense of a coaching program to the company financial results.

Purpose of the Study

The purpose of this study was to measure the ROI of a sales training program focused on improving the financial results of the organization, with the future prospect of developing a methodology for allowing other organizations to replicate the measurement process. Secondly, this study served to measure the impact of the coaching program on the relationship between the company and the two customer bases from the customer's perspective. The survey method was used to determine any possible changes in the customer's perceptions of the company over time. The wholesale distribution company under study is in a highly commoditized, price-driven industry with both home and

foreign-country customer bases that are generally small- or medium-sized privately held companies.

Statement of the Problem

Training a salesperson to effectively create better results requires ongoing consultations with the sales manager or another skilled resource, such as a coach, who understands the customer history, the existing competitive forces, and the local marketplace. Unlike single or series-based classroom training, an ongoing one-on-one coaching program provides the salesperson with competent, focused, knowledgeable support, which can help the salesperson create a stronger benefit offer for the customer than the competitors can offer. The history of the organizations and individuals involved matters. The problem was the lack of research or conventional methodology to tie together the customer MO, variations of cultural context in international business, the cost of the coaching program, and the impact on the financial results of the company. The market force for this positive movement would be generated by an improvement in the MO from the customers' perspective rather than any change in MO from a company perspective. The coach provides the psychological impetus for the salespersons to improve their performance from both a customer and a company perspective, increasing their personal effectiveness due to an enhanced understanding of the underlying human dynamics of all involved in the process of doing business together.

There is a general presumption in business organizations that investing in employee education using training programs creates positive results. Past research studies were often focused on the market orientation of the typical customer with the presumption that a closer relationship between the customer and the supplier will

generate more financial success for the supplier (Rinehart, Lee, & Page, 2008). This current study was an attempt to confirm or deny that presumption by measuring the impact of an ongoing salesperson coaching program on the financial success of the company under study within a short-term (6 month) timeframe.

A wide variety of research studies support the idea that investing in employee education improves personal development, job satisfaction, and company culture (Jaworski & Kohli, 1996; Kennedy, 2002; Mosca, Fazzari, & Buzza, 2010). However, no study was found that provides direct quantifiable linkage between the cost of any training or coaching program and the financial results of the company. This current study served to measure the financial ROI for the company based on the cost of the coaching program. While using only one organization limited the generalizability of the results, the opportunities for future research will be enhanced by the methodology developed during the present study.

Research Questions

Research Question 1: Did the customer's market orientation change during the operation of the salesperson coaching program?

Research Question 2: What was the annualized ROI of this coaching program relative to its cost based on overall company results (domestic and international)?

Research Question 3: What was the annualized ROI of this coaching program relative to its cost for all salespersons coached-only groups of customers (domestic and international)?

Hypotheses

The general research hypothesis in the current study was that the impact of an ongoing coaching program on a company's performance is positive in a highly price-competitive, business-to-business (B2B) marketplace. The specific research hypotheses for this study were as follows:

$H1_o$: There is no significant positive impact on customer MO based on the results of this salesperson coaching program.

$H1_a$: There is a significant positive impact on customer MO based on the results of this salesperson coaching program.

$H2_o$: There is no calculable positive ROI for this company investment in a salesperson coaching program based on company financial results.

$H2_a$: There is a calculable positive ROI for this company investment in a salesperson coaching program based on company financial results.

Note that since the coached-only customer groups and overall coaching results were intermixed during the study; research question 2 and research question 3 have been consolidated into null hypothesis $H2_o$.

Significance of Study

The result of this study dramatically impacts the perceived value of coaching programs in the sphere of highly competitive businesses. This study provides a footprint for other company studies to determine any linkage between coaching, customer MO, and financial results in both the domestic and foreign customer-based arenas.

Synthesized Definitions of Key Terms

For the past 50 years, management theorists have suggested that employee training and coaching programs provide improved organizational results (see Chapter 2 for detailed discussion). In this study, the following definitions were used to identify the key factors used as a basis for this research:

Coach (*v*): To teach salespersons privately, rather than in class, with a focus on improving the business results by fulfilling customer needs and enhancing personal relationships (Pousa, 2012).

Coach (*n*): A person, oftentimes the sales manager, who provides strategies and tactics to salespersons specific to their personal relationship with a customer and the improvement of the customer buying habits with the company (Pousa, 2012).

Gross Margin Dollars (GM$): The difference between the net sales and the total cost of goods sold in that sale.

Gross Margin Percentage (GM%): The total cost of any sale divided by the total net sales value.

Market Orientation (MO): Based on the theories offered by Kohli and Jaworski (1990), and Slater and Narver (1994), a person's perceptions and paradigms regarding suppliers, competitors, and interfunctional coordination.

Return on Investment (ROI): A management tool for evaluating both the financial and non-financial benefits to an organization of a program or project relative to its cost (Phillips, 2003).

Summary

In summary, the development of the globalized business platform has increased both complexity and the competitive forces in every marketplace. This higher level of market forces increases the need for companies to upgrade their sales teams relationship-oriented skill sets, creating a vast industry in sales training. In 1990, Narver and Slater pioneered a theory of market orientation; MO measurement systems have subsequently developed which are based on qualitative opinions of customer relationships from an internal company perspective using the Likert scale. Rinehart et al. (2008) developed a survey instrument to collect MO from the customer perspective. Their survey was utilized as a component of this study to evaluate whether or not a salesperson coaching program has any impact on either customer-based MO or the financial results of the company. The following literature review includes discussion of the relevant body of research related to training programs and market orientation, shifts in MO, and the related financial impact on the company utilizing an ROI analysis.

CHAPTER 2. LITERATURE REVIEW

There is a general presumption in business organizations that investing in employee education using training or coaching programs creates positive financial results for the company (Slater & Narver, 2000). Past research studies were often focused on the market orientation of the typical customer, with the presumption that a closer relationship between the customer and the supplier will generate increased financial success for the supplier (Rinehart et al., 2008).

Coaching and Performance

Coaching Defined

The definition of coaching varies with the situation, given the reality that coaching is a multidimensional, complex construct (Rich, 1998). Coaching is defined as a process of equipping employees with the knowledge, tools, and opportunities needed to allow for improved personal development and effectiveness (Liu, Pirola-Merlo, Yang, & Huang, 2009). This current study was an evaluation of team effectiveness using a team coaching strategy. Action coaching is a way to foster awareness within the individual to adjust behaviors to achieve business goals or objectives (Underhill, McAnally, & Koriath, 2007). Bennett and Bush (2009) defined coaching as a conversation with a focus on both discovery and action, which will help the individual or team being coached to achieve the desired objectives. Castillo-Ramsey (2011) suggested the origin of the word *coach* derived from Hungary where the transportation coach was first developed; the concept for the word was based on delivering people to a destination.

Mosier (1992) provided an extended discussion of the cost of investments in the various types of training programs, providing the definition of training as a structured

program with learning plans and clear objectives designed to improve employee knowledge, attitudes, and skills for both current and future use. The coaching program utilized in this present study would be considered an on-the-job training (OJT) program within that definition (Mosier, 1992).

Coaching Versus Training

The Bureau of Labor Statistics (2014) reported that over 1.7 million American workers are employed as sales representatives in wholesale and manufacturing businesses (SOC code 414010), providing a significant population for future research comparable to this case study. Mincer (1962) provided a pioneering study on the present value of net earnings related to formally schooled and OJT groups within the U.S. population, and found that the formally educated groups had higher net returns on investment as compared to OJT educated groups. However, Mincer suggested that empirical conclusions were hazardous given the undeterminable margin for error. One reasonable conclusion is that more education enhances workforce earnings potential individually, which supports the concept of employee training and coaching.

Becker (1980) provided insight into the value of training by offering an expansion of his human capital theory, first published in 1964. Noting that investments in job training can be subject to calculations of their present discounted value, Becker's theoretical analysis implies that investments in training respond not only to the cost, but also to future earnings. This human capital theory would also apply to OTJ training, such as coaching. In this context, training is defined as any effort to provide the knowledge and skills relevant to support or enhance job performance.

The semantics of the words *coaching* and *training* can be blurred in common conversation. Rich (1998) discussed the nature of coaching as a sequence of activities and conversations which provide the salesperson with encouragement and feedback; the goal is improved financial results. Training is a more generic term, broadly defined by activities providing job-related knowledge to an employee who subsequently enhances his or her performance capabilities (Becker, 1980). Barron, Berger, and Black (1997) studied the relationship between OJT and employee wage growth, finding that perceptions of the amount of OJT having occurred is different between employer and employee, but that the impact of training on wages is underestimated by a large factor by both groups.

Coaching Effectiveness

Hamlin, Ellinger, and Beattie (2006) used a cross-cultural comparison of empirical findings from earlier studies of coaching effectiveness to evaluate managerial effectiveness, suggesting that an organizational culture for coaching is essential to managerial activity. Hamlin et al. included reviews of Slater and Narver's research from 1994 and 1995, and found that the facilitative leader uses coaching as a powerful tool to enhance organizational performance. The impact of these attributes on the financial success of the business was not reviewed. No studies surveyed were attempts to measure the quantitative financial impact of any coaching program, which carries a significant cost on the company sales or profitability.

Most recently, Pousa (2012) studied the impact on salesperson coaching of coaching programs, noting that scientific research has been both inconsistent and scarce. Lacking a sound theoretical basis, the studies reviewed were focused at the individual

level, with very few studies at the organizational level. Pousa described two theories, leader-member exchange (LMX) and goal setting theory (GST), which are complementary, and then identified two research questions: (a) whether or not sales manager coaching impacts salesperson performance, and (b) what variables are between performance and coaching. The identification of mediating variables would be a major contribution to management science. Unfortunately, the resulting research quantified less than 40% of the potential impact of coaching on salesperson performance. Qualitatively, coaching intervention was found to increase a salesperson's commitment to higher goals and made coaching inquiry and problem-detection a more open and in-depth process, resulting in higher performance (Pousa, 2012). It appears that performance increases and behavioral changes are not fully researched and there has been little effort to create a measurement system which could effectively identify the economic value of improvements to the company.

Coaching Impact on General Performance

Blundell, Dearden, Meghir, and Sianesi (1999) provided a non-technical assessment of the impact of business training on individual labor market opportunities and earnings, firm performance and profitability, as well as the overall impact on the economy at an aggregate level. The empirical evidence, in line with theoretical literature, suggests that there is an increased wage advantage effect as education increases. Blundell et al. also noted that most empirical studies failed to acknowledge the indirect and direct cost of training programs; a 5 to 10% rate of return was typical for additional education of an individual, and that training was defined as programs focused on skill enhancements related to the job requirements. Blundell et al. were clear that different

forms of training provided different returns, more employee training reduced turnover, and that measurements of the return on training for the firm was difficult due to unavailability of data related to firm productivity, profitability, and competitiveness. However, while acknowledging the complexity of measuring the relationship between worker productivity and firm profitability, Blundell et al. suggested strong links between increased training and adaptation to new technologies, an undercurrent in most manufacturing and distribution businesses. Given the available evidence that human capital relates to both individual and organizational growth, increases in capabilities through a training program is broadly supported (Blundell et al, 1999).

Boyer (2009) studied various measures and models for salesperson training, including self-directed learning programs, and concluded that organizational salesperson support is necessary, both in times of need and success. The findings of this study included suggestions that sales managers need to mentor salespeople, go on calls with salespersons, and allow salespersons to mentor each other; in effect, to be a personal coach to each salesperson one-on-one. No attempt was made to analyze the quantitative impact on the salesperson's organization (Boyer, 2009).

Coaching has become an important art form, with a focus on the continuing development of the key players in businesses; other researchers studied the benefits to the general company culture in terms of improved job satisfaction, listening skills, and behaviors. For example, human capital theory suggests that developmental training will impact wages and productivity in a positive manner (Mosca, et al, 2010). All of the benefits are described in qualitative terms. Zula and Chermack (2008) further developed validation of the concept of human capital planning with a broad survey, suggesting that

the workplace is the real test of the value of this strategy. There was no reference to the profitability of the company. Agarwal, Angst, and Magni (2009) found that the intensity of a manager's coaching strategy influenced the satisfaction and performance of their direct reports. However, increases in coaching intensity weakened performance at higher hierarchal levels. Agarwal et al. also concluded that coaching is the preferred managerial behavior, rather than directive-based management. A coaching culture creates a positive impact on organizational effectiveness; the impact of the coaching culture also includes employee effectiveness, engagement, and quality of performance (Turner, 2010).

Cannon and Perrault (1999) identified six key connectors to define the relationship between supplier and customer and offer conclusions related to customer satisfaction and customer perception of supplier performance. Cannon and Perrault suggested insights into the nature of any business relationship can be improved by understanding the nature of the various taxonomic groups of customers, which are naturally categorized for purposes of evaluation. Customer evaluations of performance by competing suppliers can be affected by the personal relationships between interacting employees with each competitor. Rinehart, Eckert, Handfield, Page, and Atkin (2004) identified the key characteristics of relationships as trust, interaction frequency, and levels of mutual relationship commitment, which are then identified as relationship groups. These groups are then positioned as a continuum, extending from the two extremes of ownership-governed systems to market-governed situations (Rinehart et al., 2004).

Coaching Impact on Global Performance

In global trade, cultural context becomes an additional factor in effective relationship building. Past research studies were focused on the additional complexity of coaching strategies when differences in value systems and high- and low-context cultures occur. For example, Black and Mendenhall (1990) found that cross-cultural learning improves attention, retention, and reproduction processes, while noting that there is no broadly accepted definition of performance in cross-cultural training literature. Ellinger, Hamlin, and Beattie (2008) studied the impact of coaching from a different perspective, searching for ineffective coaching behaviors by managers. This cross-national study included an emic–etic approach, defined as a strategy using functional and semantic equivalence to compare cross-cultural observations. Hagen (2010) studied coaching at the highest level, noted as *black belt* coaching, and the relationship to Six Sigma programs, defined as the highest level process improvement programs for global manufacturers. Hagen noted that there is no evidence that a relationship exists between Six Sigma outcomes and coaching expertise.

Firoz and Ramin (2004) found that improving company strategies relating to cultural variables improved the quality of the relationships with international customers. A list of qualitative strategies was provided; important aspects of the cultural variations included religious holidays, calendars, colors, time concepts, and eye contact. Other aspects relate to the level of understanding of customer expectations. .Consistent with this strategy, Lee, Svensson, and Mysen (2010) researched relationship quality, and selected 10 relationship constructs that provided a multidimensional platform for global business relationships. The basis for Lee et al.'s study was an earlier work by Palmatier, Dant,

Grewal, and Evans (2006), who studied factors influencing relationship marketing. Key customer-focused relationship marketing constructs included commitment, trust, relationship satisfaction, and relationship quality. Lee et al. expanded the study with additional constructs, including continuity, opportunism, cooperation, coordination, formalization, dependence, and specific assets. Note that the quality construct by Palmatier et al. was componentized into cooperation and coordination in the Lee et al. construct. The constructs of multicultural relationship quality were thus validated within research limitations, given the narrow focus of the study (Lee et al., 2010).

Team Performance

The long-term destiny of every organization is a reflection of its cumulative results, or ROI, created by the entire employee population, for the benefit of all stakeholder groups. Empirical research in a data-driven industry was provided by Chang and Chen (1998). Findings included a stronger relationship between service quality and business profitability than in the relationship between MO and profitability. Surveys and a Likert scale were used, rather than actual business financial data. Presumably and for unknown reasons, actual financial data, which can be shielded has not been used in any available studies, creating a distinct gap in the knowledge base.

Provitera (2000) studied the relationship between business performance, market orientation, and teamwork. Four scales were used in an empirical attempt to measure impact on business performance:

1. A summary scale for market orientation based on a Likert scale, and focused on activities rather than culture;

2. The MARKOR business performance scale, based on Kohli, Jaworski, and Kumar (1993);
3. A selling orientation-customer orientation (SOCO) scale using a 9-point Likert scale; and
4. An esprit de corps scale, which also included a Likert scale to measure management feelings regarding overall performance versus both last year and the competition.

Again, no company financial data was used to accurately measure organizational performance. No positive relationship was confirmed between market orientation and overall business performance. Provitera concluded that in this particular industry—paper and packaging—business performance is unaffected by market orientation and that teamwork is not a preferred practice. The study by Provitera also includes a competent definition of market orientation, described as ‒an organization-wide generation of market intelligence pertaining to customers, competitors, and forces affecting them, internal dissemination of the intelligence, and reactive as well as proactive responsiveness to the intelligence‖ (Jaworski & Kohli as cited in Provitera, 2000, p. 194).

Kennedy (2002) studied the connection between team performance and supporting financial measures, noting ROI as an important measure of performance. Training was defined as a program designed to provide employees with the skill sets needed to create and maintain success in their natural business environment. Four necessary environmental support systems were identified: (a) a combined performance measurement and organizational design system, (b) a reward system, (c) an integrated information system, and (d) a training system. Important quantifiable measures included

cost savings, increased revenue, and the effective utilization of assets (Kennedy, 2002). A reward system and the performance measurement system were important motivators to the team. Five stages of team development were identified, from low to high levels. Goals, authority, and feedback were critical resources for highly developed teams. Training and coaching programs influenced team processes and performance. Team potency, defined as a common belief within the group, was positively associated with the performance of the team. High team potency implies the team has both the ability and support required to achieve success. Typically, managers have a higher perception of team potency than do team members, who are more critical of team member capabilities. Teams also considered feedback as critical to meeting team goals. Future research included a suggestion for development of financial measurement systems for team performance (Kennedy, 2002).

A sustainable competitive advantage is required for superior organizational performance (Porter, 1991). Langerak (2003) studied the link between organizational performance—most effectively measured by ROI—and competitive advantage. While any differentiation advantage was found to have a positive effect on organizational performance, no benefit was found to come from a low-cost advantage. Langerak included the definition of organizational performance provided by Slater and Narver (1994), including sales growth, profitability, new product successes, market share, and ROI. However, quantitative measures from company financials were not used as a factor (Langerak, 2003).

Paek (2005) studied the impact on organizational performance of training programs from external training providers. Senior managers were queried regarding the

relationship between training effectiveness and financial performance (operational margins). Paek (2005) found operational margins were not affected by perceived training program effectiveness. One interpretation of this conclusion was that senior managers perceive training effectiveness as independent of financial performance; in some cases, Paek noted that business survival itself could be the criteria for evaluation of organizational performance and success. A second example noted was an increase in the number of employees as a measure of operational performance improvement.

Market Orientation

Market Orientation Defined

In this researcher's opinion, marketing orientation reflects some measure of a person's perceptions and paradigms regarding suppliers, competitors, and interfunctional coordination. Based on this author's personal experience, two modes exist: the internal company attitude about their organizational situation and the external perceptions from a customer's point of view. Narver and Slater (1990) provided the earliest in-depth work on the impact of a company's internal market orientation on the profitability of a business. This seminal work served to identify three behavioral components: competitor orientation, customer orientation, and inter-functional coordination, as well as two other components, profitability and long-term focus, which were noted as important factors. Narver and Slater (1990) noted that in highly commoditized business, a telemarketing approach limits the seller's ability to convey full value, which increases the focus on price, as compared to face-to-face sales contact.

Narver and Slater (1990) developed an empirical model and provided linkage to one dependent variable, return on assets (ROA). Studying two large groups of

businesses, commodity and non-commodity based, the hypothesis was confirmed that non-commoditized businesses have an increased relationship between market orientation and ROA. Importantly, the findings for commoditized businesses confirmed a non-linear relationship between market orientation and ROA, with a lower ROA compared to non-commoditized businesses. In groups of commoditized businesses, the high-market orientation group had the highest ROA (Narver & Slater, 1990). No quantitative measures were evaluated in this study.

During this same period, Kohli and Jaworski (1990) studied the quality of market orientation, noting that oftentimes, managerial behavior lacks conformance with managerial statements, causing a fluctuating gap and ambiguity amongst junior managers. Three interrelated elements were noted: the source of market intelligence, the political acceptability, and the responsiveness within the organization. A resource commitment by the organization was found to be necessary as well as strong communications and actions by senior executives. A lack of follow-through was found to create a negative impact. This study was limited by the lack of attention to variations in promises versus actions (Kohli & Jaworski, 1990).

Three years later, Kohli et al. (1993) developed a measurement system for market orientation (MARKOR), noting three core themes: customer focus, coordinated marketing, and profitability, based on their own literature review. However none of the 32 scale items in the resulting MARKOR scale related to profitability, an interesting limitation in the development of the scale (see Appendix A). Slater and Narver (1994) conducted a followup study to test the influences of a competitive environment on market orientation, finding little support for the concept that the market environment impacts the

nature of resulting performance-market orientation relationships or the various components within the company's market orientation.

Subsequently, Slater and Narver (1995) studied the relationship between a learning organization—a suggested requirement as a competitive advantage—and market orientation. Learning organizations were described as continuously acquiring knowledge through experience, experimentation, and by listening to customers, competitors, and suppliers. Synergistic sharing of knowledge about products, markets, and technology was a normal management practice in learning organizations. By using learning behaviors which required new information both inside and outside the organization, marketers sharing the information demonstrated the benefits of continuous learning. Noting limited empirical evidence to support the strategy, Slater and Narver (1995) suggested the need for valid measures of learning outcomes.

Suggesting that market orientation can be defined as an organizational culture in which every employee is committed to the concept of creating superior value for the customer, Narver, Slater, and Tietje (1998) described two approaches to the creation of a market orientation: either a programmed approach or a ―market-back‖ approach. The programmed approach utilized educational training programs. The market-back approach was experiential, with a concerted effort to improve customer-value skills and procedures. This approach is similar to the strategy which was used in this current case study to research the literature gap related to the impact of a salesperson coach on the organization's financial results. Narver et al. noted four significant behavioral concepts as creators of superior value from the customer perspective: (a) a clear understanding of the value disciplines, (b) the provision of leadership to the customers rather than being a

follower, (c) the envisioning of every business as a service business, and (d) having a long term for-life focus on both employees and key customers.

Interestingly, Connor (1999) criticized the work of Slater and Narver (1998), suggesting that their market orientation offering is too reductionist; more weight was suggested to the size and capabilities of the competing companies. Close relationships with existing customers were suggested as a key to success for smaller companies (Connor, 1999). Slater and Narver (1999) provided an interesting response, noting that Connor unfairly extrapolated the principles of market orientation, including the assertion that current customer needs are less important than future customer needs. The work of Deshpande, Farley, and Webster (1993) was referred to by Connor as suggesting that market orientation was a continuum rather than being either absent or present and that the customer evaluation of a supplier's market orientation was inconsistent with that of the supplier. Factors noted in levels of market orientation were relative profitability, relative growth rate, market share, and size (Deshpande et al., 1993).

Slater and Narver (2000) then conducted a followup study on a broad sample of service and product businesses in a wide variety of industries, which increased the confidence levels and generalizability of a positive relationship between market orientation and profitability. Slater and Narver's (2000) study also included a reflection on other factors, organizational entrepreneurism, and profitability. No correlation was found between these two constructs, enhancing support for the relationship between market orientation and profitability (Slater & Narver, 2000).

Coaching and Market Orientation

The quality and quantity of sales affects the financial results of every business organization. Thus, human relationships affect customer buying decisions in all forms of business transactions, both international and domestic. For example, using surveys, Calvert (2001) studied student expectations regarding the quality of service in the university library environment. Measurable dimensions were identified; search services, staff attitudes, and the library environment. Another aspect studied was the national culture for comparison purposes. The surveys indicated that national culture did not affect attitudes, but that using Hofstede's dimensions, the only difference in student attitudes related to the role of management in setting standards for service. Interestingly, service quality was defined as the difference between customer expectations and customer perceptions of actual service experiences. This study used a disconfirmation strategy, a variation of gap analysis (Calvert, 2001).

Market Orientation Metrics

Coaching is a key component in terms of improving personnel behaviors relative to understanding customer needs. Jaworski and Kohli (1993) studied the construct of marketing orientation, providing both field perspectives and literature comparisons. A company's internal market orientation was defined as the companywide generation of market intelligence, including intercompany dissemination and reaction strategies to the market circumstances. A measurement system developed as part of this work included key organizational constructs: (a) intelligence collection, (b) intelligence dissemination, (c) response design, (d) response implementation, (e) top management emphasis, (f) top management risk aversion, (g) interdepartmental connectedness, (h) formalization, (i)

reward system orientation, (j) esprit de corps, (k) overall performance, (l) market turbulence, (m) competitive intensity, and (n) technological turbulence. This definition of marketing orientation differs from the definition by Rinehart et al. (2008), which is provided later and was used in this current study.

Jaworski and Kohli (1993) identified three pillars, including customer focus, marketing coordination, and profitability. Profitability was conspicuously absent from the field findings during interviews. Antecedents to market orientation were described as those factors which facilitate or slow down the development of a marketing concept. Based on field interviews, three hierarchical categories of antecedents were developed: (a) individual, (b) intergroup, and (c) organization-wide conditions. Jaworski and Kohli (1993) concluded that while customer market orientation may be related to business performance, it was not necessarily a critical factor. After assimilating the various works on the topic of MO, Jaworski and Kohli (1996) provided a review and recommendation for future research in this topic area. MO was defined as the organization-wide generation, dissemination, and response to competitor and customer intelligence. While suggesting that customers can provide meaningful input regarding the supplier ability to help solve their problems, Jaworski and Kohli (1996) did not suggest measurement of MO from an external customer perspective.

Rinehart et al. (2004) then developed a measuring system with three key components: a supplier's organizational capability to meet the customer needs, the volume of business being transacted, and the level of investment by the customer in the relationship. A survey methodology served to identify various measures to evaluate customer orientation, including personal character measures, communication frequency

measures, business volume measures, and investment measures. Four years later, Rinehart et al. (2008) surveyed similar measures to identify differences which exist in managerial perceptions between US managers and Taiwanese managers, and found that there are unique differences with US managers more likely to presume certain generic cultural assumptions. The Rinehart et al. survey, which included a Likert scale allowing quantification, was used in this current research to measure the market orientation (MO) of both the international and the domestic customer bases of the company.

Bodlaj (2010) provided another report on the linkage between internal MO market orientation and business performance, presenting an empirical study on the impact of internal MO on the degree of novelty, innovation performance, and the performance of the company. The study indicated that market orientation was a key factor in the development of markets for new products. Bodlaj also observed that a high internal MO did not necessarily create better financial results. Financial measures included sales, sales growth, economic value-add-ons, and cash flows. The confirmatory factor analysis provided six constructs for measurement, including both responsive and proactive market orientation, degrees of novelty, performance innovation, financial performance, and market performance. Interestingly, one key hypothesis relating market performance with financial performance was positively confirmed (Bodlaj, 2010).

Kules (2008) itemized over 30 case study findings of Phillips (2003), founder of the ROI Institute, as the methodology component for a study of the impact of short-term training programs through post-training results. Kules concluded that the teaching of strategic leadership concepts was successful based on the perceptions of the participants.

One key limitation of the study was the lack of direct linkage between the costs of the training program and the impact on the financial performance of the company.

Berthiez and Klusemann (2001) studied the ROI of a sales training program on a new automobile launch in Europe. Using the Phillips ROI model, the methodology included training needs assessment (TNA), survey data conversion to monetary value, and ROI calculations. The unit volume sales increase was based on salesperson perceptions in an attempt to isolate cause-and-effect relationships, rather than on the actual financial results of the company using a control group without training as an alternative to the trained group, a strategic weakness of the study. While strong evidence was provided that the training program helped salesperson confidence in selling the car, other data confirmed that the car itself, as well as the price and perceived value of the car, were major factors influencing buyer-purchase decisions. Using the ROI strategies employed, however, the manufacturer ROI calculation was a strong 92% based on the cost of the training program (Berthiez & Klusemann, 2001).

There are various other types of data for consideration beyond ROI to create full perspective on any program or project, including (a) employee confidence, reactions, and perceived value; (b) implementation results; and (c) consequences and intangibles (Phillips, 2003). These non-financial aspects can be referred to as *cultural context*. Peters, Baum, and Stephens (2011) studied this topic and provided an example in which a significant brain drain occurred by employee departures due to impersonal management practices within a company; a management training program ensued, which resolved the defection issue, but ROI would have been difficult to calculate.

Financial Impact of Coaching

Coaching employees to improve the supplier-customer relationship is a cost center that should provide a ROI for the organization. In strategic terms, ROI can be defined by various methodologies that calculate the financial benefit to the organization, divided by the financial cost of providing that benefit. Over 150 related research studies have been reviewed. Research studies are typically done at the individual or departmental levels, rather than from an overall financial perspective, which can be categorized as *macroscopic*. While various economic, social, and market forces are in play continuously in every business, a simplistic measure of cost versus financial impact can also be used to provide management with a measure of value for the cost center under study. For example, Lonial, Tarim, Zaim, Zaim, and Tatoglu (2008) studied market orientation and new service development. Using a self-administered questionnaire strategy, Lonial et al. concluded that market orientation had a positive effect on financial performance, but alone it may not have been able to produce superior performance. Effectively, both market orientation and new service development were necessary to significantly improve financial performance. No data was provided or analyzed relating to the quantitative impact on financial performance (Lonial et al, 2008). A knowledge gap has been discovered in all of the research reports focused on the dynamics of training and coaching.

Atkinson (2012) studied customized coaching programs, finding that effective coaching generates a healthy ROI through behavioral changes using impact studies to evaluate personal progress and achievements. Findings on a pilot project demonstrated a 4:1 ROI, but no details were provided relative to the constructs of the project or

methodology employed. Importantly, coaching for all was suggested as a methodology for creating a learning organization (Atkinson, 2012).

Lings and Greenley (2009) studied the impact of both internal market orientation (IMO) and external market orientation (EMO) on organizational performance. IMO is described as a philosophy for motivating and satisfying employees based on a belief that satisfied employees will improve customer satisfaction (MO; Lings & Greenley, 2009). Using a measure developed in earlier research consisting of 16 items, Lings and Greenley found quantifiable evidence of the impact of higher MO on improved financial results of the company. The results suggested that managerial behaviors in which employees are viewed as deserving attention improve work force motivation. The methodology was based on an employee survey strategy. Performance was measured using subjective evaluations related to achievement of existing financial objectives. Financial data was not collected. Various hypotheses were validated including positive confirmation of IMO having a positive effect on MO, and in turn, improved MO having a positive effect on profitability. A significant limitation of Lings and Greenley' s study was the employee perceptions being the only source of data. There was no measure of EMO in this study (Lings & Greenley, 2009).

Summary

Serious study of the relationship between training, MO, and organizational performance began in the early 1990s. Narver, Slater, Kohli and Jaworski provided the basic footprint and foundation for many empirical studies. The general focus of these studies was internal organizational perceptions of success based on management opinions rather than direct linkage to company financial results. Rinehart et al (2008) studied

market orientation using surveys from a customer point of view, a new external perspective on market orientation. Studies on training and coaching demonstrated positive cultural impact and opinions relative to improved organizational performance without direct linkage to financial results. Phillips (2003) developed an analytical strategy to provide management with a technique for evaluating the ROI of any project, including a financial evaluation.

There has been no study linking the cost of coaching programs, the customer's MO, and organizational financial performance. All of the past studies have used qualitative data to measure internal perceptions of market orientation and financial improvements. This gap, utilizing ROI methodology, was the focus of the present study. This quantitative study served to measure the cost of a salesperson coaching program on customer perceptions of the company (EMO) and the financial success of a company.

CHAPTER 3. METHODOLOGY

One main challenge when providing general business training is the measure of benefit from a company financial perspective. Most business training is generally done in a classroom environment with general company products, services, processes and procedures being taught to the employee-students. Sales' coaching is a one-on-one form of training in which the coach can customize the training program to meet the specific needs of the salesperson and the customer situation. The focus in this quantitative research was an individual sales coaching program in which the coach worked closely—one-on-one—on an ongoing basis with the salesperson to analyze and strategize the situations with specific target accounts.

Two groups of customers from one company were studied, one group based in Florida (domestic) and a second group located outside of the United States (international). Company results were collected and analyzed over a 2-year period to identify the impact of the coaching program in two areas: (a) financial and (b) customer market orientation. Coaching strategies utilized were situational, based on the business opportunity, the market orientation of the company, and the customer specifics. The cost of the coach is easily defined. The narrow focus of the coaching program on specific target accounts provided a measurable beneficial result which was calculated and compared with the cost of the coach, both on an individual salesperson and collective sales basis.

A business coach reviews the behaviors and results of the employee-customer exchange with a focus on improving results through a goal-setting process. It is noteworthy that in this business construct, training is usually defined as appropriate

information and strategy provided to the employee before any behaviors occur. Coaching is focused on a review of results of behaviors already employed with the customer or prospect after they have occurred. For the purposes of this study, coaching is defined as an activity centered on teaching salespersons privately, rather than in a class, with a focus on improving the business results by fulfilling customer needs and enhancing the impact of the relevant personal relationships.

Strategic Perspective

Before reviewing the statistical results from any quantitative research project, it is critical to understand the business environment of the company under study. Porter (1991) described the nature of competitive advantage and the dynamic theory of strategy, suggesting that strategic theory links firm behavior and environmental circumstances to market outcomes. An attractive position in any industry, given the industry structure being held constant, is an outcome rather than cause. The company under study, originally only a single outlet wholesale distributor, has evolved during its 40-year history into an integrated manufacturer-distributor global exporting business. The acquisition of a manufacturing division 25 years ago (swimming pool heat pumps and salt-based chlorine generation systems) created the need 15 years ago to expand the company's wholesale distribution division statewide in its home market, the state of Florida. While each product category now has multiple competitors, the first-mover history in the company's home market provides a competitive advantage for the wholesale distribution business. The successful sale of proprietary products is a top priority for the distribution and export sales teams under study.

Porter (1991) also suggested that the key factors of production are highly specialized to fit the particular industry. Figure 1 shows four important attributes of the close environment of any firm relative to the innovation and upgrading of an industry.

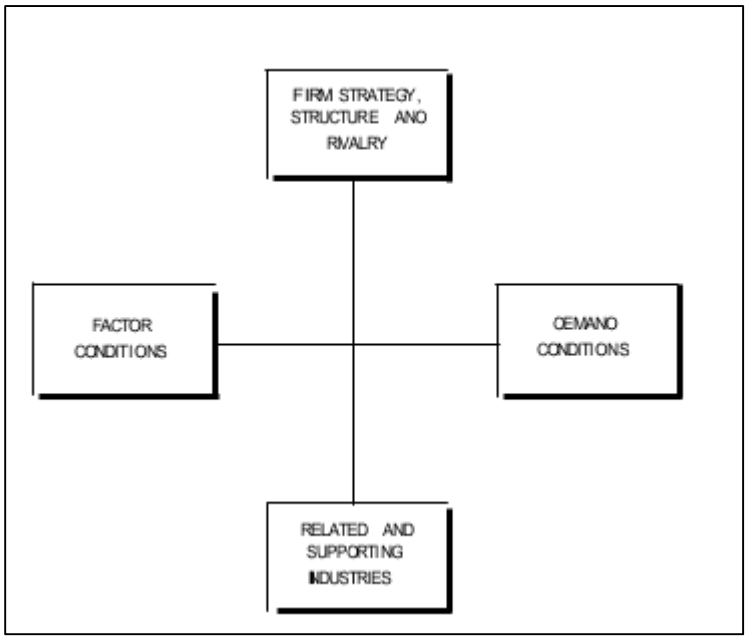

Figure 1. Determinants of national competitive advantage. Adapted from "Towards a Dynamic Theory of Strategy," by M. Porter, 1991, *Strategic Management Journal, 12*, p. 111.

Home market demand is noted as more important than the size of the demand. However, in this study, the sale of proprietary products in its home market is critical to the success of both the manufacturing division and the two distribution divisions of the company. Florida is the major home market for both of the key manufactured products. Distribution and export sales teams are closely aligned with the interests of the manufacturing division. The manufacturing division is the market leader in its product niche in the national domestic marketplace.

Another critical component is the computer and communication infrastructure now available in most retail-oriented industries. Virtually all of the company's dealers are small, privately held organizations with smart phones and internet capabilities. The installation of both product lines requires technical knowledge and field capabilities for successful installation and post-sale support. Karagiannopoulos, Georgopoulos, and Nikolopoulos (2005) studied the impact of the internet on Porter's five market forces, depicted in Figure 2.

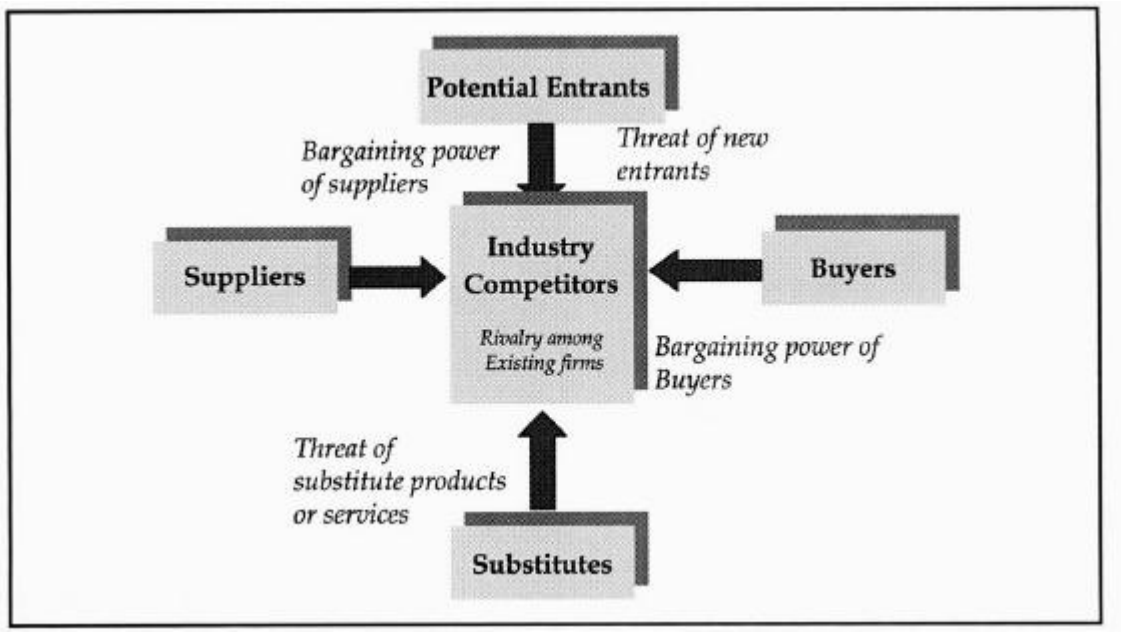

Figure 2. Porter's five forces model. Adapted from ―Fathoming Porter's Five Forces Model in the Internet Era,‖ by G. Karagiannopoulos, N. Georgopoulos, and K. Nikolopoulos, 2005, *The Journal of Policy, Regulation and Strategy for Telecommunications, Information and Media, 7*(6), p. 68.

The internet now plays a significant role in the industry under study, given the ability of any pool owner or dealer to purchase needed swimming pool products at competitive pricing levels from a wide array of websites, including Amazon.

Most key product brands in the industry have not had effective internet price management programs; this open system creates disintermediation within the industry. Figure 3 is an accurate reflection on the disintermediation and re-intermediation process which continues to evolve in the industry under study. Salespersons confront an ever-changing array of challenges with each customer which are both brand and price-related. One of the company's strategic advantages is an effective internet-price management system which protects its brick-and-mortar dealer base from low-margin internet retailers who cannot provide the needed expertise for both installation and post-sale service.

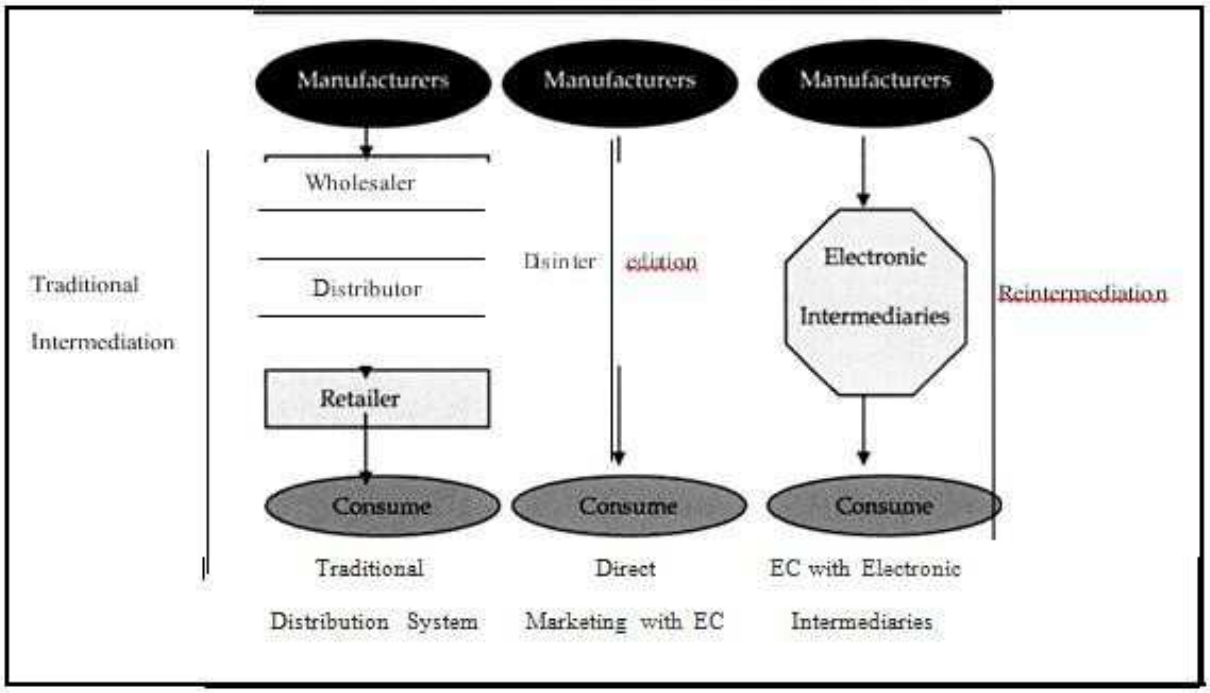

Figure 3. Disintermediation and re-intermediation. Adapted from ―Fathoming Porter's Five Forces Model in the Internet Era,‖ by G. Karagiannopoulos, N. Georgopoulos, and K. Nikolopoulos, 2005, *The Journal of Policy, Regulation and Strategy for Telecommunications, Information and Media, 7*(6), p. 71.

This strategic platform is an important component when analyzing the results of the research as well as the nature of the coaching strategies employed in securing business.

Research Design

Purpose of Research Design

This study was an exploratory, quantitative analysis of coaching efficiency within the global swimming pool industry. The purpose of this research design was to identify and quantify shifts in the key constructs in customer-based EMO in two sets of customers, one based domestically and one based internationally. The survey developed by Reinhart et al. (2008) was utilized with 6-month spacing between the first and second surveys. Survey measure constructs included (a) personal character, (b) communication frequency, (c) business volume, and (d) investment. The coaching program was active during this period. Those results were statistically compared. In addition, the cost of the coaching program and the changes in financial results of the two divisions of the company were measured on an annualized basis.

Payback Period

Various measures of intrinsic value of any business cost category include the economic life of the investment, the payback time, average rate of return, present value of the investment, and internal rate of return: all standard measures in capital budgeting strategies. However, economic lifecycle measurements could be inappropriate given the continuous fluctuations in demand or market forces in a commoditized industry on a customer-by-customer basis. Coaching strategies can change continuously in response to varying market forces. Given the long-term nature of the one-on-one coaching investment in personnel, some aspects of these various evaluation strategies were

appropriate. One simple analytical methodology which was appropriate was the payback period on the annualized long-term cost of the investment in coaching. Given the fluctuating nature of the return and the various uncontrollable factors that can affect the rate of return, this method can be ineffective on an individualized basis, but appropriate from a broad organizational perspective.

Return on Investment

The leadership in every business has a responsibility to the stakeholders to create success for the company; in capitalism, one critical measure of this success is called profitability. In general, hard evidence is desired to confirm the benefits of any capital project or program. If useful economic results are not measurable, alternative measures should be taken to assure some sort of pay-off. In simple terms, ROI is calculated as follows (Phillips, 2003, p. 199):

$$\text{ROI (\%)} = \frac{\text{Net Program Benefits}}{\text{Program Costs}} \times 100$$

Creating ROI Isolation

In order to evaluate any training or coaching program, some level of isolation of the results is necessary. Peters et al. (2011) suggested four factors to evaluate, including the opportunity for the employee to utilize the newly-learned skillsets, the supporting management system focused on the measurement of employee performance, the level of employee motivation-resource constraints within the company, and the company culture, which should be supportive of people expanding their initiatives and talents. Thus, development is connected to the application, which is connected to the results. Phillips and Phillips (2008) provided a slightly different but consistent perspective, suggesting

that the methodology include six different types of data to complete the valuation picture: (a) the reaction or perceived level, (b) the learning level, (c) the application level, (d) the consequences level, (e) the ROI level, and (f) the intangible level,. One other benefit of ROI measurement, in most cases, is the ease and low cost of measurement. Most organizations have access to the financial data and can easily develop some report format, which will provide accurate information as often as desired. This value system and management system was in place in the company studied in this research.

Research Questions and Hypotheses

This research focused on one general research question relating to measurable impact on a company when an ongoing coaching program is employed to improve selling strategies.

The specific research question for the first hypothesis was as follows:

> Research Question 1: Did the customer's market orientation change during the operation of the salesperson coaching program?

The first specific research hypothesis for this study was the following:

> $H1_o$: There is no significant positive impact on customer MO based on the results of this salesperson coaching program.
>
> $H1_a$: There is a significant positive impact on customer MO based on the results of this salesperson coaching program.

The specific research questions for the second research hypothesis were the following:

> Research Question 2: What was the annualized ROI of this coaching program relative to its cost based on overall company results (domestic and international)?

Research Question 3: What was the annualized ROI of this coaching program relative to its cost for all salespersons coached-only groups of customers (domestic and international)?

The second specific research hypothesis for this study was as follows:

$H2_o$: There is no calculable positive ROI for this company investment in a salesperson coaching program based on company financial results.

$H2_a$: There is a calculable positive ROI for this company investment in a salesperson coaching program based on company financial results.

Note that since the coached-only customer group and overall coaching results were intermixed during the study; research question 2 and research question 3 have been consolidated into null hypothesis $H2_o$.

Population

The methodology was focused on two sets of customers for a company in the wholesale distribution and exportation of swimming pool equipment, chemicals, and supplies. The first group of customers was swimming pool contractors, retail stores, and service/repair companies being served by various distribution branches of a company based in the state of Florida. The second group of customers was identical types of customers located in various countries outside of the United States for the same company. Customer selection was made by the coach and each salesperson based on the size of the opportunity to grow market share with the customer. All company historical data were available for analysis. Market forces related to products and competition were similar in both markets, although in various international marketplaces, there were other local

competitors in various product categories. The coaching focus was limited for each sales person to a target list of 10 customers.

Instrumentation and Convenience Sampling

All relevant company financial data was available based on agreement with company ownership, including historical and contemporary data on cost of coaching program and individual customer purchase activities. Customer selections for the survey were made by the coach and the salespersons in the coaching programs.

The customer MO survey was based on a peer-reviewed research report by Rinehart et al. (2008; see Appendix B). Applicability and use of the survey was also reviewed by the lead researcher, Dr. Rinehart. Two surveys were conducted while the coaching program was in operation for each customer group (domestic and international) with a timespan between surveys of 6 months.

Data Collection, Processing, and Analysis

Survey results between customer groups were analyzed for shift in market orientation. This data was compared to changes in company financial reports and salesperson performance reports during this same timeframe, as well as in comparison with earlier historical data. Collected survey data were evaluated using SPSS software. Statistical measures included the following:

- Test for normality
- Chi Square test
- T test between groups
- Z test on survey results (sample size > 30)
- The correlation between variables was explored

- Regression

Key variables included the following:

- Customer gross margin dollar volume (GM$) between January 1, 2013 and December 31, 2014, by salesperson
- Customer gross margin dollar percentage (GM %) between January 1, 2013 and December 31, 2014, by salesperson
- International customer survey results (May, 2014) using Likert scale
- International customer survey results (November, 2014) using Likert scale
- Florida customer survey results using Likert scale (May, 2014)
- Florida customer survey results using Likert scale (November, 2014)

Limitations

This case study was limited by its very nature of being focused on one company and two sets of customers in one industry. The industry studied is a typical worldwide business with four key global manufacturers and hundreds of smaller, regional players, including many based in China, a low cost producer. Globalized competitive market forces have resulted in few protected brands. Either factory-direct or over-distribution has been the characteristic supply chain strategy for the key manufacturers, resulting in a commoditized marketplace. However, this case study offers a significant opportunity for future development of the key instrumentation as a useful tool for any company operating training or coaching programs to enhance their evaluation of the results for that program.

Summary

This statistical study was conducted to evaluate the changes in the market orientation of two groups of customers, a domestic group and an international group, over

a 6-month time frame, during which an ongoing salesperson coaching program has been in operation. In addition, financial data were compared by salesperson and overall company financial results to identify important changes in financial performance relative to the cost of the coaching program using ROI methodology during a 3-year period.

CHAPTER 4. RESULTS

Overview

This quantitative research was focused on finding the relationship, if any, between the coached salesperson behaviors and the EMO of the customers. Two customer surveys were conducted using 10 questions as a measure of EMO for each of the customer groups, domestic and international. The surveys were sent to 267 domestic customers based in Florida and to 155 international customers in 30 countries. The response rates were 20% on the first survey and 17% on the second survey for the domestic population. The international surveys were sent in English, Spanish, and French, depending on the native language in the customer locations. The response rates were 24% on the first survey and 21% on the second survey for the international population. The data from the surveys were organized on Excel spreadsheets and then analyzed using SPSS software to determine any statistically significant shift in EMO by either customer group. The actual data from all four surveys are provided in Appendices C through F.

The second focus of this research was on the ongoing relationship between the coached salespersons' transactional behaviors with customers and the financial results of the company, both for the coach-targeted accounts and each salesperson's overall account groups. Each salesperson targeted 10 accounts for review with the coach on a regular basis. Some targeted accounts were replaced when results indicated specific objectives were reached. The strategic objective of the coach was to improve the efficiency and effectiveness of the salesperson. Data from company financial records were organized for analysis.

Overall Data Analysis

Surveys of Customer Market Orientation

For both the domestic and international customer groups, the marketing survey (see Appendix B) was sent out to the same customer groups twice, 6 months apart, to test the MO changes caused by the coaching program. Two data groups for each of the two customer groups with a 6-month time span between the first and second surveys for each group are in individual appendices as shown in Table 1.

Table 1

Organization of Appendices by Data Group

Data group	Appendix
Domestic (Dom1)	C
Domestic (Dom2)	D
International (Int1)	E
International (Int2)	F

Sufficient anonymous customer responses were returned from each survey to provide a competent data base for statistical reasoning and analysis using SPSS software. The surveys were designed to test the following null hypothesis:

$H1_o$: There is no significant positive impact on customer MO based on the results of this salesperson coaching program.

$H1_a$: There is a significant positive impact on customer MO based on the results of this salesperson coaching program.

Data Frequency

Data frequency charts were generated by SPSS and serve to demonstrate, on an individual question basis (the variable), typical examples of the customer response

patterns for these specific questions. The quantification of the scores is based on the Likert scale methodology (1 = *Strongly Disagree* to 5 = *Strongly Agree*). A zero indicated no answer. Appendix G includes examples of the 40 frequency charts made during the analysis of the overall survey results. The histograms shown later are based on this frequency chart data.

Data Overview

The data resulted in the following summary of means and standard deviations for each of the 10 questions from the four surveys using SPSS. Note that for any single question, the means and standard deviations of the two surveys from the same population are very similar (see Table 2).

Table 2

Mean & Standard Deviation Summary of All Four Surveys for Collective Review

Mean					Standard deviation			
Dom1	Dom2	Int1	Int2	Question	Dom1	Dom2	Int1	Int2
4.62	4.64	4.46	4.66	One	0.602	0.577	0.682	0.602
4.26	3.93	4.49	4.47	Two	0.944	1.649	0.601	0.915
4.44	3.93	4.28	4.13	Three	0.812	1.629	0.759	0.907
3.72	4.07	3.90	4.06	Four	1.031	0.808	0.912	0.948
4.28	4.50	4.23	4.44	Five	1.196	0.773	1.038	0.759
3.28	3.12	3.26	3.16	Six	0.991	0.942	0.993	1.167
3.98	3.83	3.51	3.44	Seven	1.116	0.961	1.167	1.014
3.66	3.74	3.33	3.41	Eight	1.255	1.106	1.493	0.875
4.22	4.24	3.87	4.16	Nine	0.954	0.983	1.281	0.723
2.88	3.14	3.36	3.72	Ten	1.062	1.181	1.547	1.198

Survey Question Analysis

The 10 survey questions from the four surveys have been reviewed individually, providing the results. Given the nature of this data, visual comparative review provides a

meaningful method for understanding the results. Response patterns can be examined using the histograms generated by SPSS from the data, especially in a vertically stacked format. Histograms provide visual evidence related to the data analysis which supports a deeper understanding of the meaning of the data. Both the frequencies of the answers and the shape of the data, as well as outliers, are obvious. The following histograms are representative of these results.

Survey Question One

Survey question one was as follows: This supplier is honest with us in our business transactions. The four histograms from the four surveys for this question are very similar, as shown in Figures 4, 5, 6, and 7.

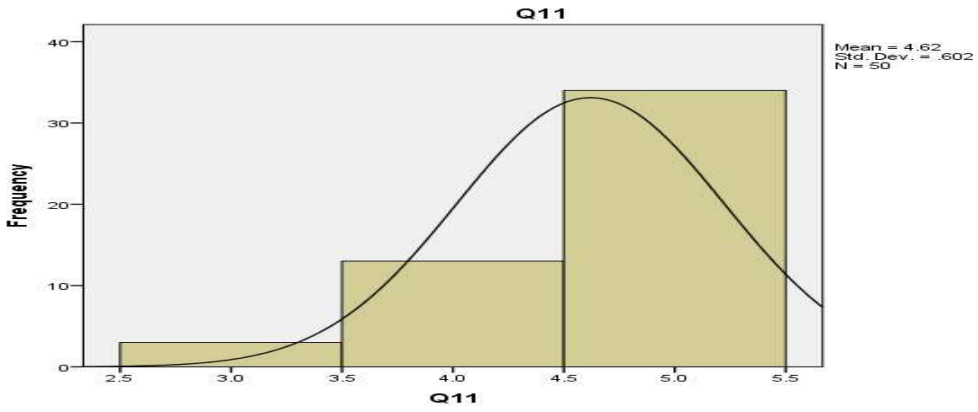

Figure 4. Survey histogram of question one responses: Dom1.

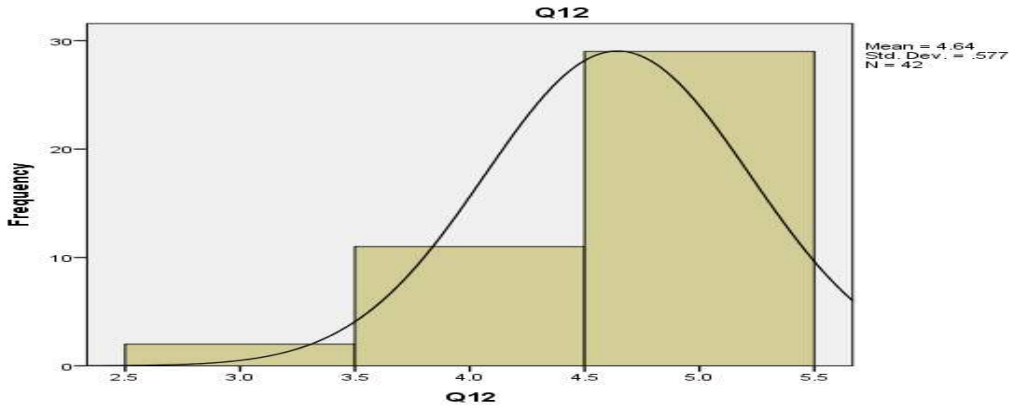

Figure 5. Survey histogram of question one responses: Dom2.

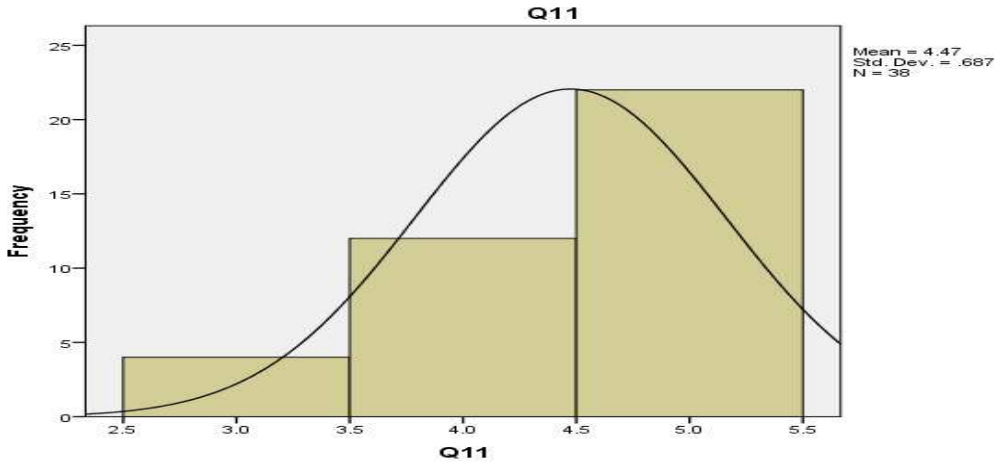

Figure 6. Survey histogram of question one responses: Int1.

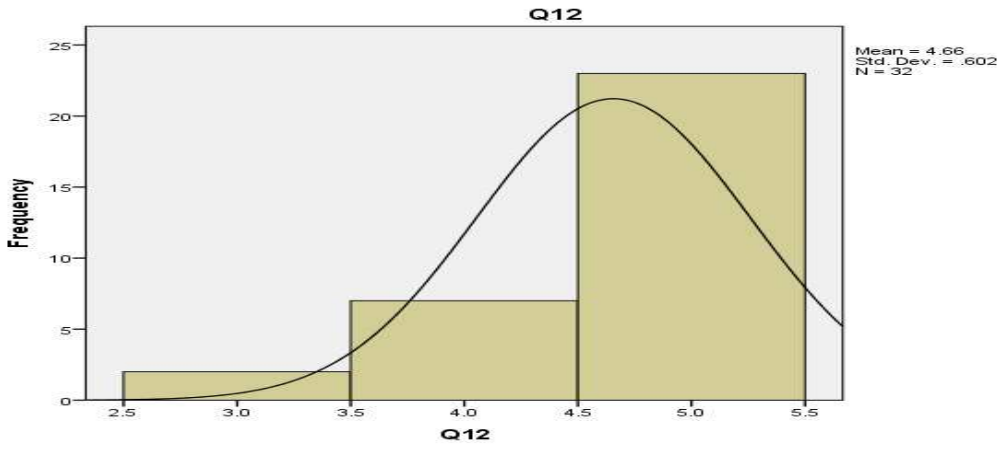

Figure 7. Survey histogram of question one responses: Int2.

Survey Question Two

The second survey question was as follows: This supplier is a reliable supplier. The four histograms from the four surveys for this question are very similar, as shown in Figures 8, 9, 10, and 11. Note that both domestic surveys had no answers from some respondents.

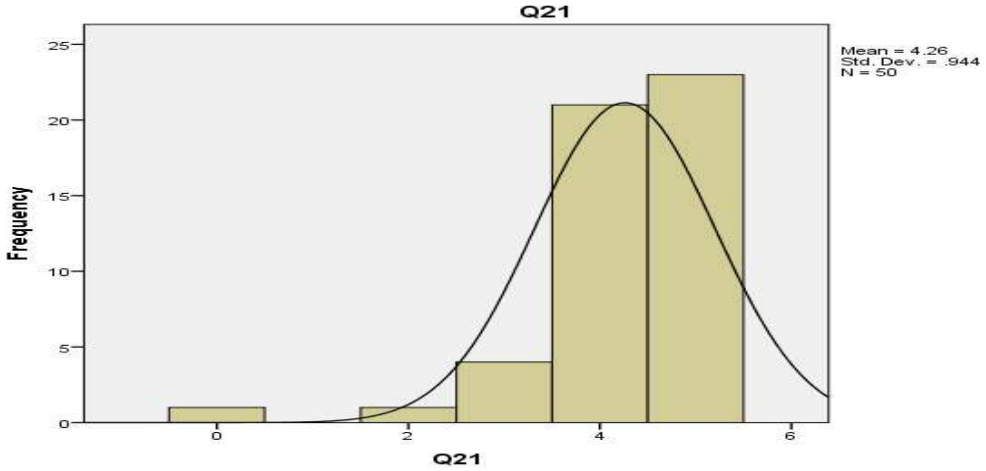

Figure 8. Survey histogram of question two responses: Dom1.

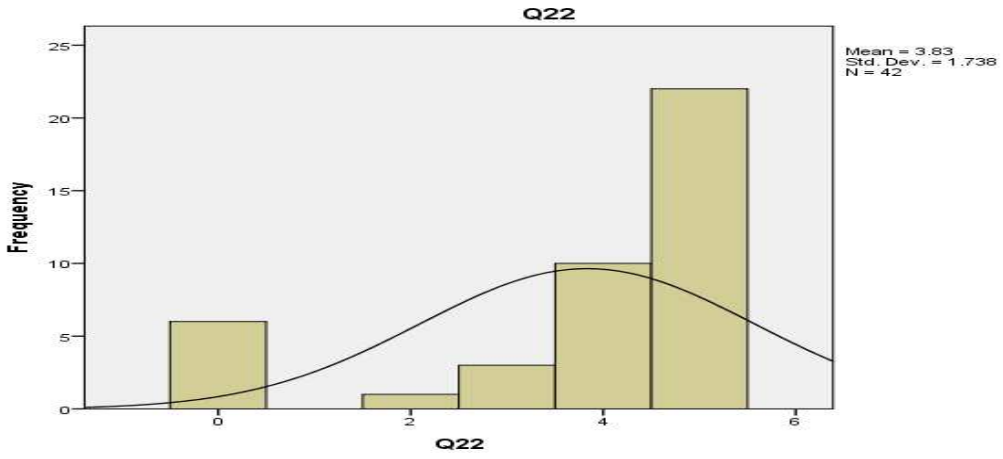

Figure 9. Survey histogram of question two responses: Dom2.

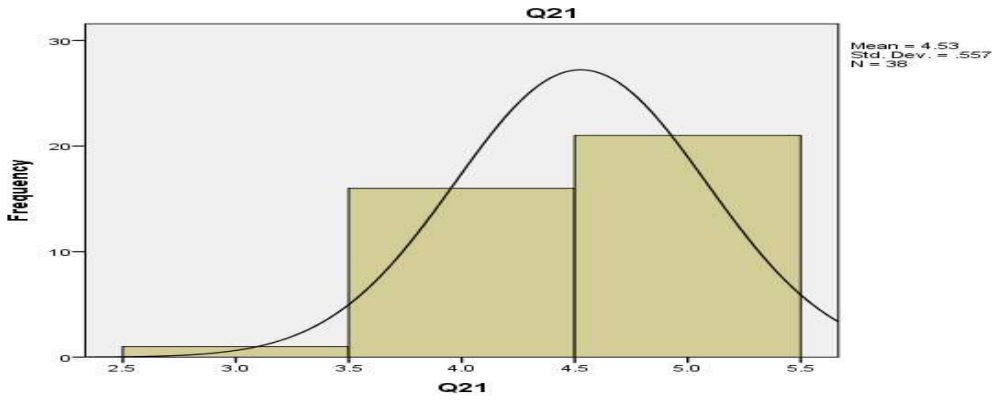

Figure 10. Survey histogram of question two responses: Int1.

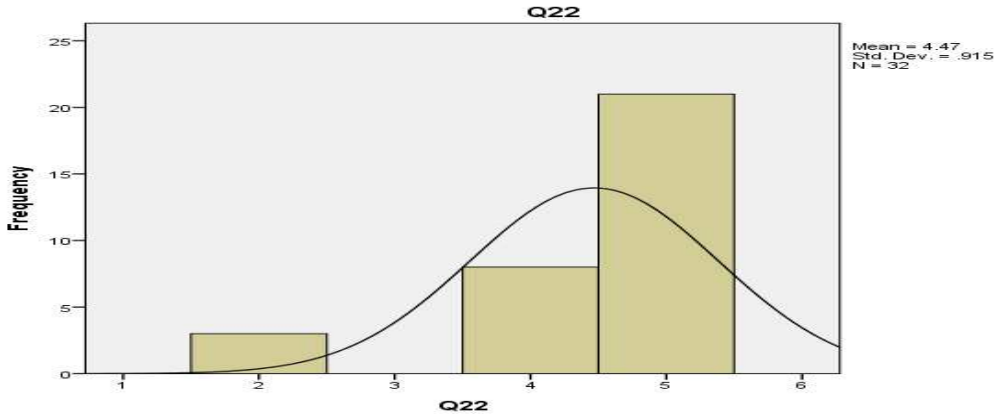

Figure 11. Survey histogram of question two responses: Int2.

Survey Question Three

Survey question three was as follows: This supplier would not take advantage of our company. The four histograms from the four surveys for this question are very similar (see Figures 12, 13, 14, and 15); the observed difference in shape between the Dom1 and Dom2 surveys is caused by the addition of a null entry in the Dom2 survey. Null entries were caused by a failure on part of a respondent to provide an answer. This phenomenon affects the curves for several other questions.

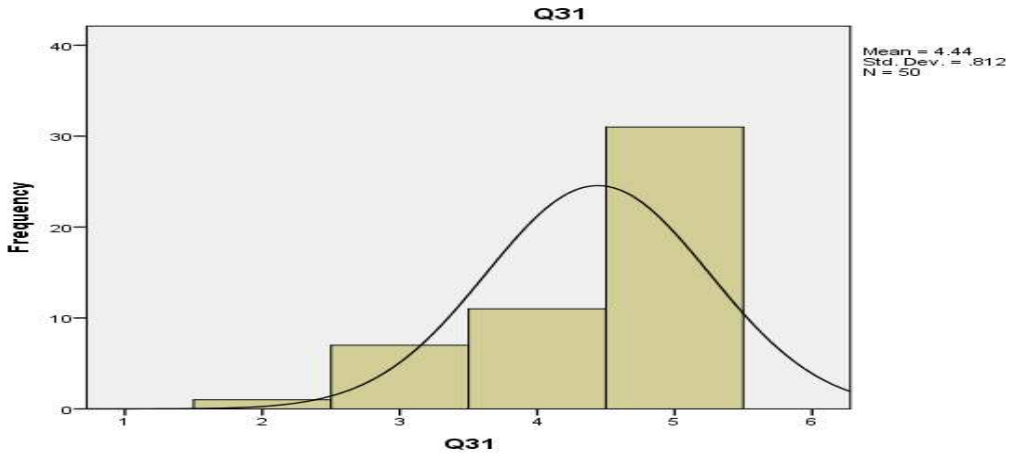

Figure 12. Survey histogram of question three responses: Dom1.

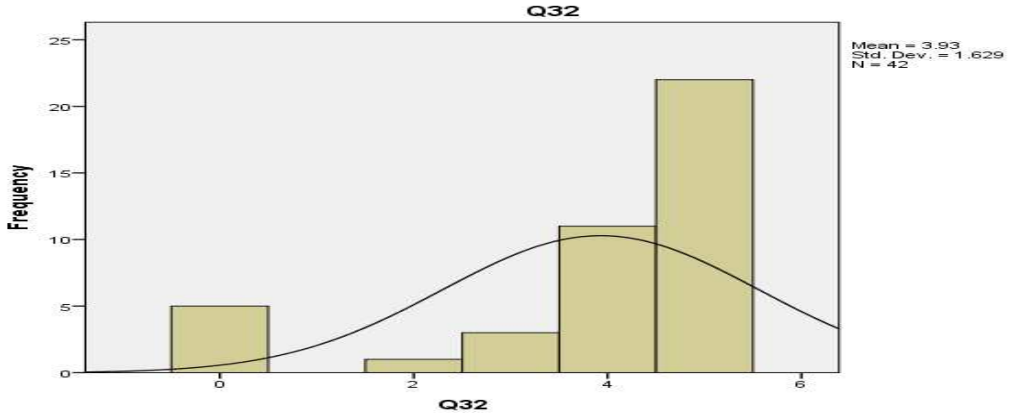

Figure 13. Survey histogram of question three responses: Dom2.

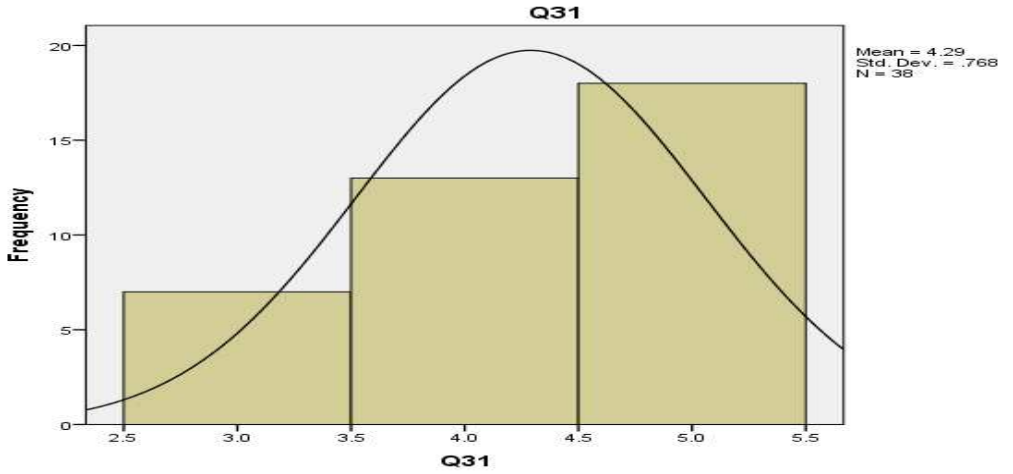

Figure 14. Survey histogram of question three responses: Int1.

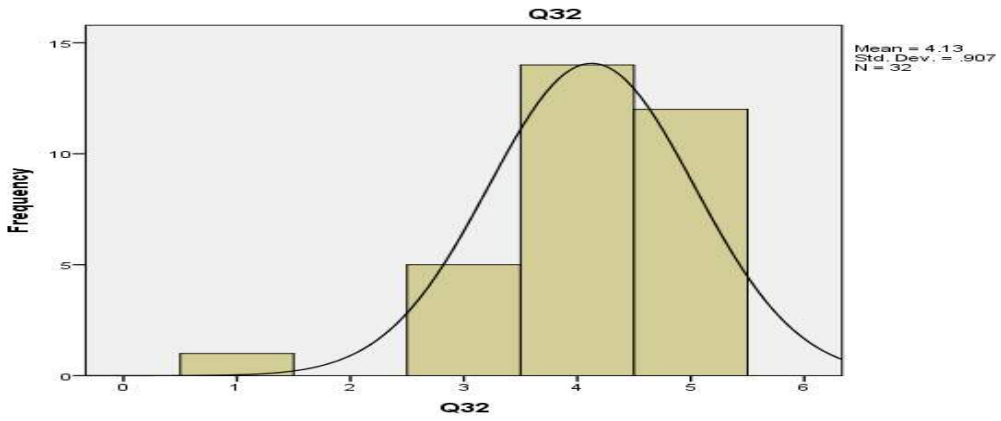

Figure 15. Survey histogram of question three responses: Int2.

Survey Question Four

The fourth survey question was as follows: We can trust this supplier to make mutually beneficial decisions without our input when necessary. The four histograms from the four surveys for this question are very similar (see Figures 16, 17, 18, and 19); the observed difference in shape between the Dom1 and Dom2 surveys is caused by the addition of a null entry in the Dom1 survey. Null entries were caused by a failure on the part of a respondent to provide an answer. This phenomenon affects the curves for several other questions.

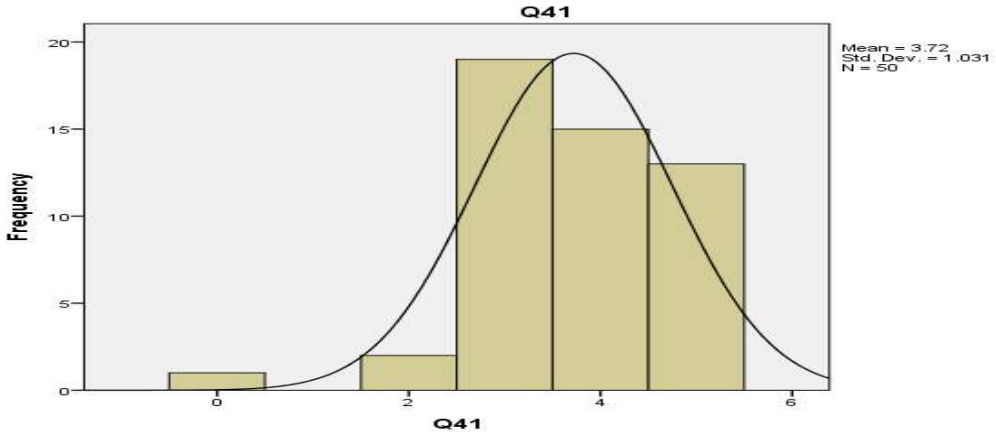

Figure 16. Survey histogram of question four responses: Dom1.

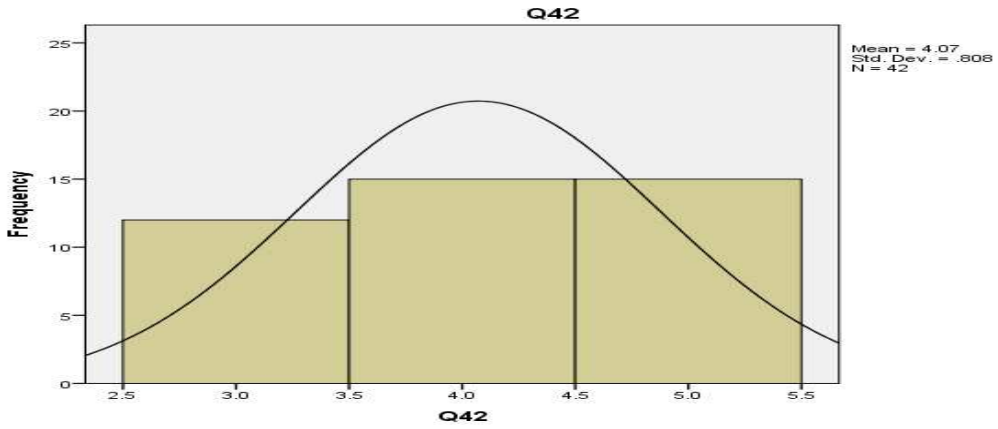

Figure 17. Survey histogram of question four responses: Dom2.

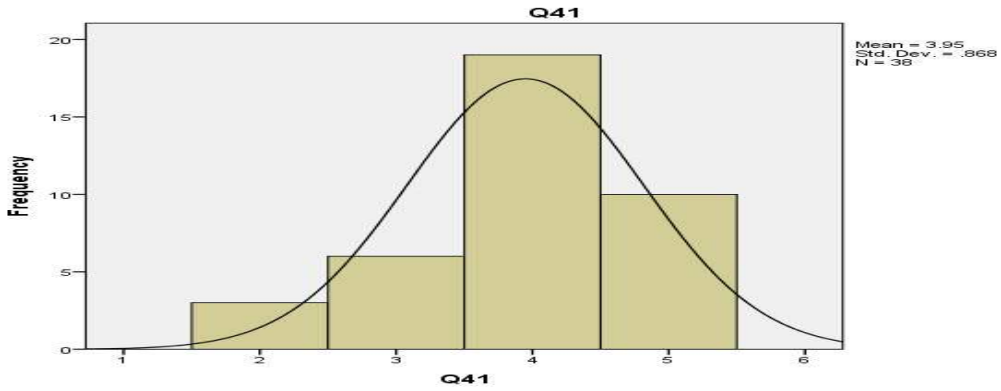

Figure 18. Survey histogram of question four responses: Int1.

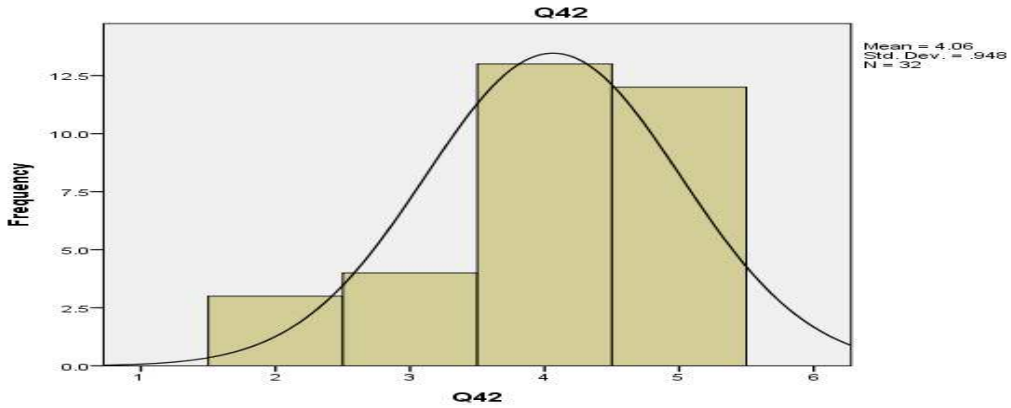

Figure 19. Survey histogram of question four responses: Int2.

Survey Question Five

Survey question five was as follows: This supplier is flexible when we ask for changes in our orders or our relationship. The four histograms from the four surveys for this question are very similar, as shown in Figures 20, 21, 22, and 23.

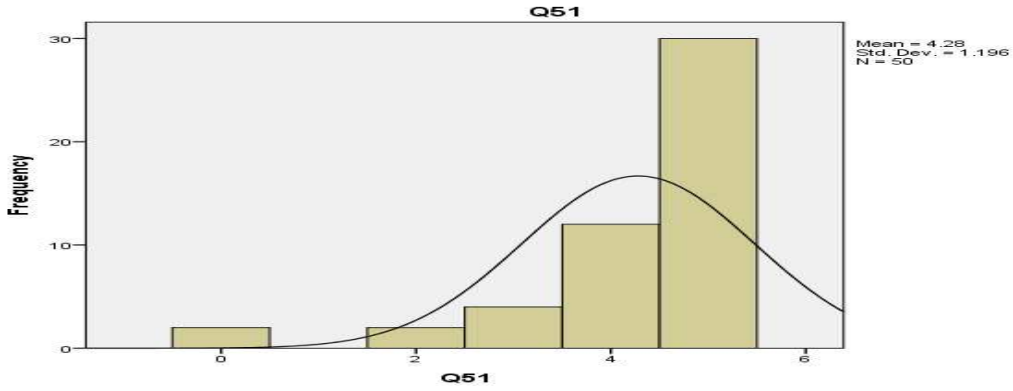

Figure 20. Survey histogram of question five responses: Dom1.

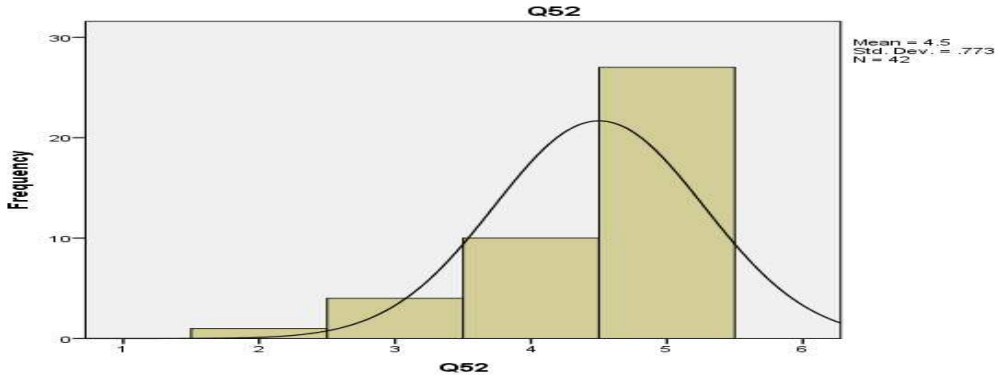

Figure 21. Survey histogram of question five responses: Dom2.

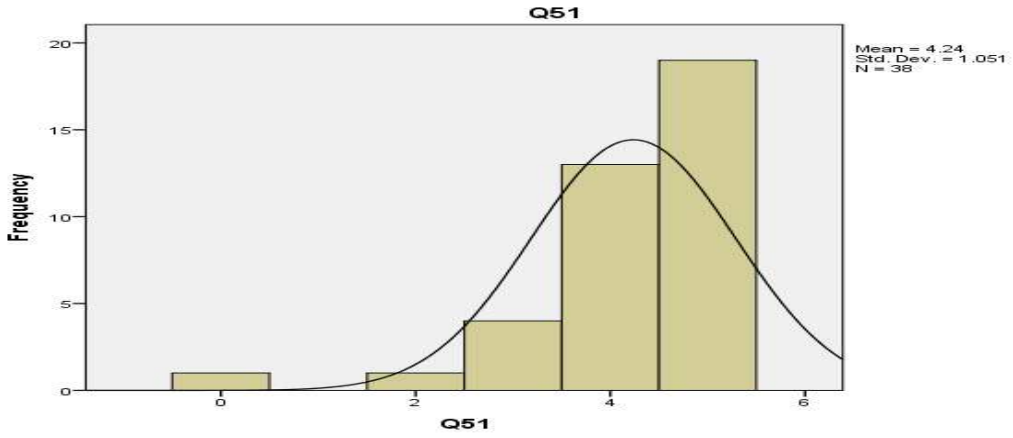

Figure 22. Survey histogram of question five responses: Int1.

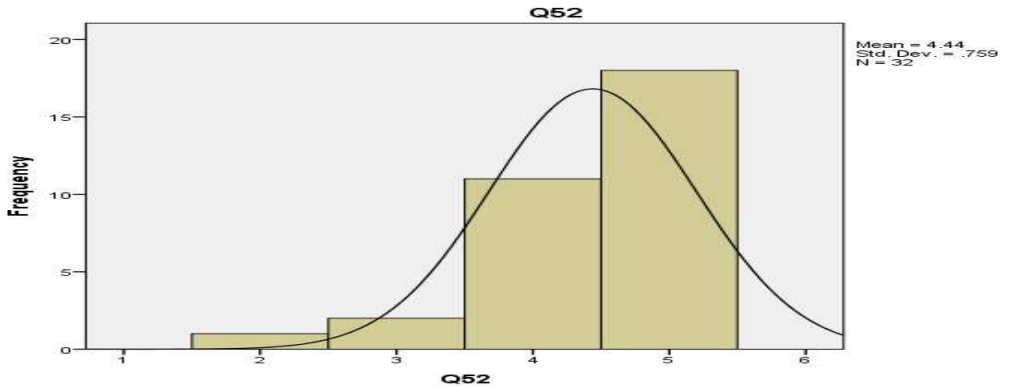

Figure 23. Survey histogram of question five responses: Int2.

Survey Question Six

Survey question six was as follows: Our face-to-face meetings take longer than meetings with most other suppliers. The four histograms from the four surveys for this question are very similar, as shown in Figures 24, 25, 26, and 27.

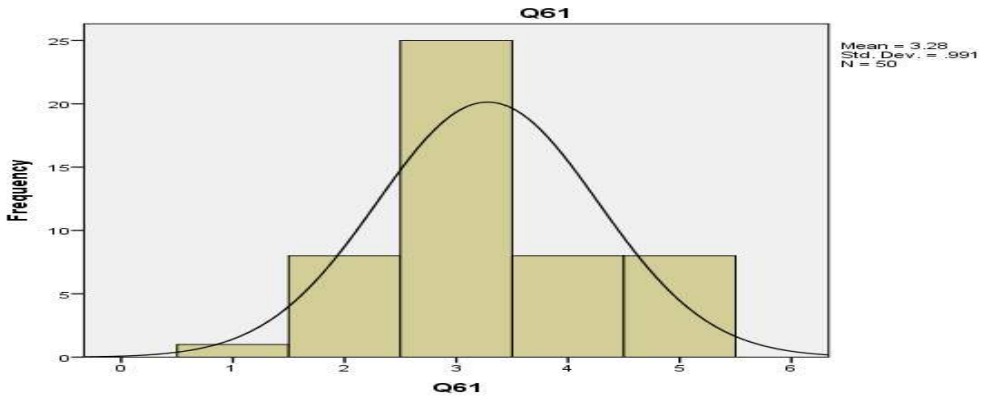

Figure 24. Survey histogram of question six responses: Dom1.

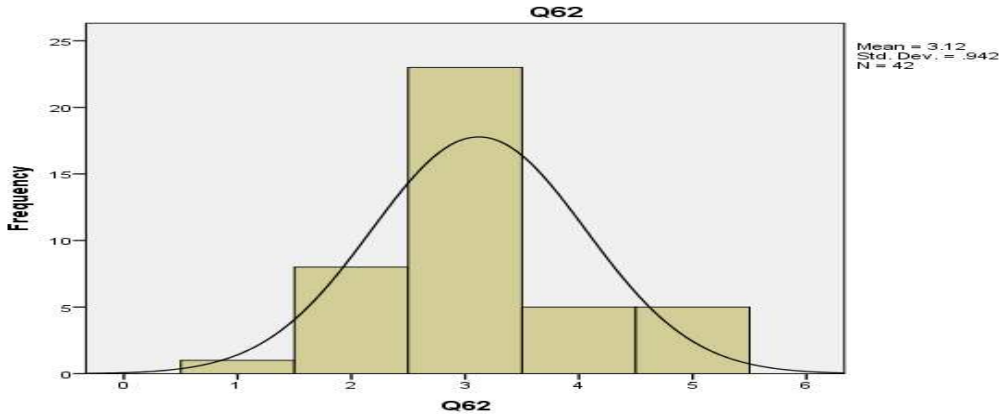

Figure 25. Survey histogram of question six responses: Dom2.

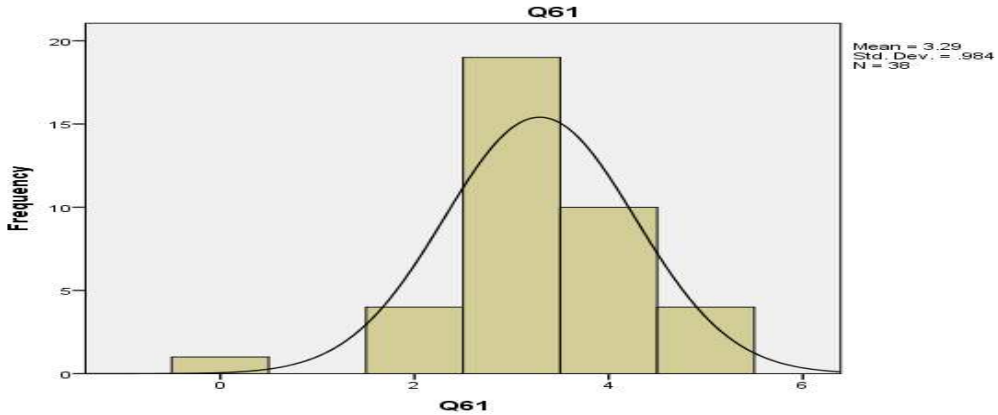

Figure 26. Survey histogram of question six responses: Int1.

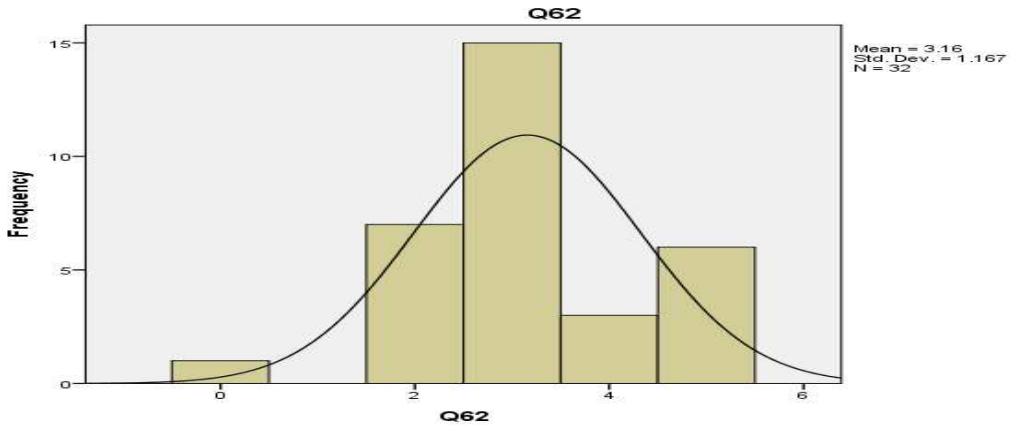

Figure 27. Survey histogram of question six responses: Int2.

Survey Question Seven

The seventh survey question was as follows: Our company has invested substantially in personnel dedicated to our relationship with this supplier. The four histograms from the four surveys for this question are very similar, as shown in Figures 28, 29, 30, and 31.

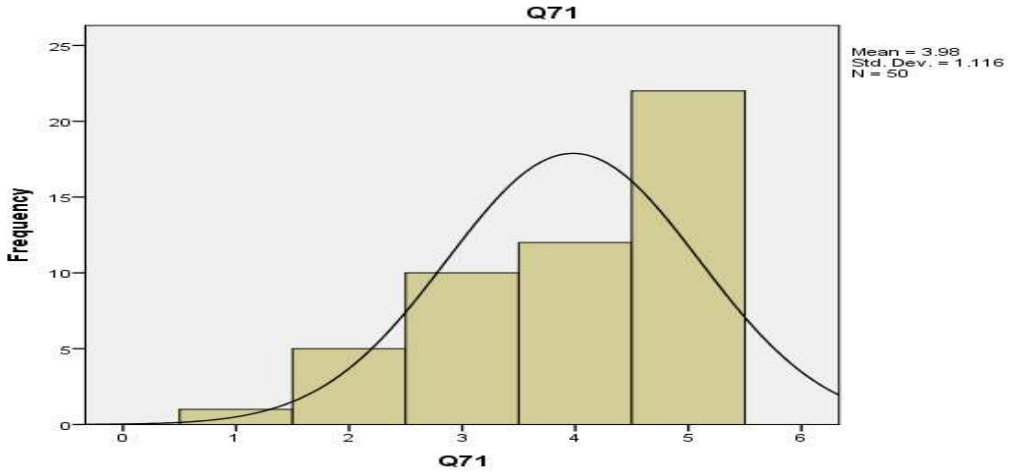

Figure 28. Survey histogram of question seven responses: Dom1.

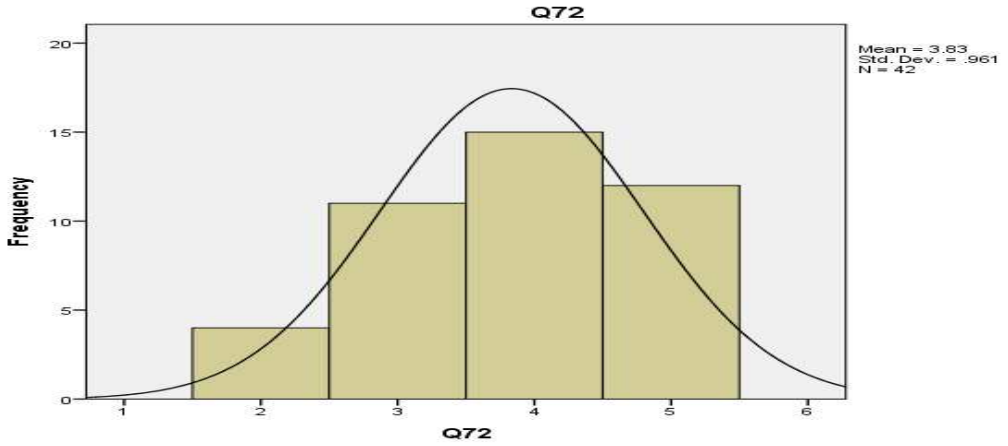

Figure 29. Survey histogram of question seven responses: Dom2.

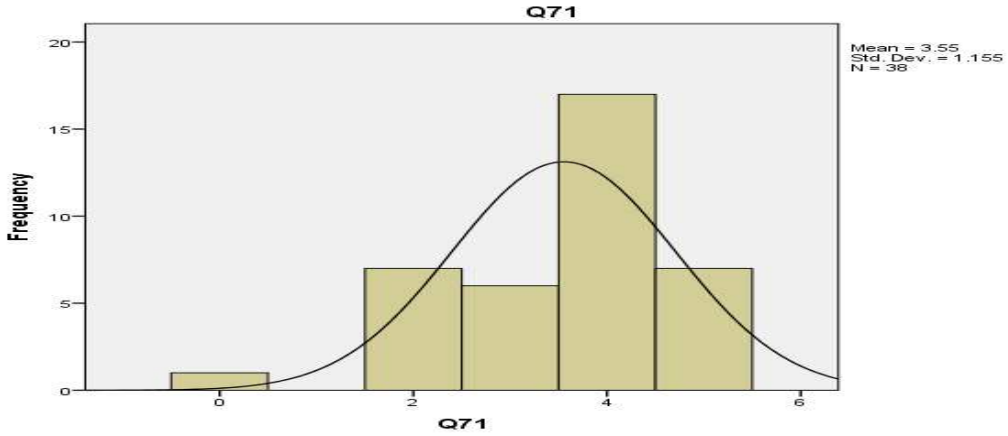

Figure 30. Survey histogram of question seven responses: Int1.

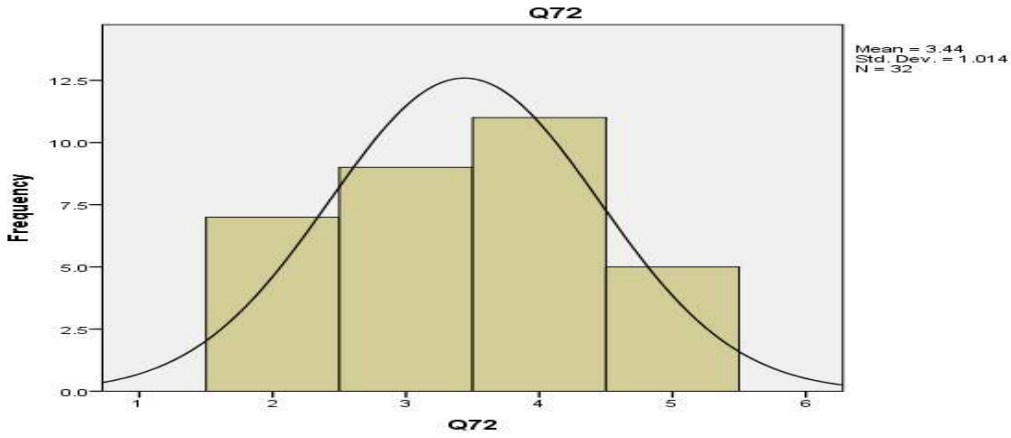

Figure 31. Survey histogram of question seven responses: Int2.

Survey Question Eight

Survey question eight was as follows: Our company has significant investment in dedicated equipment and/or support related to our relationship with this supplier. The four histograms from the four surveys for this question are very similar, as shown in Figures 32, 33, 34, and 35.

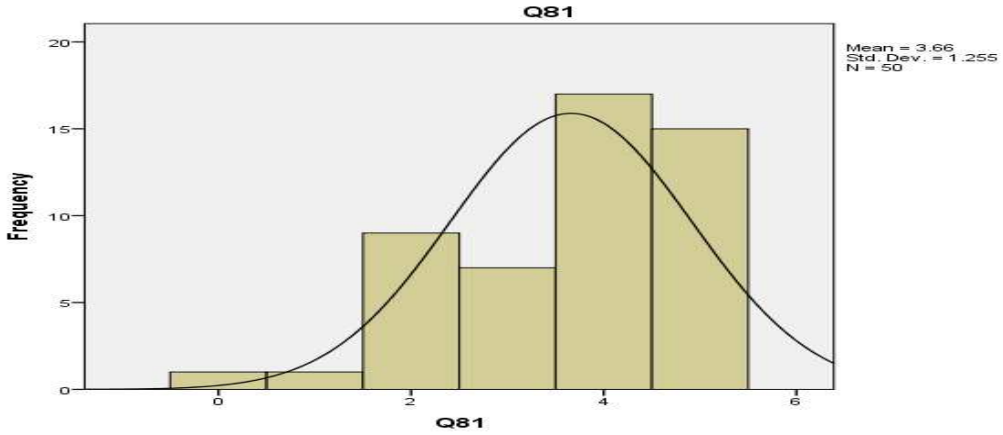

Figure 32. Survey histogram of question eight responses: Dom1.

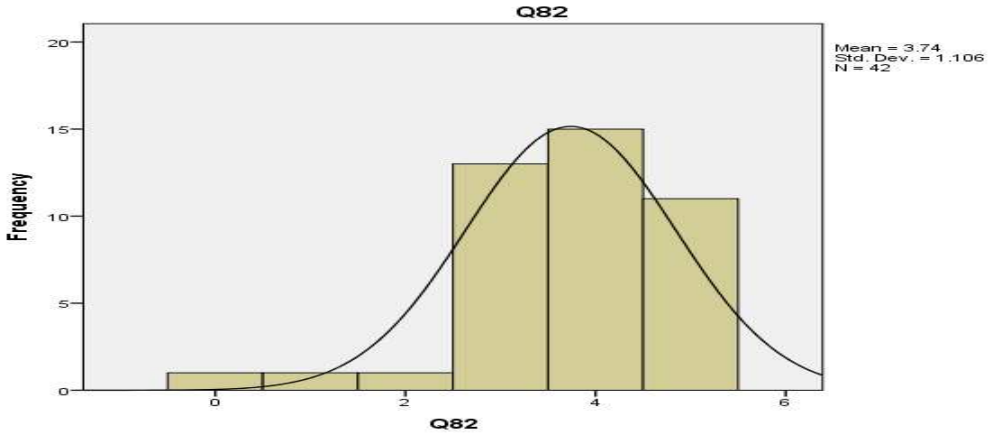

Figure 33. Survey histogram of question eight responses: Dom2.

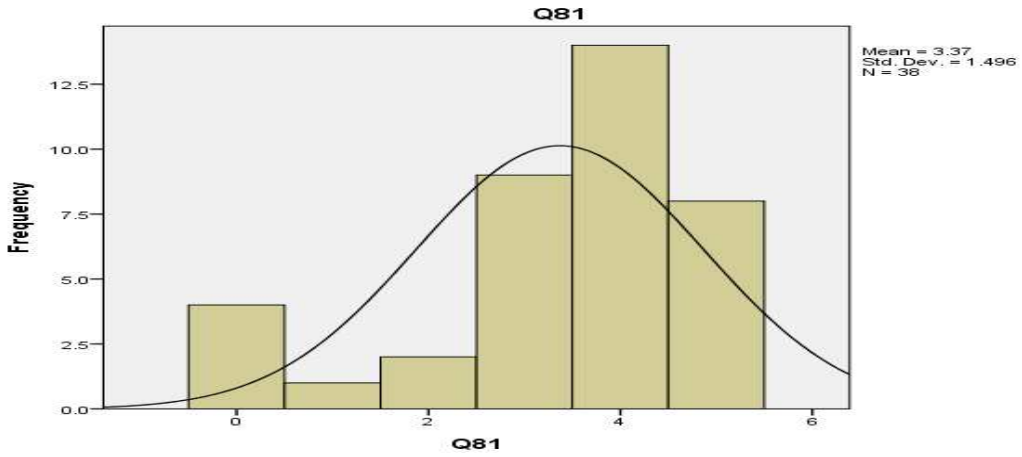

Figure 34. Survey histogram of question eight responses: Int1.

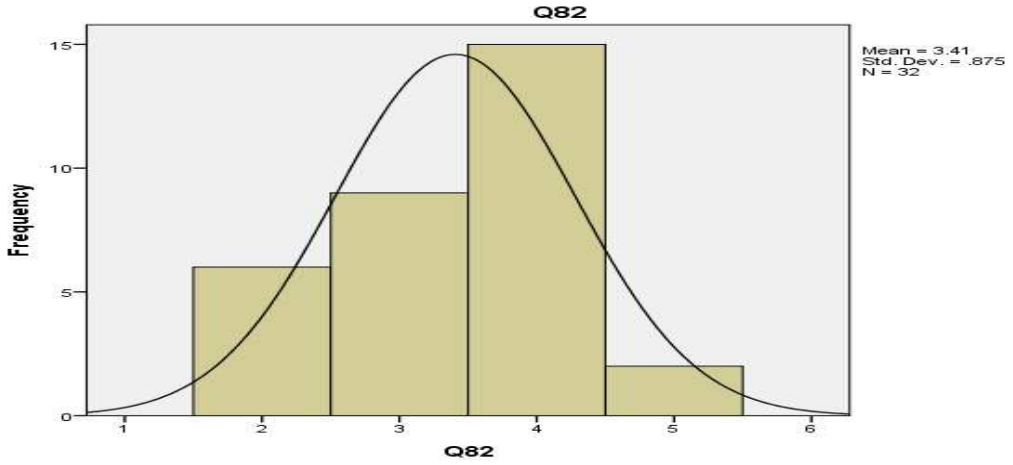

Figure 35. Survey histogram of question eight responses: Int2.

Survey Question Nine

Survey question nine was as follows: We communicate frequently with this supplier. The four histograms from the four surveys for this question are very similar, as shown in Figures 36, 37, 38, and 39.

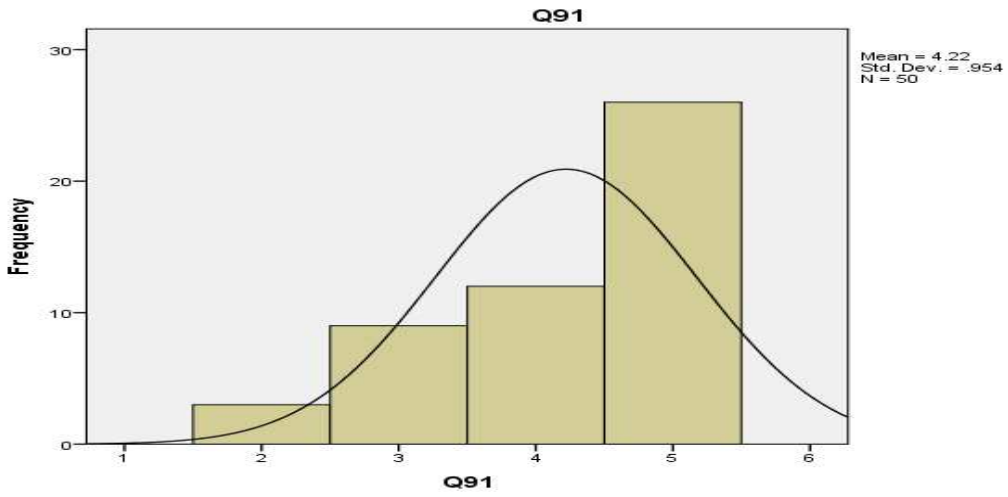

Figure 36. Survey histogram of question nine responses: Dom1.

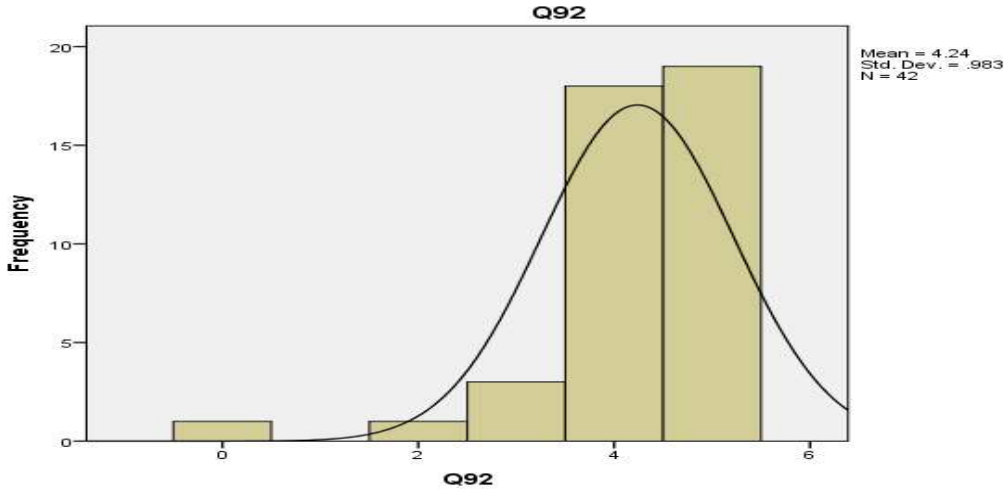

Figure 37. Survey histogram of question nine responses: Dom2.

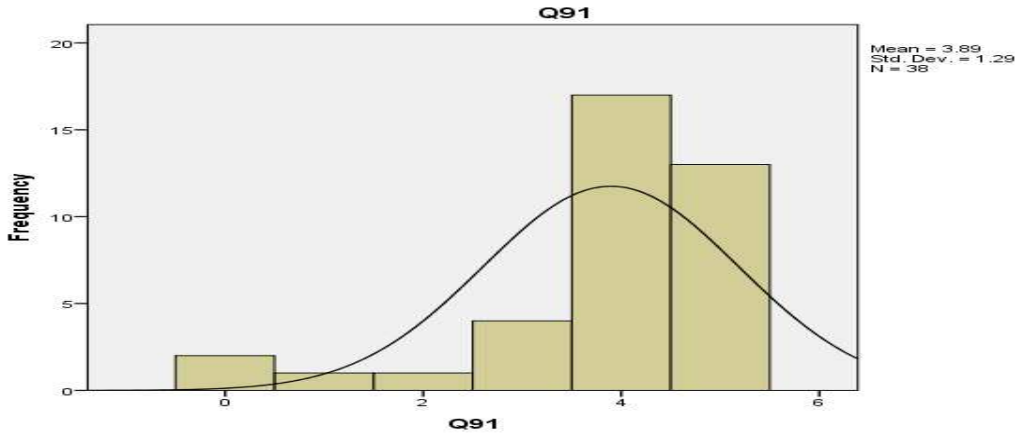

Figure 38. Survey histogram of question nine responses: Int1.

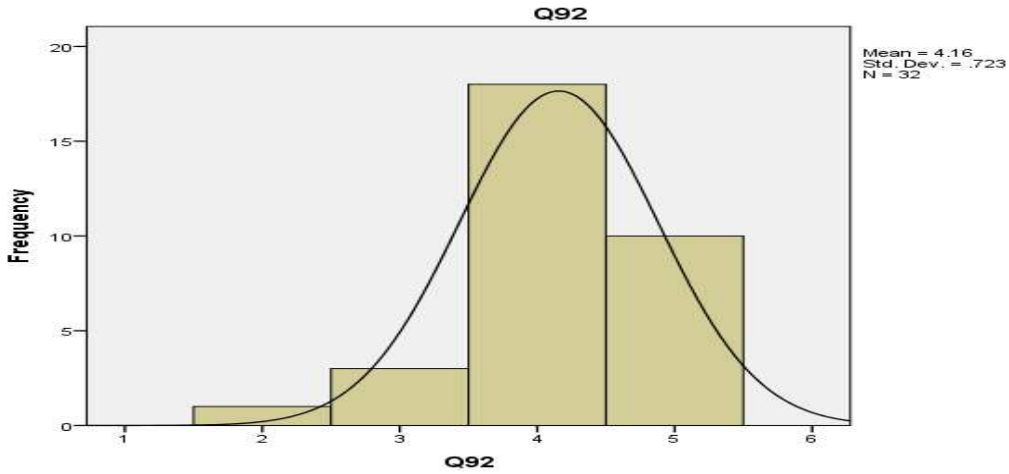

Figure 39. Survey histogram of question nine responses: Int2.

Survey Question Ten

Survey question ten was as follows: We have more electronic communication with this supplier than other suppliers. The four histograms from the four surveys for this question are very similar (see Figures 40, 41, 42, and 43).

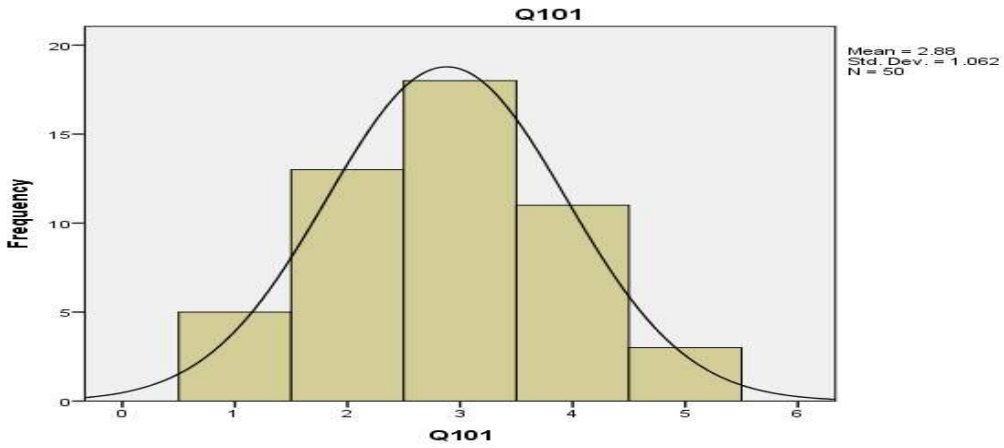

Figure 40. Survey histogram of question ten responses: Dom1.

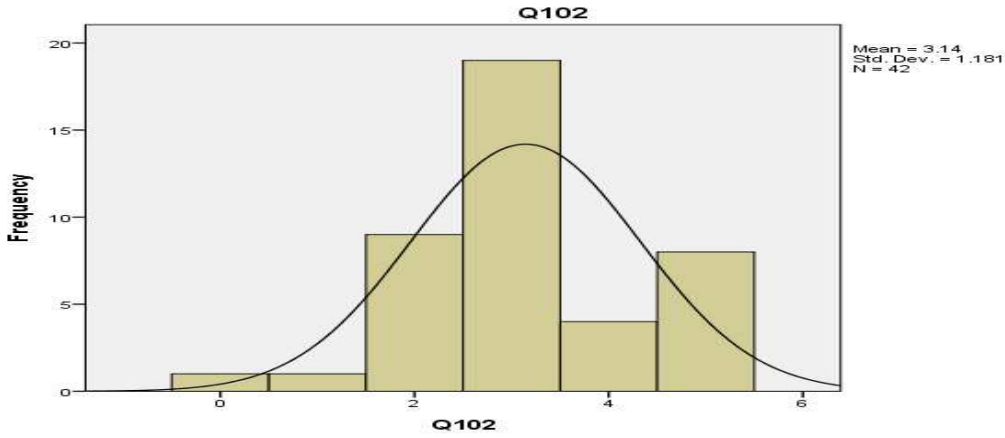

Figure 41. Survey histogram of question ten responses: Dom2.

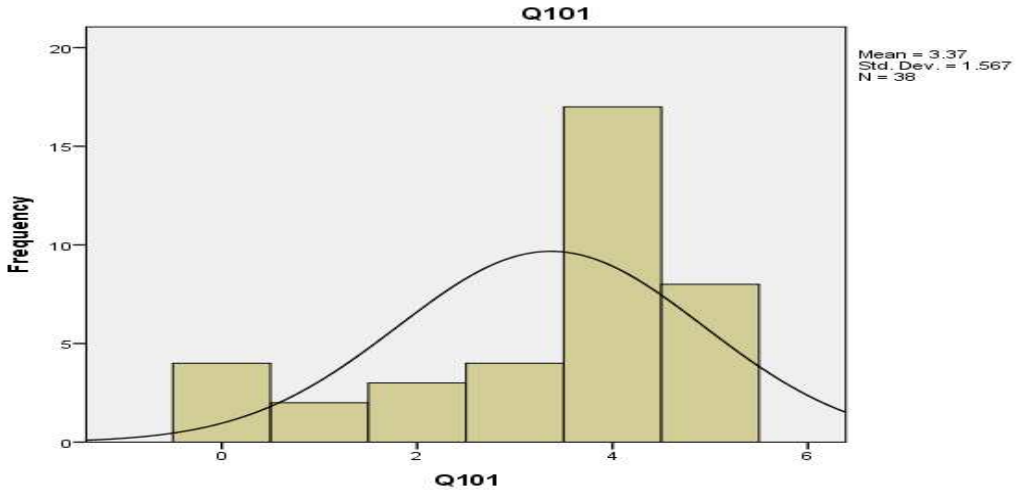

Figure 42. Survey histogram of question ten responses: Int1.

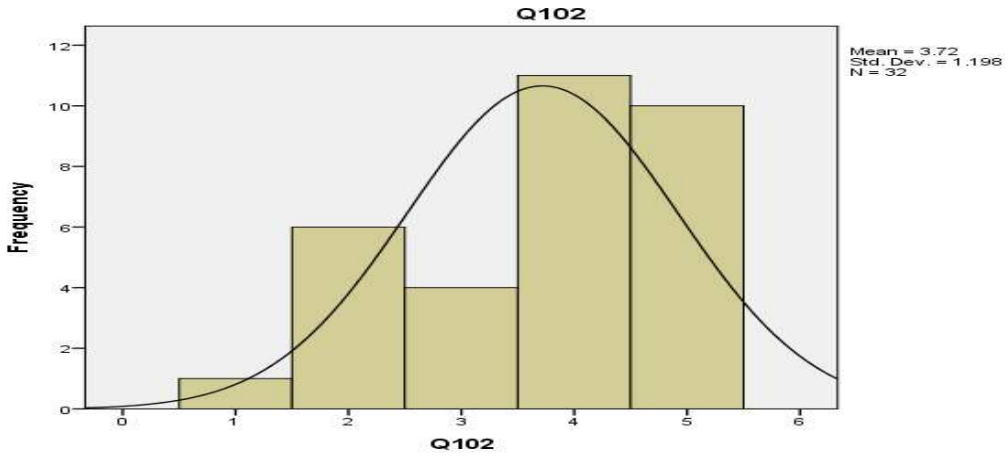

Figure 43. Survey histogram of question ten responses: Int2.

Paired Sample *t* Test

The following parametric test was applied to both the domestic and the international group databases to compare the results of the first and second surveys. Confidence levels of 95% and 80% were both evaluated. The paired sample *t* test analysis provides definitive conclusions regarding the confidence levels relative to the null hypothesis:

$H1_o$: There is no significant positive impact on customer MO based on the results of this salesperson coaching program.

$H1_a$: There is a significant positive impact on customer MO based on the results of this salesperson coaching program.

Table 3 includes the results of the paired sample *t* test at the 95% confidence level, a common level of expectation, for the two domestic surveys. The results of all 10 question pairs resulted in p scores greater than the required 0.05 maximum level of significance.

Table 3

t Test for Parametric Analysis Using Paired Samples: Dom1 vs. Dom2 at 95% Confidence Level

Paired samples test (Dom1 vs. Dom2)									
		Paired differences					t	df	Sig. (2-tailed)
		Mean	Std. deviation	Std. error mean	95% confidence interval of the difference				
					Lower	Upper			
Pair 1	Q11 - Q12	-.024	.749	.116	-.257	.209	-.206	41	.838
Pair 2	Q21 - Q22	.357	2.128	.328	-.306	1.020	1.088	41	.283
Pair 3	Q31 - Q32	.548	1.941	.299	-.057	1.152	1.829	41	.075
Pair 4	Q41 - Q42	-.262	1.231	.190	-.645	.122	-1.379	41	.175
Pair 5	Q51 - Q52	-.262	1.466	.226	-.719	.195	-1.158	41	.254
Pair 6	Q61 - Q62	.190	1.330	.205	-.224	.605	.928	41	.359
Pair 7	Q71 - Q72	.238	1.340	.207	-.179	.656	1.152	41	.256
Pair 8	Q81 - Q82	-.048	1.607	.248	-.548	.453	-.192	41	.849
Pair 9	Q91 - Q92	-.024	1.137	.175	-.378	.330	-.136	41	.893
Pair 10	Q101 - Q102	-.190	1.770	.273	-.742	.361	-.697	41	.490

Industry standards regarding confidence levels in project-oriented work can be lower than 95%. The data in Table 3 was analyzed a second time at a lower level of confidence (80%) to explore the possibility of retention or rejection of this null hypothesis at a lower confidence level. There was no change in results from a significance standpoint. Only two of the data points were within the maximum significance level of 0.20.

Table 4 provides the results of the paired sample *t* test for the two international surveys. The results of all 10 questions resulted in p scores higher than the required 0.05 maximum level of significance.

Table 4

Paired Samples t Test for Int1 Versus Int2

Paired samples *t* test (Int1 vs. Int2)									
		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. deviation	Std. error mean	95% confidence interval of the difference				
					Lower	Upper			
Pair 1	Q11 - Q12	-.188	.896	.158	-.510	.135	-1.184	31	.245
Pair 2	Q21 - Q22	.063	1.190	.210	-.366	.491	.297	31	.768
Pair 3	Q31 - Q32	.156	1.273	.225	-.303	.615	.694	31	.493
Pair 4	Q41 - Q42	-.156	1.221	.216	-.596	.284	-.724	31	.475
Pair 5	Q51 - Q52	-.094	1.118	.198	-.497	.309	-.475	31	.638
Pair 6	Q61 - Q62	.281	1.276	.226	-.179	.741	1.247	31	.222
Pair 7	Q71 - Q72	.344	1.335	.236	-.137	.825	1.457	31	.155
Pair 8	Q81 - Q82	.125	1.718	.304	-.494	.744	.412	31	.683
Pair 9	Q91 - Q92	-.188	1.491	.263	-.725	.350	-.712	31	.482
Pair 10	Q101 - Q102	-.219	2.012	.356	-.944	.507	-.615	31	.543

Table 5 includes the results of the paired sample t test at the 95% confidence level, the common level of expectation for null hypothesis testing, for the two international surveys.

Table 5

t Test for Parametric Analysis Using Paired Samples: Int1 vs. Int2 at 95% Confidence Level

Paired samples statistics

		Mean	N	Std. deviation	Std. error mean
Pair 1	Q11	4.47	32	.718	.127
	Q12	4.66	32	.602	.106
Pair 2	Q21	4.53	32	.567	.100
	Q22	4.47	32	.915	.162
Pair 3	Q31	4.28	32	.772	.136
	Q32	4.13	32	.907	.160
Pair 4	Q41	3.91	32	.893	.158
	Q42	4.06	32	.948	.168
Pair 5	Q51	4.34	32	.787	.139
	Q52	4.44	32	.759	.134
Pair 6	Q61	3.44	32	.840	.148
	Q62	3.16	32	1.167	.206
Pair 7	Q71	3.78	32	.906	.160
	Q72	3.44	32	1.014	.179
Pair 8	Q81	3.53	32	1.436	.254
	Q82	3.41	32	.875	.155
Pair 9	Q91	3.97	32	1.282	.227
	Q92	4.16	32	.723	.128
Pair 10	Q101	3.50	32	1.459	.258
	Q102	3.72	32	1.198	.212

Table 6 includes the correlation (r value) and the significance (p value or probability of an event occurring) of the paired samples of the same question between survey one and survey two for the international population. An r (correlation) value

between 0 and +0.5 indicates a weak positive linear correlation. If the r value is between + 0.5 and + 0.75, there is a strong positive linear correlation. Between +0.75 and 1.00, there is a very strong positive correlation. Similarly, negative r values indicate equal levels of negative correlation. The results in Table 6 offer weak correlations in both directions. There must be enough statistical evidence (sig column) for results to be accepted. The p value, representing level of significance at a 95% confidence level, must be less than 0.05 for significance. None of the pairs produced this requirement.

Table 6

Paired Sample Correlations: Int1 vs. Int2 at 95% Confidence Level

Paired samples correlations				
		N	Correlation	Sig.
Pair 1	Q11 & Q12	32	.086	.638
Pair 2	Q21 & Q22	32	-.247	.174
Pair 3	Q31 & Q32	32	-.144	.432
Pair 4	Q41 & Q42	32	.121	.508
Pair 5	Q51 & Q52	32	-.044	.812
Pair 6	Q61 & Q62	32	.224	.217
Pair 7	Q71 & Q72	32	.037	.839
Pair 8	Q81 & Q82	32	-.049	.790
Pair 9	Q91 & Q92	32	-.029	.873
Pair 10	Q101 & Q102	32	-.138	.450

Nonparametric Analysis

Nonparametric analysis was conducted and it produced the same outcome. No statistically significant difference was found.

Financial Data Results

This researcher also studied the knowledge gap discovered between the cost of a coaching program and the impact, measured by ROI, on the financial results of a

company. The specific null hypothesis relating the impact of the coaching program to the financial results of the company was:

$H2_o$: There is no calculable positive ROI for this company investment in a salesperson coaching program based on company financial results.

$H2_a$: There is a calculable positive ROI for this company investment in a salesperson coaching program based on company financial results.

Key financial data measured were GM$ and GM% for overall results and coached-only customer groups for each salesperson and the two separate divisions of the company. The year 2012 was prior to the initiation of the coaching program. The coaching program began in January, 2013 and was ongoing throughout 2014 and thereafter.

Table 7 includes the overall financial data, both GM$ and rates of change of GM$ between years, for the entire portfolio of accounts for each individual salesperson and the total company results. Results for each company, international and domestic, are shown. Data was collected for the entire 3-year period under study; all figures are in thousands (000's). For each salesperson and each company, the percentage change between 2012 and 2013 in GM$ production is shown in digital format (-0.10 equals minus 10 percent). The same change is provided between the first year of coaching (2013) and the second year (2014).

Table 7

*Overall Gross Margin Dollars (GM$) and Changes (**Δ**) in Totals*

Salesperson	**Overall GM$**				
$,000	**2012**	**2013**	**% Δ '12-'13**	**2014**	**% Δ '13-'14**
W1	263	237	-0.10	297	+0.25
W2	498	614	+1.33	664	+0.08
W3	188	297	+0.58	327	+0.10
W4	143	317	+1.22	289	-0.09
EXPORT CO.	2,906	3,014	+0.04	3,358	+0.11
D1	441	393	-0.11	591	+0.50
D2	667	696	+0.04	1,632	+1.34
D3	582	673	+0.16	816	+0.21
D4	470	276	-0.41	872	+2.16
D5	295	346	+0.17	501	+0.45
D6	452	392	-0.13	481	+0.23
D7	74	184	+1.49	245	+0.33
D8	467	492	+0.05	559	+0.14
D9	782	871	+0.11	958	+0.10
D10	400	405	+0.01	639	+0.58
DOM. CO.	14,749	16,847	+0.14	19,507	+0.16

Overall GM% (of sales dollars) are provided in Table 8, including the changes in GM% between years, for the 3-year period under study. The same changes in value are provided as in Table 7, a figure of -0.03 means a decline of 3% in overall GM%. GM% is a critical metric in the distribution business, but remains elastic given the competitive bidding strategies employed by customers.

Table 8

*Overall Gross Margin Dollar Percentages (GM%) and Changes (**Δ**)*

Salesperson	**Overall GM%**				
$,000	**2012**	**2013**	**% Δ '12-'13**	**2014**	**% Δ '13-'14**
W1	17.7	17.2	-0.03	18.6	+0.08
W2	23.5	21	-0.11	21.1	+0.00
W3	17.5	13.3	-0.24	14.3	+0.08
W4	18.7	19.2	+0.03	19.8	+0.03
EXPORT CO.	22.0	20.8	-0.05	21.7	+0.04
D1	17.5	21.1	+0.21	20.6	-0.02
D2	17.8	20.3	+0.14	18.7	-0.08
D3	17.3	18.1	+0.05	19.9	+0.10
D4	14.5	17.8	+0.23	15.8	-0.11
D5	13.6	11.7	-0.14	14.2	+0.21
D6	15.4	14.9	-0.03	16.9	+0.13
D7	11.2	13.6	+0.21	15.3	+0.13
D8	20.1	21.4	+0.06	22.7	+0.06
D9	16.3	19.8	+0.21	21	+0.06
D10	14.9	15.1	+0.01	16.9	+0.12
DOM. CO.	18.6	18.8	+0.01	19.2	+0.02

Table 9 includes the GM$, as well as rates of change between years, produced by the targeted accounts only, which the coach actively monitored by salesperson during the coaching sessions for the 3-year period under study. Changes in results displayed digitally (same as Table 7).

Table 9

*Gross Margin Dollars (GM$) and Changes (**Δ**) for Coached-Only Accounts*

Salesperson	**Coached Only GM$**				
$,000	**2012**	**2013**	**% Δ '13-'14**	**2014**	**% Δ '13-'14**
W1	75	145	+0.93	134	-0.08
W2	330	380	+0.15	394	+0.04
W3	56	119	+1.13	119	0.00
W4	332	228	-0.31	239	+0.05
D1	225	205	-0.09	294	+0.43
D2	132	389	+1.95	867	+1.23
D3	122	321	+1.63	460	+0.43
D4	287	180	-0.37	407	+1.26
D5	91	198	+1.18	281	+0.42
D6	156	203	+0.30	217	+0.07
D7	37	117	+2.16	136	+0.16
D8	111	113	+0.02	211	+0.87
D9	66	120	+0.82	161	+0.34
D10	285	280	-0.02	310	+0.11

GM% (of sales dollars) are shown in Table 10, for the coached-only accounts under study. Also included are the changes in GM% between years, for the 3-year period under study. Changes in results are displayed digitally (same as Table 8).

Table 10

Gross Margin Dollar Percentages (GM%) and Changes (Δ) for Coached-Only Accounts

Salesperson			**Coached-only GM%**		
$,000	**2012**	**2013**	**% Δ '12-'13**	**2014**	**% Δ '13-'14**
W1	17	33.2	+0.95	18.7	-0.44
W2	23.9	22.3	-0.07	22.3	0.00
W3	18.5	12.3	-0.34	17.6	+0.43
W4	18.0	11.7	-0.35	18.0	+0.54
EXPORT CO.	19.35	19.88		19.15	
D1	19.6	22.9	+0.17	23.9	+0.04
D2	19.3	18.2	-0.06	18.6	+0.02
D3	19.3	19	-0.02	19.8	+0.04
D4	15.3	14.7	-0.04	16.2	+0.10
D5	13.8	14.7	+0.07	18.9	+0.29
D6	18.8	15.1	-0.20	17.8	+0.18
D7	19.5	14.1	-0.28	15.9	+0.13
D8	18.5	19	+0.03	19.6	+0.03
D9	13.0	12.8	-0.02	16.9	+0.32
D10	14.0	14.3	+0.02	18.4	+0.29
DC	17.11	16.48		18.60	

Table 11 includes the cost of the coaching program. The coach was an independent contractor with full time responsibilities for the program.

Table 11

Coaching Program Costs

Year	Contract labor	Ancillary costs	Total cost (rounded)
2013	$77,340	$12,641	$90,000
2014	$87,916	$12,035	$100,000

Given the nature of this study as a field research project, it is of value to understand the challenges encountered by the salesperson and the coach. The following

field reports represent some interesting events which were reviewed by the coach with the salesperson.

Coaching Cases

1. The owner of a retail pool store in a small town in Central Florida strangely suggested to the company's visiting salesperson that the salesperson call on a small feed store located about one mile from their pool store. This competitor had a small pool department inside their feed store. After collaboration with the coach, the salesperson returned and told the pool storeowner that the company would prefer to protect their business and not sell to the feed store. Rather, the company would work with them to grow their pool business. The owner then told the salesperson that this proposal was a test and that the company would now enjoy a large share of their business.
2. The Jacksonville branch decided to expand into nearby southern Georgia. One of the target accounts was visited repeatedly for 3 months during normal business hours without meaningful contact with any decision-maker. After collaboration with the coach, the salesperson camped out in the early morning hours before the store opening and finally met the owner, who was opening the store. Intelligent questioning of the owner provided an opportunity to prove to the company that the company's service was superior to competitive offerings by assisting them with marketing strategies to grow their business. The company became a regular customer.
3. A company based in Curaçao was upset by low pricing on a popular brand of pumps on various internet websites offering swimming pool equipment. The

salesperson consulted with the coach and determined the best strategy was to offer the customer a lesser-known brand of pumps which had little internet presence. With skilled questioning, the salesperson determined that the customer did not care about being identified with name brands; the customer valued the company's problem-solving capabilities.

Summary

Research is now completed relating to the two gaps in knowledge regarding the economic value and relational impact of an ongoing salesperson coaching program. Two customer surveys of their market orientation have been performed and sufficient data has been collected to provide statistically significant conclusions regarding the null hypothesis on this topic. In addition, the coaching program has been operated for 2 years and financial data collected to provide evidence regarding the ROI for the cost of the program.

CHAPTER 5. DISCUSSION, IMPLICATIONS, AND RECOMMENDATIONS

Summary of Results

This quantitative research study was conducted to explore the value of a coaching program employed by the company during a 2-year period of research from 2013 to 2014. Two gaps in knowledge were evaluated. The first gap was the impact of a coaching program on customer perceptions, as measured by any change in market orientation over time. The second was the impact of a coaching program on the financial results of the company as measured by salespersons' overall results and their results on targeted accounts when coaching strategies were employed.

This 2-year study of the impact of a coaching program on a company served to confirm that there was no measurable impact on the EMO of two customer populations: international and domestic. The study also served to confirm a strongly positive ROI for the company based on the improvement in GM$ relative to the cost of the coaching program.

Overview

This study was an evaluation of the impact of a coaching program on a wholesale distribution company in a highly competitive industry. The two geographic markets under study were the state of Florida and the international (export) marketplace outside the USA. The industry is highly commoditized with four global producers of key products. Those companies sell both through distribution companies and selectively direct to swimming pool dealers and contractors on a non-exclusive basis. In both customer groups, personal relationships between competing company representatives are on-going; price is an important aspect of the buying decision. Bidding is a frequent

buying strategy employed by the customer. Supplier salesperson responses need solid tactical and strategic intelligence to win the business. Customer loyalties change unpredictably.

Discussion

This research project focused on the general research question: What was the measurable impact on a company when an ongoing coaching program was employed to improve selling strategies? There were two salesperson customer groups, domestic and international, who were coached in this study.

Relevant Observations from the Coach

1. The coach allocated his time and costs: two thirds domestic, one third international.
2. The coach spent no time on the general customer base for each salesperson; coaching was targeted on 10 accounts only. Each salesperson typically has responsibility for 50–75 accounts.
3. After learning new strategies from the coach with the coached-only accounts, the salespersons' new ―know-how‖ was consistently used by the salespersons on other accounts, expanding the impact of the new knowledge.
4. As a targeted account reached the desired level of purchasing performance, it would be removed from the salesperson's target list and replaced with another account, which was below the desired level of purchasing activity.
5. No customer purchases everything from a single supplier; the industry habit is to have multiple supplier relationships. Therefore, the sales goal is increased

share of each customer's purchasing requirements (market share) and ultimately, a maximized share of the entire market being served.

6. Selling prices (and company gross profit margins) are typically being negotiated on a regular basis with most customers. Reducing gross profit margins (GM %) on specific items is often appropriate to maximize gross profit dollars (GM$) generated.
7. Buying patterns are different between domestic and international customers. Domestic (Florida-based) accounts typically purchase daily or weekly, with free delivery from the supplier. International customers pay freight costs and purchase based on economies of scale. Many purchase monthly and purchase full shipping containers rather than smaller pallet-sized orders. Many builders only purchase infrequently, based on major project requirements.
8. While activity data were kept for the coached-only customer groups (see Tables 9 & 10), the relevant result regarding ROI from a management perspective is reflected in the overall productivity by the salespeople as a group.
9. As the coaching program matured, the general goal of the coach was to expand the efficiency and effectiveness of the individual salesperson being coached. Efficiency increases by expanding the number of customers a single salesperson serves. Effectiveness expands when the market share of a customer's purchasing requirements is increased.

Research Sub-Questions and Data Analysis

Data to answer research sub-questions have been generated. All data used in this analysis are taken from Tables 7, 8, 9, 10, and 11 (all dollar figures are in 000's). The answers to the research sub-questions are as follows.

Research Question 1: Did the customer's market orientation change during the operation of the salesperson coaching program?

1. Domestic Answer: The paired sample correlation data showed an approximately equal number of positive and negative correlations for the same question between the first and second survey means for each question, suggesting there was no overall statistical shift in MO between the surveys (see Table 3). Table 2 is a summary of mean and standard deviation data for each individual question; note that the means for the second survey were just slightly higher than survey 1 for only six of the 10 questions. The remaining four questions had lower average mean scores. In addition, the mean average for all 10 questions was virtually identical between survey 1 and survey 2 for each of the customer groups. For example, the average of the 10 question means provided in Table 2 for Dom1 was 3.934, with Dom 2 equaling 3.914.

2. International Answer: The paired sample correlation data showed an approximately equal number of positive and negative correlations for the same question between first and second surveys for each question, suggesting there was no overall statistical shift in MO between the surveys. The data for paired sample statistics confirmed the data did not reach the 95% confidence interval. The standard error of the difference between the means did not occur

below the 0.05 level (see Table 5). Table 6 provides clear evidence, based on the p values (sig.) that the results cannot be used. The r values (correlation) also confirm a lack of consistent direction between surveys. The average means for the 10 questions in Table 2 are 3.869 for survey 1 and 3.965 for survey 2, confirming the lack of any shift in MO between the two surveys.

3. All of the histograms (see Figures 1 through 43) failed to show complete normality. When this occurs, it is common practice to perform nonparametric testing. Nonparametric testing was performed and provided the same outcome; a statistically significant difference was not found.
4. Carver and Nash (2012) suggested that Likert scale results are ordinal data, which does not lend itself to computing means or the assumption of normality or the homogeneity of variance. Nonparametric methods were also employed and generated similar inconclusive results regarding any significant change in customer MO.

Research Question 2: What was the annualized ROI of this coaching program relative to its cost based on overall company results (domestic and international)?

Data from Table 7 (overall gross margin dollars) and Table 11 (coaching costs), using the ROI formula provided in Chapter 3 (see p. 35) result in the following answers to this research question. Note that one third of the coaching cost was allocated to the international program, with the remaining two thirds allocated to the domestic program, a reflection of the time spent in each area by the coach.

1. Domestic Answer for 2013 versus 2012 (pre-coaching program): Overall, company GM$ increased $2,098, a significant 14% increase. From a

company-wide perspective, the ROI equals $2,098/$60, equaling a 3,496% annualized ROI, using the formula provided in Chapter 3 (p. 35).

2. Domestic Answer for 2014 versus 2013: Overall, the company GM$ increased $2,660, a significant 15.8% increase. Note that during early 2014, a senior salesperson who was not originally in the coaching program left the company; those accounts were absorbed by another salesperson who was in the coaching program. The annualized ROI equals $2660/$66, equaling 4,030%.
3. International Answer for 2013 versus 2012: Overall, the company GM$ increased $108, a 3.7% increase. The overall ROI equals $108/$30, equaling 360% annualized ROI.
4. International Answer for 2014 versus 2013: Overall, the company GM$ increased $343, an 11.3% increase. The overall ROI equals $343/$33, equaling a 1039% annualized ROI.

Research Question 3: What was the annualized ROI of this coaching program relative to its cost for all salespersons coached-only groups of customers (domestic and international)?

Data from Table 9 (gross margin dollars produced by coached-only customer accounts) and Table 11 (coaching costs), using the ROI formula provided in Chapter 3 (see p. 35), resulted in the following answers to this research question:

1. Domestic Answer for 2013 versus 2012 (pre-coaching program): The coached-only customer groups collectively generated $1,512 in 2012 and $2226 in 2013 in GM$. From a coached-only accounts perspective, the

annualized ROI based on 2013 increase over 2012 equals $714/$60, the allocated cost of the domestic coaching program, or a 1,190% ROI.

2. Domestic Answer for 2014 versus 2013: From a coached-only accounts perspective, the ROI increase of GM$, equaling $1,118/$66 (2014 cost of coaching) equals 1,694% ROI.
3. International Answer for 2013 versus 2012: From a coached-only accounts perspective, the total increase of GM$ $79/$30 equals 263% annualized ROI.
4. International Answer for 2014 versus 2013: From a coached-only accounts perspective, the total increase of $14/$33 equals a 42% ROI.

Hypotheses

There were two specific research hypotheses for this research. The first hypothesis was as follows:

$H1_o$: There is no significant positive impact on customer MO based on the results of this salesperson coaching program.

$H1_a$: There is a significant positive impact on customer MO based on the results of this salesperson coaching program.

The *t* tests did not suggest the data was symmetric and bell-shaped for normal distribution. The observed difference between the two sample means of the two surveys within each of the two customer population groups was insignificant, failing to provide evidence to support the rejection of this null hypothesis. Therefore, the null hypothesis $H1_o$ must be retained. There was no significant positive impact on customer MO levels based on the results of this salesperson coaching program.

The second research hypothesis was as follows:

$H2_o$: There is no calculable positive ROI for this company investment in a salesperson coaching program based on company financial results.

$H2_a$: There is a calculable positive ROI for this company investment in a salesperson coaching program based on company financial results.

Company financial data indicates clear evidence of a positive ROI for this company's investment in the salesperson coaching program. Return percentages vary dependent on the presumptions of the analysis; the domestic and the international businesses both showed a very positive ROI related to the coaching program. Therefore, the null hypothesis, $H2_o$, may be rejected in favor of the alternative hypothesis, $H2_a$. There was a calculable positive ROI related to this investment in the coaching program.

The general research question for this study questioned the impact of the ongoing sales coaching program on company performance. The answers to Research Questions 2 and 3 provide strong evidence to support the conclusion that the coaching program had a strong, positive impact on company financial results.

Limitations

This research included the following limitations:

1. This study is limited by its very nature of being focused on one business and two sets of customers in one industry. However, the market forces within the industry are typical of most industries where manufactured products are designed for consumer markets, including both durable and nondurable goods.
2. General macroeconomic trends impact the level of consumer activity in this industry. Consumer spending on the industry's products and services increase or decrease based on overall levels of economic activity. Most spending is

based on aftermarket purchases. For example, the installed base of swimming pools in the Florida marketplace exceeds 1 million backyard pools, with only approximately 15,000 new units being installed per year during the period of this study. The industry is economically mature.

3. Unrelated market forces beyond the control of the company play a role in the size of the total market opportunity. In general, the market being served during the period of study was in a mild expansion stage of the general economic cycle. Sales data from public companies serving the same marketplaces confirm this level of economic activity.

General Conclusion

There was no measurable change in customer market orientation between the first and second surveys for either customer group. However, there was measurable evidence of a positive financial ROI for the coaching program for both divisions of the business being analyzed.

Final Observations

Business is a great game. Almost every organization has competition in one form or another. In small and mid-sized business, each person's mental programming becomes a key factor in the organization's decision-making processes. Inherently, in the B2B world, the buyer wants to buy supplies at the best price. Human value systems come into play as a part of this process. This research has focused on a company and industry dominated by large corporations on the manufacturing side and small privately-held companies on the retail side. Based on 40 years of experience in the industry, the research results are not surprising to this researcher. Given the dynamic nature of the

buying process and the complexity of the market forces, the typical customer purchase is often based on habits or what is convenient at the moment. Most customers/owners are hands-on and focus on the tactical processes inherent in performing their jobs. A distributor salesperson can get an order accidently just by showing up or calling at the right time. Coaching the salesperson is of great value given the strategic thinking which occurs when each opportunity is analyzed separately. Helping the salesperson to gain new, more productive behaviors in both time-allocation and face-to-face strategies has multiple positive effects for both the individuals involved and the buoyancy of the company culture.

Suggestions for Future Research

The research strategies employed in this study are easily adaptable to other industries and types of businesses within an industry. Market orientation can also be measured over longer time spans; supplemental one-to-one interviews should also be employed to enhance understanding of customer attitudes and allegiances. The financial impact measurement system can also be further refined to provide more in-depth understanding of various coaching strategies and their subsequent financial results.

The understanding of the general efficiency and effectiveness of the individual salesperson could also be enhanced with additional monitoring measurements. Finally, the impact of the coaching program on the internal market orientation (IMO) of the company could also be measured. What gets measured gets done!

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APPENDIX A. MARKET ORIENTATION SCALE

Appendix A
MARKET ORIENTATION SCALE

Scale Items	Marketing		NonMarketing	
	Mean	Standard Deviation	Mean	Standard Deviation
Intelligence Generation				
1. In this business unit, we meet with customers at least once a year to find out what products or services they will need in the future.	4.41	.92	3.91	1.27
2. Individuals from our manufacturing department interact directly with customers to learn how to serve them better.	—	—	—	—
3. In this business unit, we do a lot of in-house market research.	3.39	1.22	3.19	1.06
4. We are slow to detect changes in our customers' product preferences. (R)	2.45	.96	2.40	1.03
5. We poll end users at least once a year to assess the quality of our products and services.	3.94	1.33	3.38	1.48
6. We often talk with or survey those who can influence our end users' purchases (e.g., retailers, distributors).*	—	—	—	—
7. We collect industry information by informal means (e.g., lunch with industry friends, talks with trade partners).	—	—	—	—
8. In our business unit, intelligence on our competitors is generated independently by several departments.	—	—	—	—
9. We are slow to detect fundamental shifts in our industry (e.g., competition, technology, regulation). (R)*	2.29	.95	2.22	.98
10. We periodically review the likely effect of changes in our business environment (e.g., regulation) on customers.*	3.73	.96	3.90	.94
Intelligence Dissemination				
11. A lot of informal "hall talk" in this business unit concerns our competitors' tactics or strategies.*	—	—	—	—
12. We have interdepartmental meetings at least once a quarter to discuss market trends and developments.*	3.63	1.24	3.63	1.31
13. Marketing personnel in our business unit spend time discussing customers' future needs with *other* functional departments.	3.74	.91	3.57	1.09
14. Our business unit periodically circulates documents (e.g., reports, newsletters) that provide information on our customers.*	—	—	—	—
15. When something important happens to a major customer of market, the whole business unit knows about it within a short period.*	3.87	1.14	3.89	1.07
16. Data on customer satisfaction are disseminated at all levels in this business unit on a regular basis.	3.49	1.22	3.17	1.13
17. There is minimal communication between marketing and manufacturing departments concerning market developments. (R)	—	—	—	—
18. When one department finds out something important about competitors, it is slow to alert other departments. (R)*	2.52	.92	2.45	.98
Responsiveness				
19. It takes us forever to decide how to respond to our competitor's price changes. (R)	2.07	1.03	2.39	1.16
20. Principles of market segmentation drive new product development efforts in this business unit.	—	—	—	—
21. For one reason or another we tend to ignore changes in our customer's product or service needs. (R)	2.22	1.05	2.23	.96
22. We periodically review our product development efforts to ensure that they are in line with what customers want.	3.71	.97	3.83	.93
23. Our business plans are driven more by technological advances than by market research. (R)	—	—	—	—
24. Several departments get together periodically to plan a response to changes taking place in our business environment.	3.41	.99	3.55	1.01
25. The product lines we sell depends more on internal politics than real market needs. (R)*	—	—	—	—
26. If a major competitor were to launch an intensive campaign targeted at our customers, we would implement a response immediately.	3.84	.99	3.61	1.15
27. The activities of the different departments in this business unit are well coordinated.*	3.34	.98	3.27	.90
28. Customer complaints fall on deaf ears in this business unit. (R)*	1.76	.88	1.93	1.00
29. Even if we came up with a great marketing plan, we probably would not be able to implement it in a timely fashion. (R)*	2.46	1.16	2.39	1.17
30. We are quick to respond to significant changes in our competitors' pricing structures.*	—	—	—	—
31. When we find out that customers are unhappy with the quality of our service, we take corrective action immediately.*	—	—	—	—
32. When we find that customers would like us to modify a product of service, the departments involved make concerted efforts to do so.*	3.51	.99	3.61	.87

Source: Kohli, Jaworski, and Kumar (1993)

APPENDIX B. SURVEY QUESTIONS

Survey Questions	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
HXW is honest with us in our business transactions.	☐	☐	☐	☐	☐
HXW is a reliable supplier.	☐	☐	☐	☐	☐
HXW would not take advantage of our company	☐	☐	☐	☐	☐
We can trust HXW to make a mutually beneficial decision without our input when necessary.	☐	☐	☐	☐	☐
HXW is flexible when we ask for changes in our orders or our relationship.	☐	☐	☐	☐	☐
Our face to face meetings take longer than meetings with most other suppliers.	☐	☐	☐	☐	☐
Our company has invested substantially in personnel dedicated to our relationship with HXW	☐	☐	☐	☐	☐
Our Company has significant investment in dedicated equipment and/or support related to our relationship with HXW.	☐	☐	☐	☐	☐
We communicate frequently with HXW.	☐	☐	☐	☐	☐
We have more electronic communication with HXW than other suppliers.	☐	☐	☐	☐	☐

Face to face meetings with HXW on the average about_____times a year.

HXW has_____% share of all of our possible business with them.

Our company has done business regularly with HXW for_____years.

Our company is located in the following country:_____.

I was born and raised in the following country:_____.

APPENDIX C. DOMESTIC SURVEY #1 DATA (Dom1)

Q11	Q21	Q31	Q41	Q51	Q61	Q71	Q81	Q91	Q101
5	5	5	4	0	5	5	4	5	2
5	5	5	5	5	4	5	5	5	3
5	4	5	5	5	5	5	5	5	1
5	5	5	5	5	3	4	4	5	2
5	5	5	5	5	2	3	2	4	4
5	4	4	3	5	5	4	1	5	3
5	5	5	5	5	2	5	5	5	5
5	0	5	5	5	5	5	0	5	4
3	2	3	3	3	3	2	2	3	2
4	4	3	2	3	4	3	3	4	2
5	5	5	3	5	4	5	5	5	3
5	5	5	4	5	3	5	5	4	4
5	5	5	3	5	3	2	2	5	2
4	4	4	3	4	3	2	2	3	1
5	3	4	4	2	1	1	2	3	1
5	4	5	4	5	4	5	4	5	4
5	5	5	4	5	5	5	5	5	4
5	3	5	5	5	3	5	5	5	4
5	5	5	5	5	3	3	3	5	3
5	4	2	4	5	3	4	4	5	3
5	4	5	4	4	4	5	5	4	4
3	3	3	0	0	3	5	5	4	3
5	4	4	3	2	3	4	4	3	3
5	5	5	4	5	2	5	4	5	2
3	4	5	3	3	2	3	3	2	2
5	5	5	5	5	3	4	4	4	3
5	5	5	4	4	4	3	4	3	3
5	5	5	4	5	4	5	5	5	3
4	4	3	3	4	3	3	2	2	2
4	4	4	4	4	3	5	2	3	1
4	5	4	3	5	2	5	5	5	1
5	4	5	4	5	2	4	4	5	4
5	5	5	5	5	3	3	3	5	5
5	4	5	4	4	4	5	4	4	4
4	4	4	3	4	3	3	3	3	4
4	4	5	3	5	3	4	4	5	5
5	5	5	5	5	3	5	5	3	3
5	5	5	5	5	5	5	5	5	3

APPENDIX D. DOMESTIC SURVEY #2 DATA (Dom2)

Q12	Q22	Q32	Q42	Q52	Q62	Q72	Q82	Q92	Q102
4	0	0	4	4	2	4	4	5	5
5	0	0	5	5	3	5	5	5	3
4	0	0	3	4	3	3	3	4	3
5	0	0	5	5	4	5	3	5	5
4	0	0	3	2	3	3	3	4	2
5	4	5	5	5	5	5	5	5	5
5	5	5	4	5	3	5	4	4	3
5	5	5	4	4	4	2	2	4	4
5	5	5	5	5	5	3	3	5	5
4	3	4	3	4	3	3	3	3	2
5	5	5	5	5	4	4	4	4	3
5	5	5	3	5	2	4	3	3	2
5	4	4	4	4	3	3	3	4	3
5	5	5	4	5	2	4	4	4	3
5	4	4	4	5	3	3	4	4	3
4	4	4	3	4	3	4	4	5	3
3	3	4	3	3	5	4	4	5	2
5	2	5	3	5	3	3	5	5	3
5	5	5	5	5	2	4	4	5	3
5	5	5	5	5	5	4	4	5	4
5	5	5	4	5	3	3	4	4	3
4	4	3	3	4	2	2	0	0	0
5	5	4	4	5	4	4	5	5	2
5	5	5	5	5	5	5	5	5	3
4	4	4	4	3	3	2	3	2	3
5	5	5	4	5	4	5	5	5	3
5	5	5	4	5	3	4	5	4	3
5	5	5	5	5	3	4	5	4	2
5	5	4	4	5	3	3	4	4	4
5	5	5	5	5	1	5	5	5	5
5	5	5	5	5	3	5	5	5	3
5	5	5	3	4	3	4	4	4	5
5	5	4	5	5	2	5	3	5	5
5	5	5	5	5	3	2	1	5	1
3	4	2	3	5	3	5	4	4	2
4		3	3	3	3	4	3	4	3
4	4	5	5	5	2	4	4	4	3
4	4	3	3	4	2	3	3	4	4

APPENDIX E. INTERNATIONAL SURVEY #1 DATA (Int1)

Q11	Q21	Q31	Q41	Q51	Q61	Q71	Q81	Q91	Q101
5	5	5	5	5	5	5	5	5	5
5	5	5	4	4	4	4	4	5	4
5	4	5	4	4	3	4	3	4	5
3	3	4	4	2	3	2	4	2	2
5	5	5	5	5	5	5	4	4	4
4	4	4	3	4	3	2	3	4	4
5	4	5	5	5	4	4	3	5	5
4	4	4	3	4	3	3	4	5	3
5	5	4	4	5	4	4	4	4	4
3	4	3	4	4	3	4	5	5	1
5	5	4	4	4	2	4	5	4	4
5	5	4	4	5	5	5	4	5	5
5	5	5	5	5	3	3	3	4	2
5	5	5	5	5	4	5	5	4	4
4	4	4	3	4	2	4	4	3	4
4	4	3	4	5	3	4	4	4	4
5	5	5	5	5	5	5	5	5	5
4	5	4	2	3	3	4	4	4	4
5	4	5	5	4	3	3	3	5	4
5	5	5	4	5	3	3	3	3	2
5	5	5	5	5	4	4	4	5	3
4	4	4	4	4	4	4	0	4	4
4	5	4	3	5	3	2	1	4	1
4	4	3	3	4	3	3	4	4	5
3	4	5	4	5	4	4	5	5	3
5	5	5	4	5	4	2	0	0	0
5	5	5	4	5	3	5	5	3	3
5	5	5	4	5	4	4	0	0	0
4	4	3	2	4	3	4	3	4	4
5	5	4	4	4	3	4	4	5	4
3	4	3	2	3	2	4	4	4	5
5	5	3	4	3	3	4	4	5	5
4	5	5	4	0	0	0	0	1	0
5	5	3	4	5	3	3	3	3	4
5	4	5	5	5	3	2	3	4	4
5	5	5	5	5	4	5	5	5	0
4	4	4	4	4	3	2	2	4	4
4	4	4	3	3	2	2	2	4	4

APPENDIX F. INTERNATIONAL SURVEY #2 DATA (Int2)

Q12	Q22	Q32	Q42	Q52	Q62	Q72	Q82	Q92	Q102
5	4	5	5	5	4	4	4	5	5
4	5	4	4	4	5	5	4	4	4
5	5	4	4	4	2	5	5	4	4
5	5	5	5	5	2	4	4	5	5
5	5	5	5	5	2	4	4	5	5
5	5	4	4	5	5	5	4	4	5
4	5	4	4	5	0	4	4	5	4
5	5	5	5	5	5	5	5	5	5
5	5	4	5	5	3	4	4	4	3
4	4	4	2	4	3	3	3	4	4
5	5	5	5	5	2	2	2	3	2
5	5	4	4	4	5	4	4	4	4
5	4	3	4	5	2	2	4	4	2
5	4	3	3	5	5	4	3	4	2
5	5	5	4	5	2	4	3	5	5
5	5	4	4	4	3	4	4	4	4
5	5	5	5	5	3	3	3	4	2
5	5	5	5	5	3	3	4	4	2
5	5	5	5	5	3	3	3	4	3
5	4	5	3	4	3	2	3	3	2
5	5	4	4	5	3	3	3	4	4
5	5	5	5	5	4	5	4	5	5
4	2	3	3	4	3	2	2	5	5
5	5	4	4	5	5	4	4	5	5
5	5	1	5	5	3	3	3	5	5
4	4	3	4	4	3	3	4	4	4
5	5	4	4	2	3	2	2	4	4
4	4	4	4	3	4	2	2	4	4
5	5	5	5	4	3	4	4	4	4
4	4	3	3	4	3	3	3	3	3
3	2	4	2	4	3	3	2	4	3
3	2	4	2	3	2	2	2	2	1

APPENDIX G. FREQUENCY CHARTS

Frequency charts, based on SPSS analysis of data from both the domestic and international surveys, provide typical response patterns for the specific questions, either from the domestic (D) or international/global (G) survey. Twelve examples are provided here:

Example 1:

Question One regarding company honesty from the first domestic survey

Q1D1

	Frequency	Percent	Valid Percent	Cumulative Percent
3	3	5.9	5.9	5.9
4	13	25.5	25.5	31.4
5	34	66.7	66.7	98.0
Q11	1	2.0	2.0	100.0
Total	51	100.0	100.0	

Example 2:

Question Four regarding company fairness from the first domestic survey

Q4D1

	Frequency	Percent	Valid Percent	Cumulative Percent
0	1	2.0	2.0	2.0
2	2	3.9	3.9	5.9
3	19	37.3	37.3	43.1
4	15	29.4	29.4	72.5
5	13	25.5	25.5	98.0
Q41	1	2.0	2.0	100.0
Total	51	100.0	100.0	

Example 3:

Question Six regarding length of meetings with company representative from the first domestic survey

Q6D1

	Frequency	Percent	Valid Percent	Cumulative Percent
1	1	2.0	2.0	2.0
2	8	15.7	15.7	17.6
3	25	49.0	49.0	66.7
4	8	15.7	15.7	82.4
5	8	15.7	15.7	98.0
Q61	1	2.0	2.0	100.0
Total	51	100.0	100.0	

Example 4:

Question One regarding company honesty from the second domestic survey

Q1D2

	Frequency	Percent	Valid Percent	Cumulative Percent
3	2	4.8	4.8	4.8
4	11	26.2	26.2	31.0
5	29	69.0	69.0	100.0
Total	42	100.0	100.0	

Example 5:

Question Four regarding company fairness from the second domestic survey

Q4D2

	Frequency	Percent	Valid Percent	Cumulative Percent
3	12	28.6	28.6	28.6

4	15	35.7	35.7	64.3
5	15	35.7	35.7	100.0
Total	42	100.0	100.0	

Example 6:

Question Six regarding length of meetings with company representative from the second domestic survey

Q6D2

	Frequency	Percent	Valid Percent	Cumulative Percent
1	1	2.4	2.4	2.4
2	8	19.0	19.0	21.4
3	23	54.8	54.8	76.2
4	5	11.9	11.9	88.1
5	5	11.9	11.9	100.0
Total	42	100.0	100.0	

Example 7:

Question One regarding company honesty from the first international survey

Q1G1

	Frequency	Percent	Valid Percent	Cumulative Percent
3	4	10.3	10.3	10.3
4	13	33.3	33.3	43.6
5	22	56.4	56.4	100.0
Total	39	100.0	100.0	

Example 8:

Question Four regarding company fairness from the first international survey

Q4G1

	Frequency	Percent	Valid Percent	Cumulative Percent

2	4	10.3	10.3	10.3
3	6	15.4	15.4	25.6
4	19	48.7	48.7	74.4
5	10	25.6	25.6	100.0
Total	39	100.0	100.0	

Example 9:

Question Six regarding length of meetings with company representative from the first international survey

Q6G1

	Frequency	Percent	Valid Percent	Cumulative Percent
0	1	2.6	2.6	2.6
2	5	12.8	12.8	15.4
3	19	48.7	48.7	64.1
4	10	25.6	25.6	89.7
5	4	10.3	10.3	100.0
Total	39	100.0	100.0	

Example 10:

Question One regarding company honesty from the second international survey

Q1G2

	Frequency	Percent	Valid Percent	Cumulative Percent
3	2	6.3	6.3	6.3
4	7	21.9	21.9	28.1
5	23	71.9	71.9	100.0
Total	32	100.0	100.0	

Example 11:

Question Four regarding company fairness from the second international survey

Q4G2

	Frequency	Percent	Valid Percent	Cumulative Percent
2	3	9.4	9.4	9.4
3	4	12.5	12.5	21.9
4	13	40.6	40.6	62.5
5	12	37.5	37.5	100.0
Total	32	100.0	100.0	

Example 12:

Question Six regarding length of meetings with company representative from the second international survey

Q6G2

	Frequency	Percent	Valid Percent	Cumulative Percent
0	1	3.1	3.1	3.1
2	7	21.9	21.9	25.0
3	15	46.9	46.9	71.9
4	3	9.4	9.4	81.3
5	6	18.8	18.8	100.0
Total	32	100.0	100.0	