

NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

FACULTY OF COMMERCE

DEPARTMENT OF MARKETING

SALES MANAGEMENT

CBU 2204



Second semester examination paper

April 2015

This examination paper consists of 9 pages

Time allowed: 3 hours

Total Marks: 100

INSTRUCTIONS TO CANDIDATES

Answer **All** questions in **Section A** and any other **three** questions from Section B

INFORMATION TO CANDIDATES

- (i) Section A carries **25** marks
- (ii) Questions may be answered in any order
- (iii) Credit will be given for the use of appropriate examples
- (iv) This paper contains **seven** questions

MARK ALLOCATION

Question	Mark allocation
Section A	25
1	25
2	25
3	25
4	25
5	25
6	25
Total (for four questions)	100

SECTION A (Compulsory)

1. To sales managers, _____ is the effort put forth by an employer to provide the salesperson job-related culture, skills, knowledge, and attitudes that result in improved performance in the selling environment.

- a) staffing
- b) leading
- c) training
- d) organizing
- e) evaluating

2. Organizational _____ is the degree to which the organization achieves a stated objective

- a) effectiveness
- b) reliability
- c) efficiency
- d) validity
- e) synergy

3. The five functions of sales management are:

- a) scheduling, organizing, selling, closing, and appraising
- b) planning, training, selling, closing, and appraising
- c) forecasting, motivating, selling, evaluating, and appraising
- d) planning, staffing, training, leading, and controlling
- e) planning, motivating, selling, evaluating, and revising

4. Objective based thinking should help the sales manager

- a) estimate market potential
- b) reflect on your past accomplishments
- c) establish corporate goals
- d) determine your present situation
- e) identify and prioritise those activities that are important

5. Which of the following is characteristic of personal selling in contrast to advertising?

- a) personal selling cannot arouse buying action or complete a sale
- b) personal selling is a lower cost method of promotion
- c) personal selling cannot deliver profitable sales
- d) personal selling can be adjusted on the spot
- e) personal selling reaches mass audiences very effectively

6. _____ is the formal, coordinated process of communication, authority, and responsibility for sales groups and individuals.

- a) organizational design
- b) corporate interposition
- c) organizational development
- d) coordination channels
- e) managerial development

7. _____ is a statistical method used to incorporate independent factors thought to influence sales, such as population and advertising, into the forecasting procedure.

- a) Exponential smoothing
- b) regression analysis
- c) the ratio method of forecasting
- d) trend projections
- e) correlation

8. The impact of economic booms and recessions is accounted for in which component of time series analysis?

- a) trend
- b) erratic
- c) cyclical
- d) seasonal
- e) horizons

9. The two categories of sales forecasting methods are:

- a) the sales force composite and the executive opinion
- b) test markets and trend analysis
- c) correlation analysis and market factors analysis
- d) the survey method and the mathematical method
- e) the external method and the internal method

10. Which of the following is an example of a basic routing plan?

- a) criss-cross
- b) spherical
- c) rectangular
- d) cloverleaf
- e) all of the above are basic routing plans

11. The purpose of grouping accounts into categories such as key, regular, and unprofitable is to:

- a) increase the profitability of a territory
- b) standardize the selling approaches used by members of the sales force
- c) insure equal time is spent with all of the firm's customers
- d) insure equal treatment of the firm's prospects
- e) do all of the above

12. The higher the similarity between the customer and the salesperson, the :

- a) less likely the salesperson will have a long sales call
- b) more likely the sales revenue will not support sales expense
- c) more likely an initial sale can be made over the telephone
- d) more likely the sales effort will be successful
- e) less likely the sales manager should be concerned about time management

13. Which of the following statements about selling by objectives (SBO) is true?

- a) The salesperson typically has no input in SBO.
- b) The main drawback to SBO is the lack of connection between the objectives set and the rewards received by the salesperson.
- c) SBO is simply a philosophy and is therefore difficult to implement.
- d) Upper management typically retains the power to veto objectives set using SBO.
- e) All of the above statements about SBO are true.

14. _____ quotas typically should not be the basis for rewards. Rather they help the manager better understand why the salespeople did or did not meet their sales volume quota.

- a) payback
- b) net profit
- c) activity
- d) gross margin
- e) performance

15. A sales quota based on the number of dollars generated after subtracting the cost of goods sold is a _____ quota.

- a) dollar sales volume
- b) expense
- c) net profit
- d) gross margin
- e) payback

16. _____ convert job descriptions into qualifications the organization feels are necessary for successful performance of the job.

- a) Job specifications
- b) Task inventories
- c) Strategic job designs
- d) Personnel inventories
- e) Job provisions

17. The primary or basic determinant of how many salespeople a firm will employ is the:

- a) level of compensation offered
- b) number of sales managers it has
- c) number of people who apply for sales jobs
- d) number of sales territories and sales positions
- e) corporate human resources department

18. Throughout the joint sales call, the sales manager should be making notes about:

- a) the salesperson's attire
- b) the condition of the salesperson's car
- c) the loudness of the salesperson's voice
- d) how well the salesperson is groomed
- e) all of the above

19. After her sales presentation, Wilma Howard says, "Let's see, Mr. McPhail, you said you liked our fast delivery, credit policy, and co-op advertising program. Is that correct?" This is an example of a/an _____ close.

- a) boomerang
- b) summary
- c) complement
- d) assumptive
- e) minor decision

20. Motivation :

- a) is a cure-all managerial action plan for sure success
- b) can cure problems brought about by ineffective training
- c) cannot cure problems caused by lack of planning
- d) is the best when delivered as a general method of improving sales rather than tailored to each individual's idiosyncrasies needs
- e) works equally well with all salespeople

21. Low motivator incentives:

- a) prevent dissatisfaction
- b) are used to produce positive attitudes
- c) can encourage role ambiguity
- d) cost very little to implement into a sales strategy
- e) satisfy ego and self-actualization needs

22. In making their decision about whether to expend extra effort to produce a higher level of sales, salespeople often ask themselves:

- a) "What is my probability of success?"
- b) "Will I be rewarded for success?"
- c) "Are the rewards fair?"
- d) "Are the rewards worth it?"
- e) all of the above questions

23. Ken is a seasoned veteran. He has worked as a sales rep for a pharmaceutical company for years and is highly self-motivated. Which of the four basic leadership styles from the leadership continuum should his sales manager use when dealing with Ken?

- a) telling
- b) controlling
- c) delegating
- d) persuading
- e) participating

24. If Izie does not want the salespeople employed by her financial services company to use high-pressure selling techniques, he should use a _____ plan.

- a) straight commission
- b) salary and commission
- c) structured commission
- d) straight salary
- e) salary and bonus

25. What leadership style would be appropriate for use with a new salesperson who has not yet developed high ability or high motivation?

- a) tell
- b) laissez-faire
- c) delegate
- d) participation
- e) persuade

SECTION B

Question 2

‘The marketing function creates the dark clouds while the sales function makes the rain.’
Elaborate on the meaning of this statement. **(25 marks)**

Question 3

‘Sales force organisation is a key contributor to the achievement of the goals and objectives of sales management.’ Explain. **(25 marks)**

Question 4

Assume you are the senior sales manager of a telecommunications company, your organisation intends to hire new sales people to be deployed to a new territory. Present and discuss the job description of a telecommunications sales person. **(25 marks)**

Question 5

Analyse the impact of a demotivated sales force to an organisation, indicating the motivational tools the management could use to motivate the sales force. **(25 marks)**

Question 6

‘Sales forecasts are never 100% accurate, they are time consuming and may be expensive to conduct.’ Justify why sales managers should invest company resources in sales forecasting. **(25 marks)**

Question 7

Evaluate the usefulness of sales person performance evaluations.

(25 marks)

END OF EXAMINATION