SYNOPSIS OF THE THESIS

Impact of Motivational Factors of Channel Members on Channel Performance: A study of Telecom Service Providers

Doctoral Thesis Submitted
In Partial Fulfilment of the Requirements for the award of the Degree of

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MANAGEMENT

By

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RANCHI
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1. INTRODUCTION

In the present competitive environment, Sales is considered as a driver for organizations. There is cut-throat competition among companies and brands to get customer share. The competitive scenario in Telecom Industry is not much different from other Industries. Rather Telecom Industry in India presently is in the intensely competitive scenario. The market is flooded with similar products and services and with multiple customer offers and communications. Channel Sales play a significant role for organizations to get an edge over others. In Channel Sales Management role of People working in it is critical. Channel sales are again led by a team of people who work at a different level as a human chain for making products and services available at the doorsteps of retailers.

Channel Productivity & Performance:

In a channel, salespeople are driven by KPI's (Key Performance Indicators) and Productivity and Performance are commonly used terminology which People even in frontline sales are using. Every day Managers, Distributors, DSEs(Distributor Sales Executives) and retailers are driven for productivity and Performance.

Channel productivity refers to how efficiently channel partners or members using its resources to produce outputs. The extent to which channel members meet the desired channel goals is called Performance. Performance of Channel Sales is measured by KPIs which are important from an organizational perspective. Hence, KPIs are Key measurements that determine the success of an organization. However, in Channel
Sales Management, which is basically target driven function, **Productivity and Performance** are used almost synonymously.

**Common KPIs of a Telecom Channel sales organization:**

<table>
<thead>
<tr>
<th>KPI’s</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross</td>
<td>Number of SIM Activations done or number of customers added</td>
</tr>
<tr>
<td>Recharge</td>
<td>Amount of EVD (Electronic voucher Denomination) sold</td>
</tr>
<tr>
<td>Gross/BTS</td>
<td>Activations done in every BTS (Base Terminal Stations)</td>
</tr>
<tr>
<td>URO</td>
<td>Unique Recharge Outlets (No of outlets who sells recharges)</td>
</tr>
<tr>
<td>MUAO</td>
<td>Monthly Unique Activating Outlets (Number of outlets who do SIM activations)</td>
</tr>
<tr>
<td>DUAO</td>
<td>Daily Unique Activating Outlets (Number of outlets who do SIM activations)</td>
</tr>
<tr>
<td>Bill Cut per DSE</td>
<td>Number of Outlets whom DSE has sold recharges (DSE-Distributor Sales Executive)</td>
</tr>
</tbody>
</table>

Source: Terminology used by Telecom operators

In an estimate around 70% percent of products are sold through Channel Sales Team and balance catered directly by company persons.

Source: Actual Channel structure of telecom operators found by researcher
Motivation of Channel Sales:

Motivation is the most discussed topic in management and supervisory circles for many years. Motivating employees in organizations is a challenge to the management, as different individuals require different ways to motivate.

As per the meaning of the Oxford dictionary Motivation is "to supply a motive to cause to act in a particular way".

"Motivation is the processes that account for an individual's intensity, direction and persistence of effort towards attaining a goal" (Robbins, 2001).

According to Panda (2008) "motivation is an inspirational process which gives direction & stimulates People to increase the efficiency of work and thus achieves higher goals".

There are various theories on motivation. Out of which Maslow's Need Hierarchy Theory (Maslow, 1943), Theory X and Theory Y (McGregor, 1960) and Two-Factor Theory (Herzberg, 1959) are the classical theories. They build the foundation for contemporary theories of motivation like ERG Theory (Alderfer, 1969), Theory of Needs (McClelland, 1960), Goal-Setting Theory (Locke, 1968), Equity Theory (Adams, 1963), Expectancy Theory (Vroom, 1964), etc.

Sales Force Motivation & Channel Motivation is a challenging task for organizations. Every organization fight to get larger customer shares and as customers are getting serviced through the distribution chain of Retailers, Distributor, Distributor sales executives (DSEs) hence to keep them motivated is essential for the success of any products or services. Actually, retailers play the role of brand ambassador of
companies for customers and they communicate the customer offering, communications, product advantages, and work as a service center for customers.

Similarly, DSEs & Distributors work as brand ambassador of organization or brand and help in getting larger customer share indirectly through their constant support to retailers, providing them resolution of customer & other issues, provide credit support to retailers, provides timely and proper communication, giving trade schemes on behalf of company, expanding the reach of distribution etc.

Presently, telecom organizations in India run monthly trade schemes, product-specific trade schemes, high retailer's margin, lucrative tour programs, credit support, provide manpower support, R&R program, Retailer meet, long term retailer engagement program, provide separate retailer helpline numbers, etc, to keep retailers motivated.

For DSEs (Distributor Sales Executives) Monthly Incentive programs, R&R, Product based Incentives, Training program, career progression options, etc are given to keep them motivated and engaged.

For distributors also telecom organizations in India run monthly trade schemes, product-specific trade scheme, high distributor margin, lucrative tour programs, additional credit support, manpower support, R&R program, distributors meet, long term distributor engagement program, training program and provides exclusive sales manager to support distributors in running day-to-day operations efficiently.
Sales managers of telecom organizations who are part of the sales organization and also part of channel sales are key persons who ensure meeting organization sales and other channel objectives work as a bridge between the organization and channel sales. Normally all sales managers also work as custodians of channel sales i.e., distributors, DSEs and retailers.

The motivation of sales managers is the key as they live in respective territory or geography and is overall in-charge of any type of organization initiatives. The impact and success of every type of initiative taken by the company depend on the effort, rigorousness of sales managers in getting them executed on the ground. The reason for the success of brand in particular geography while failing in other geography, even if the offerings and support given are the same is primarily due to the execution of sales managers.

For motivation of sales managers organizations offer performance appraisal, job rotation, In-House training, flexible work timing, No uniform code policy, open workspace, fun at work, reward and recognition, etc. The job role of sales managers itself is so dynamic and having the authority of a large number of decisions taken for channel sales gives job satisfaction and motivation to sales managers.
2 RESEARCH MOTIVATION

In distribution channel management it is the team of people who deliver all desired results. In today's corporate world all companies put lots of focus on channel People management as in present dynamic and competitive environment keeping channel people motivated is a big challenging task.

As per market estimates, 70% of total sales of organizations in telecom and similar industry are done through channel sales hence it is critical for the success of any organization. To extract maximum productivity or performance of channels we need to keep them high on motivation as productivity is directly linked with the motivation of People.

This research work is purely focused on the behavioural aspect of business and this is not affected by changes that are taking place at the macro level in the industry. Motivation and productivity are always relevant for existing telecom operators in building efficiencies in channel sales.

There is a limited study which has revealed the factors of motivations of channel members their impact on performance of channel. This study is an attempt to fill in the gap. The study has been done at 4 levels of distribution channels i.e. retailers, DSEs (Distributor sales executives), distributors, sales managers who all together defined as channel members of a distribution chain. Survey work at all 4 levels of channels has been done in the top 11 towns of Jharkhand state.

Various aspects of Motivation, Factors of Motivation, Productivity and Performance, and the association between productivity and performance have been studied.
3. REVIEW OF LITERATURE

As a literature review provides the foundation and framework of research work done on the research topic hence extensive literature review has been done on the topic and its keywords to find the details of work done in my area of research.

Research on workplace performance and motivation has been started since the late 1920s and early 1930s with the study of Elton Mayo at the Western Electric Hawthorne plant and Maslow’s need hierarchy theory. There are various studies done post that in the area of motivation and productivity. But literature surrounding motivational theory for Channel sales, which is separate entity working for the organization, is less prevalent and most of the research has focused on people working in an organization.

There is little attention paid on research work done in the context of Channel Management which measures Impact of Motivation on Performance or Productivity of Channels however there is lots of research work done on Behaviour Management, Motivation, Measurement of Motivation, Channel Management, Sales Management, Performance management, Measuring Impact on Performance.

All these research works are studied and captured and their relevance for this research work has been identified which builds the foundation of my research work to add knowledge and learning to the field.
Factors of motivation derived from literature studies:

<table>
<thead>
<tr>
<th>SL No</th>
<th>Articles Topic</th>
<th>Article Details</th>
<th>Author</th>
<th>Linkage with research-Finding Factors of motivation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The Art of Motivation</td>
<td>Incentive market association(2007), Pg 8-10</td>
<td>Childers, Patricia</td>
<td>Target or goal, Incentive, Money</td>
</tr>
<tr>
<td>2</td>
<td>Does motivation really count for sales force performance in pharmaceutical industry?</td>
<td>Business and management research(2014), vol3,no2.,pg 1-9</td>
<td>Sahoo, Saroj Kumar et.al.</td>
<td>ease of completing the work, belongingness, freedom, scope of development, career perspective, openness, internal environment, rationality, no pressure feeling.</td>
</tr>
<tr>
<td>3</td>
<td>The motivation Hub: Effects of goal setting and self-efficacy on effort and new product sales</td>
<td>Journal of personal selling and sales management(summer 2009),Vol. XXIX,no.3,Pg 272-292</td>
<td>Fu, Frank. Q et.al.</td>
<td>Goal setting</td>
</tr>
<tr>
<td>4</td>
<td>Impact of employee motivation on performance(productivity) In private organization</td>
<td>International Journal of business trends and technology(2012 ),vol 2,Issue4,pG 29-35</td>
<td>Chaudhary, Nupur &amp; Sharma, Bharti</td>
<td>Employee engagement in decision making, work environment, flexible human resource policy, flexible time, work from home, pay and benefit, company culture</td>
</tr>
<tr>
<td>5</td>
<td>Factors influencing salespeople motivation and relationship with the organisation in b2b sector</td>
<td>Inzinerine Ekonomika-Engineering economic(2009), 4,Pg 78-85</td>
<td>Buciuniene,Ilona &amp; Skudiene, Vida</td>
<td>Feedback from immediate supervisor, decision making autonomy</td>
</tr>
<tr>
<td>6</td>
<td>Reexamination of Herzberg’s two factor theory of motivation in the Korean army</td>
<td>Journal of food service business research(2011),14,Pg 100-121</td>
<td>Hyun, Sungmin &amp; Oh, Haemoon</td>
<td>Human supervision, independence, achievement, working conditions</td>
</tr>
<tr>
<td></td>
<td>Title</td>
<td>Source</td>
<td>Authors</td>
<td>Key Motivational Factors</td>
</tr>
<tr>
<td>---</td>
<td>----------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------</td>
<td>----------------------------------------------</td>
<td>-----------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>7</td>
<td>Identification of key motivational factors; an implementation of Maslow's hierarchy of needs in Pakistani organizations</td>
<td>International Journal of Research in commerce, IT and management(2013),Vol.3,Issue2 (Feb)</td>
<td>Akbar, Muhammad Tahir &amp; Ramzan, Muhammad</td>
<td>Pay, promotion, job benefit, working condition, job security, management support</td>
</tr>
<tr>
<td>8</td>
<td>Managing work motivation at the bottom-A case from footwear manufacturing organisation in India</td>
<td>Vilakshan, XIM Journal of Management(2010),March</td>
<td>Bhat, Suneeta, Shah, Hardik</td>
<td>Feeling important, information, realistic goal, recognition of an extra effort, feedback and suggestions, controlling and evaluating sales performance, asking for views</td>
</tr>
<tr>
<td>10</td>
<td>The effect of team process and key compensation factors while motivating high performance in pharmaceutical sales teams</td>
<td>International Journal of Research in commerce, IT and management(2012),Vol.2,Issue3 (March),Pg 56-60</td>
<td>Kumar, Dr.Surendra</td>
<td>base pay, incentives, benefits, Communication processes ,team training, creating team goals and team base incentive</td>
</tr>
<tr>
<td>11</td>
<td>Factors associated with the motivation and de-motivation of health workforce in Nepal</td>
<td>J.Nepal Health res counc(2013),May 11(24);Pg 112-118</td>
<td>Ghimire, J et.al.</td>
<td>career development, higher education, other personal developmental factors, salary, working environment, recognition, appreciation. Socio demographic factors age, education and service</td>
</tr>
<tr>
<td>No.</td>
<td>Study Title</td>
<td>Journal</td>
<td>Author(s)</td>
<td>Empirical Evidence</td>
</tr>
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</tr>
<tr>
<td>12</td>
<td>Pragmatic study with reference to banking industry</td>
<td>Journal of marketing management(1994),10,Pg 325-332</td>
<td>Jobber, David and Lee, Roger</td>
<td>Competition, prizes, Incentive, Fringes benefits</td>
</tr>
<tr>
<td>15</td>
<td>Sales Force Turnover: An exploratory study of the Indian Insurance sector</td>
<td>Management, University of Primorska(2010),Spring,5,Pg 3-19</td>
<td>Lacmanovic, Darko</td>
<td>Sales culture, Basic rewarding system, Special financial rewards, Non-Financial rewards, Sales training, directing, personal evaluation</td>
</tr>
<tr>
<td>16</td>
<td>Sales People motivation as key factor in achieving sales management goals in Hotel industry</td>
<td>Tourism and Hospitality Management(2006),vol.12,No.2, Pg 155-169</td>
<td>Shouksmith, George</td>
<td>Growth needs, Job components, existence needs, relationship needs</td>
</tr>
</tbody>
</table>

Source: Compiled from existing literature
Basic Motivation & Productivity Theories:

There are various theories of motivation given by researchers, out of which **Herzberg’s two factor theory** (Motivation-Hygiene theory) which creates the foundation for factors of motivation and **Vroom’s Expectancy theory** which connects the effect of motivation to performance found to be most relevant and they creates the foundation of my research work.

**Herzberg’s two-factor theory:** As per this theory an individual’s relationship with work basic and one’s attitude towards work determines success or failures. Herzberg investigated from People about their expectations from job and these responses were tabulated categorized. There are certain characteristics consistently related with Job satisfaction and others to job dis-satisfaction. Intrinsic factors, such as work itself, responsibilities and achievement are related with job satisfaction while there are other factors which are extrinsic like supervision, pay, company policies and working condition are found to be related with job dis-satisfaction.

As per Herzberg, the opposite of satisfaction is not dis-satisfaction as it was traditionally believed. Removing dissatisfying characteristics from a job does not necessary making job satisfying. As per him there is existence of dual continuum: the opposite if satisfaction is “No satisfaction” and opposite of dissatisfaction is “No-dissatisfaction”. Factors which satisfies people are called Motivational factors while factors which dissatisfies people are called as hygiene factors (Robbins,2003).
**Expectancy theory:**

As per Vroom’s expectancy theory the strength of a tendency to act in certain way depends on the strength of an expectation that the act will be followed by a given outcome and on the attractiveness of the outcome for the individual. The theory focuses on following three relationships:

1. **Effort-performance relationship:** The probability perceived by the individual that exerting a given amount of effort will lead to performance.

2. **Performance reward relationship:** The degree to which the individual believes that performing at a particular level will lead to the attainment of a desired outcome.

3. **Reward-Personal goals relationship:** The degree to which organizational reward satisfy an individual’s personal goals or needs the attractiveness of those potential rewards for the individual (Robbins, 2003).
Conceptual Theoretical Model:

All basic theories of motivation validates that there is direct linkage between motivation and Productivity. Higher the motivation level of people higher the productivity. For this research work also same theoretical premise has been taken.

Factors of motivation from various literature reviews has been identified. There are two productivity KPIs- activations and recharges which has been taken for this research work as these are two most critical and focussed KPIs for channel sales team at all four levels of stratum (retailers, DSEs, distributors, managers) in telecom industry (identified with the help of industry experts).

As there are large number of factors of motivation which got identified from literature study hence for identifying key motivation factors statistical method has been used. Post identification of key factors linkage between key factors of motivation and two productivity KPIs (Activations & recharges) has been established with the help of different statistics analysis.

Source: Existing literatures
4: RESEARCH GAP IDENTIFIED

- Distribution channels are considered as backbone of organizations. They run their operations for different organizations and majority of channels are external partners and they are not part of organizations. Hence, little focus has been given by researcher and academician to study the motivation level of peoples working in distribution channels at different level. Channel connects organizations with end customers as they work as brand ambassadors for companies. They have capability to influence customers by different ways and means.

- There are lots of studies done to study motivation of people working in organizations but only few research studies has been done in context of motivation of manpower of channel sales.

- There are few research work done to identify factors of motivation in the context of channel sales management.

- There are limited research studies to measure the impact of motivational factors on performance or productivity in channel sales management.

- Also, there are limited studies on telecom channel sales productivity and performance.
5: RESEARCH OBJECTIVES

The objectives of this research study are as follows:

- To identify and analyze the factors of Motivation of Channel Members (Retailers, DSEs, Distributors, Managers)
- To study the impact of factors of motivation of channel members (Retailers, DSEs, Distributors, Managers) on channel Performance
- To study the impact of working factors of channel members (Retailers, DSEs, Distributors, Managers) on channel performance.

6: RESEARCH HYPOTHESES

Hypotheses: Based on the objectives the following hypotheses were tested:

HYPOTHESES

Hypotheses: Based on the objectives the following hypotheses were tested:

Retailers Level:

H1: Factors of motivation do not influence productivity at retailers level

- H01a: Channel policy does not influence productivity at retailers level
- H01b: Channel engagement and process do not influence productivity at retailers level
- H01c: Channel support does not influence productivity at retailers level
H02: Working factors do not influence productivity at retailers level

- H02a: Time given does not influence productivity at retailers level
- H02b: Distributors market visit does not influence productivity at retailers level
- H02c: Sales managers market visit does not influence productivity at retailers level
- H02d: DSEs market visit does not influence productivity at retailers level

DSEs (Distributors Sales Executive) Level:

H03: Factors of motivation do not influence productivity at DSEs level

- H03a: Working conditions does not influence productivity at DSEs level
- H03b: Monetary benefit and channel policy do not influence productivity at DSEs level
- H03c: Organization association does not influence productivity at DSEs level

H04: Working factors do not influence productivity at DSEs level

- H04a: Frequency of gate meeting does not influence productivity at DSEs level
- H04b: Frequency of DSEs review does not influence productivity at DSEs level
- H04c: Distributors market visit does not influence productivity at DSEs level
- H04d: Sales managers’ market visit does not influence productivity at DSEs level
Distributors Level:

H5: Factors of motivation do not influence productivity at distributors level

- H05a: Channel profitability and process do not influence productivity at distributors level
- H05b: Channel engagement and growth do not influence productivity at distributors level
- H05c: Nature of business does not influence productivity at distributors level

H6: Working factors do not influence productivity at distributors level

- H06a: Time given by distributors on his business does not influence productivity at distributors level
- H06b: Frequency of gate meeting does not influence productivity at distributors level
- H06c: Frequency of DSEs review does not influence productivity at distributors level
- H06d: Frequency of distributors market visit does not influence productivity at distributors level

Managers level:

H7: Factors of motivation do not influence productivity at managers level

- H07a: Working environment does not influence activations at managers level
- H07b: Benefits does not influence activations at managers level
- H07c: Working environment does not influence recharges at managers level
- H07d: Benefits does not influence recharges at managers level
H8: Working factors do not influence productivity at Managers level

- H08a: Time given by managers does not influence activations at managers level
- H08b: Frequency of gate meeting does not influence activations at managers level
- H08c: Frequency of DSEs review does not influence activations at managers level
- H08d: Frequency of distributors review does not influence activations at managers level
- H08e: Time given by managers does not influence recharges at managers level
- H08f: Frequency of gate meeting does not influence recharges at managers level
- H08g: Frequency of DSEs review does not influence recharges at managers level
- H08h: Frequency of distributors review does not influence recharges at managers level
7: SCOPE OF THE RESEARCH

Sources of Data:
As per the Census of India 2011, the state of Jharkhand has 11 class 1 towns having an aggregate population of 52,08,265 persons. Out of these 11 cities - Ranchi, Jamshedpur, Dhanbad, and Bokaro account for approximately 80% of the class 1 population and the remaining towns account for approximately 20% of the class 1 population. This poses a problem as doing the survey only on the four urban centers may not give us an understanding of the motivations in smaller towns. As such it is proposed to divide up the sample into two categories – 50% from the major class 1 towns and the remaining 50% from the other class 1 towns.

<table>
<thead>
<tr>
<th>Class I Town</th>
<th>Population</th>
<th>Percentage</th>
<th>Classification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jamshedpur</td>
<td>13,37,131</td>
<td>25.32</td>
<td>Major Class I Towns</td>
</tr>
<tr>
<td>Dhanbad</td>
<td>11,95,298</td>
<td>22.64</td>
<td></td>
</tr>
<tr>
<td>Ranchi</td>
<td>11,26,741</td>
<td>21.34</td>
<td></td>
</tr>
<tr>
<td>Bokaro Steel City</td>
<td>5,63,417</td>
<td>10.67</td>
<td></td>
</tr>
<tr>
<td>Deoghar</td>
<td>2,03,116</td>
<td>3.85</td>
<td>Other Class I Towns</td>
</tr>
<tr>
<td>Phusro</td>
<td>1,86,139</td>
<td>3.53</td>
<td></td>
</tr>
<tr>
<td>Hazaribagh</td>
<td>1,53,599</td>
<td>2.91</td>
<td></td>
</tr>
<tr>
<td>Giridih</td>
<td>1,43,529</td>
<td>2.72</td>
<td></td>
</tr>
<tr>
<td>Ramgarh</td>
<td>1,32,441</td>
<td>2.51</td>
<td></td>
</tr>
<tr>
<td>Medininagar</td>
<td>1,19,972</td>
<td>2.27</td>
<td></td>
</tr>
<tr>
<td>Chirkunda</td>
<td>1,18,882</td>
<td>2.25</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>52,80,265</td>
<td>100.00</td>
<td></td>
</tr>
</tbody>
</table>

Source: Census data 2011
8: RESEARCH METHODOLOGY

Research design:

The research design is descriptive and causal by nature.

Descriptive research is a pre planned and structure research (Malhotra & Dash, 2010). It has a clear statement of the problem, specific hypothesis and detailed information needed. This research is a descriptive research as this tries to find out factors of motivation of channel people at different stratum level of channel sales.

A causal research is also a conclusive research where the major objective is to obtain evidence regarding cause-and-effect (causal) relationship (Malhotra & Dash, 2010). This research is a causal research as this tries to find the impact of factors of motivation and impact of various working factors on productivity KPIs (Activations and recharges).

Telecom Distribution Channel divided into 4 Different Stratum:

- **Stratum 1**  Retailers
- **Stratum 2**  Distributors Sales Executives(DSE)
- **Stratum 3**  Channel Partners/Distributors of Company
- **Stratum 4**  Frontline Sales / First level Manager (Managers)
Data Collection method:
Both primary and secondary data collection methods have been used. Structured closed ended questionnaires (for all four stratums) basis literature review and inputs from industry were prepared. It got piloted on approximately 5% of the sample (Total: 45, retailers-30, dse-5, distributors-6, managers-4) to identify the problems. Corrections were incorporated before the final survey.

Primary data collection through personal interview method with the help of questionnaires (for all four stratums) has been done.

Secondary data collection for the study was done from TRAI website, journals, books, other websites, magazines and channel feedback.

Population:
Research work covers geographical state of Jharkhand Only. There are eleven class I cities of Jharkhand covered for this research work. All four stratums of channel sales covered for this study.

Sample size required for this research has been determined by the following formula (Malhotra & Dash, 2010):

\[ n = \pi(1 - \pi)Z^2/D^2 \]

For sample size which is representing more than 10 percent of population, the finite population correction (n) has been applied:

\[ n = nN/(N+n-1) \]

Where n=sample size
\( \pi \)=Population proportion
Z=standard variate at given confidence level.The value of z for confidence level of 95% is 1.96
D = Precision or acceptable error. The value of D is taken 0.05 for this study but for managers D has taken as 0.10

Table 3.7.1 Population size

<table>
<thead>
<tr>
<th>Level</th>
<th>Stratum</th>
<th>Total Population(Approx)</th>
<th>Calculated Sample Size</th>
<th>Actual Sample Size considered</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stratum-1</td>
<td>Retailers</td>
<td>7900</td>
<td>369</td>
<td>600</td>
</tr>
<tr>
<td>Stratum-2</td>
<td>DSEs</td>
<td>623</td>
<td>238</td>
<td>300</td>
</tr>
<tr>
<td>Stratum-3</td>
<td>Distributors</td>
<td>141</td>
<td>103</td>
<td>120</td>
</tr>
<tr>
<td>Stratum-4</td>
<td>Managers</td>
<td>60</td>
<td>22</td>
<td>30</td>
</tr>
</tbody>
</table>

Source: Literature review & survey work

**Sample Design:**

Both probabilistic & non-probabilistic sampling procedure has been used for this research. Stratified Sampling for doing stratum wise (retailers, DSEs, distributors, managers) study was used, which is a probabilistic sampling method. Convenience sampling has been used for taking feedback from respondents which is a non-probabilistic sampling method.

Sampling elements for this research is service providers of Telecom industry(Three Telecom Service Providers) and there are four sampling units taken are retailers, DSEs, distributors, managers.
Sample size:

Total sample size of 1050 from all four strata of channel covering top eleven towns of Jharkhand (major class I & other class I town) has been taken.

<table>
<thead>
<tr>
<th>Classification</th>
<th>Sales Manager</th>
<th>Distributor</th>
<th>DSE</th>
<th>Retailer</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major Class I Town</td>
<td>15</td>
<td>60</td>
<td>150</td>
<td>300</td>
<td>510</td>
</tr>
<tr>
<td>Other Class I town</td>
<td>15</td>
<td>60</td>
<td>150</td>
<td>300</td>
<td>510</td>
</tr>
<tr>
<td>Total</td>
<td>30</td>
<td>120</td>
<td>300</td>
<td>600</td>
<td>1050</td>
</tr>
</tbody>
</table>

Source: Survey work
# 9: RESEARCH DATA ANALYSIS FRAMEWORK

Table 3.8.1 Research data analysis framework

<table>
<thead>
<tr>
<th>Step-1</th>
<th>Identification of Factors of motivation</th>
<th>Statistical Tools or Method Used</th>
</tr>
</thead>
<tbody>
<tr>
<td>1a</td>
<td>Basis Feedback from channel Members-Retailers,Distributors</td>
<td>Principal Component Analysis (PCA) was used to find Factors of Motivation &amp; Coefficient score with Factor score was find for prioritising the factors</td>
</tr>
<tr>
<td>1b</td>
<td>Feedback from Company Persons</td>
<td></td>
</tr>
<tr>
<td>1c</td>
<td>Literature Review</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Step-2</th>
<th>Measuring Impact of Factors of Motivation on Factors of Productivity</th>
<th>Statistical Tools or Method Used</th>
</tr>
</thead>
<tbody>
<tr>
<td>2a</td>
<td>Identification of Productivity KPI-Activation &amp; Recharges</td>
<td>Multivariate Analysis (MANOVA) was used to measure overall Impact on Productivity. Also ANOVA test was used to measure impact of individual factors on productivity</td>
</tr>
<tr>
<td>2b</td>
<td>Identification of Factors Motivation-From PCA as above</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Step-3</th>
<th>Measuring Impact of key working factors on Productivity</th>
<th>Statistical Tools or Method Used</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Identification of key working factors which has impact on productivity</td>
<td>Multivariate Analysis (MANOVA) was used to measure overall Impact on Productivity. Also ANOVA test was used to measure impact of individual factors on productivity</td>
</tr>
</tbody>
</table>

Source: Literature review
10: FINDINGS AND CONCLUSIONS

Statistically derived factors of Motivation:

Initially identified factors of motivation from all 4 stratums went through statistical analysis and with the help of principal component analysis (PCA) and varimax rotation and they got categorized into key factors of motivation. Findings of principal component analysis (PCA) for all 4 levels of stratums (Retailers, DSEs, Distributors and Managers).

KMO & Bartlett's test (KMO>0.5) has been done for sample adequacy and factors having eigen value >1 has been taken for categorization factors of motivation.

<table>
<thead>
<tr>
<th>Factors of Motivation-At a Glance(all 4 Stratum)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retailers</td>
</tr>
<tr>
<td>Channel Policy</td>
</tr>
<tr>
<td>Channel Engagement process</td>
</tr>
<tr>
<td>Channel Support</td>
</tr>
<tr>
<td>Working Conditions</td>
</tr>
<tr>
<td>Monetary Benefits &amp; Channel Policy</td>
</tr>
<tr>
<td>Association with organization</td>
</tr>
<tr>
<td>DSEs</td>
</tr>
<tr>
<td>Channel Profitability &amp; processes</td>
</tr>
<tr>
<td>Channel Engagement &amp; growth</td>
</tr>
<tr>
<td>Nature of business</td>
</tr>
<tr>
<td>Distributors</td>
</tr>
<tr>
<td>Channel Profitability &amp; processes</td>
</tr>
<tr>
<td>Channel Engagement &amp; growth</td>
</tr>
<tr>
<td>Manager's</td>
</tr>
<tr>
<td>Working Environment</td>
</tr>
<tr>
<td>Benefits</td>
</tr>
</tbody>
</table>

Source: SPSS output
Measuring impact of motivational factors on productivity:

In telecom industry for sales & channel team activations and recharges are two common KPIs (Key performance Indicators) which are driven across channel strataums and also these are most important performance indicators.

As there are multiple factors of motivation and multiple KPI of productivity hence multivariate analysis (MANOVA) found to be most suitable to get the desired output of measuring impact of factors of motivations of productivity.

MANOVA analysis validates significance of following factors which has impact on productivity KPIs of activations and recharges.

SPSS gives us four different approaches to calculate F value for MANOVA. All of them are used to test whether the vector of means of the groups are from the same sampling distribution or not. We can choose any of them for interpretation.

**For this research Pillai’s trace** test have been chosen as this is the most preferred approach for the F-value as this is the least sensitive and highly robust to the violation of the assumption in the covariance of matrices(Warne,1994). Hence we have taken Pillai’s trace score for interpretation.
At Retailers level-Channel policy, channel engagement process and combined impact of channel policy & channel engagement process has direct impact on productivity KPIs of activation & recharges. Eta square which measures the strength of relationship in MANOVA for channel policy is 0.388, channel engagement is 0.233 and Channel policy with channel engagement is 0.489. All above reflects high strengths of relationship.

At retailers level 3rd factors of motivation channel support which is indicator of four sub-factors- distributors/DSEs support, sales manager/company support ,relationship with Dse/distributors and relationship with sales managers do not have signification impact on productivity KPIs probable due to gap in working of distributors and managers due to which they fails to buildup good relationship with retailers. On basis of individual factor score above four factors have high weightage in priority hence distributors, dse, managers should maintain good relationship with retailers.

At DSEs level-Organization association, combination of two factors working conditions with monetary benefit & channel policy, combination of working condition with organization association has direct impact on productivity KPIs of activation & recharges. Eta square which measures the strength of relationship in MANOVA for organization association is 0.039, combination of working conditions with monetary benefit & channel policy is 0.051 and Channel policy with channel engagement is 0.037. All above reflects medium strengths of relationship.
At DSEs level two other factors of motivation working conditions, monetary benefits and channel policy do not have impact of productivity KPIs and only one factor of motivation Association with organization has impact on their motivation which is probable due to DSEs who are generally young people (75% are in age group of 20-30 year) and studying in colleges are seeking good career and looking for job role at an organization level for which they are working on distributor roll. Hence, only factors which associate them with organization have impact of their productivity and performance. Salary, Incentives are also important for them but they know they can earn their salary or incentive easily just by changing their distributors as there are plenty of requirement for frontline sales executive in market.

- **At Distributors level**—Channel engagement & growth, combination of all three factors channel profitability & process, channel engagement & growth, nature of business has direct impact on productivity KPIs of activation & recharges.

  Eta square which measures the strength of relationship in MANOVA for Channel engagement & growth is 0.127, combination of all three factors channel profitability & process, channel engagement & growth, nature of business is 0.100. All above reflects medium strengths of relationship.

At Distributors level two factors of motivation channel profitability & process, nature of business do not have impact of productivity KPIs and only Nature of business which is representing various sub-factors –Products and services,
business turnover, good ROI, legally complaint, new generation business, good network, good culture, relationship with company person, being owner of his business, proper communication from company has impact on productivity which is probable to high level of maturity of surveyed distributors. They know very well that if they are associated with good brand which is having all above they will earn good profitability. The associated factors of channel profitability and process and channel engagement and growth are daily working requirements which a distributor has to adhere and they are cyclic in process. Majority of distributors (80%) were associated with telecom business since more than last 3 years and 72% are associated with distribution business since more than 3 years hence they would have evaluated other factors prior to taking new distribution of telecom.

- **At Managers level**-working environment and benefits do not have direct impact on productivity KPIs of activation & recharges. Both MANOA and ANOVA is not giving desired output.

For managers ANOVA analysis is not giving significant output probably due to the fact that managers are part of organization and they also drive many other productivity KPIs (like setting up distribution infra, retailers business participations, distribution hygiene, driving productivity, training of team etc.) in addition to activations & recharges.
Measuring impact of working factors on productivity (MANOVA test):

There are some important working factors which has impact on productivity in context of channel sales management. Hence, measuring their impact on productivity KPIs are desired.

MANOVA test was done used to measure impact of working factors on productivity KPIs.

- **At Retailers level**- Distributors market visit, sales managers market visit, combination of time given by retailers with distributors market visit and combination of retailers market visit with sales managers market visit has direct impact on productivity KPIs of activation & recharges for retailers. Eta square which measures the strength of relationship in MANOVA for Distributors market visit is 0.028, sales managers market visit is 0.025 and combination of time given by retailers with distributors market visit is 0.052, combination of retailers market visit with sales managers market visit is 0.092 combination of retailers market visit with sales managers market visit.

At retailers level 1\textsuperscript{st} working factor-Time given by retailers on their business, 4\textsuperscript{th} working factor DSEs market visit do not have signification impact on productivity KPIs probably due to the fact although retailers are spending of time on their shop but number of customers who are getting serviced through them are low or they are not providing quality service due to which spending more time is not resulting in better productivity. The 4\textsuperscript{th} working factor i.e., DSEs market visit not impacting better productivity also reflects that although
retailers are getting serviced from DSEs on regular basis but as customer size or customer servicing quality of retailers are not good hence it is not resulting in better productivity.

- **At DSEs level**-frequency of gate meeting, distributor market visit, sales manager market visit and combination of distributor market visit with sales manager market visit has direct impact on productivity KPIs of activation & recharges.

  Eta square which measures the strength of relationship in MANOVA for frequency of gate meeting is 0.034, distributor market visit is 0.056, sales manager market visit is 0.063 and combination of distributor market visit with sales manager market visit is 0.089. All above reflects good strengths of relationship.

  At DSEs level one other working factor frequency of DSE review do not have impact on productivity KPIs which is probable due to quality of DSE review. DSE review is happening regularly but for making it impactful there should be enough preparation and also post review DSEs should get motivated enough so that they get aligned with their targets and start working accordingly.

- **At Distributors level**-Time given by distributors, frequency of gate meeting has direct impact on productivity KPIs of activation & recharges.

  Eta square which measures the strength of relationship in MANOVA for Time given by distributors is 0.128, frequency of gate meeting is 0.132. Which
reflects high strengths of relationship between these working KPIs and productivity.

There are other two working factors frequency of DSE review, frequency of distributor market visit which do not have impact of productivity KPIs which is probable due to poor quality of DSE review. DSE review is happening regularly but for making it impactful there should be enough preparation and also post review DSEs should get motivated enough so that they get aligned with their targets and start working accordingly. The same finding also came for low impact of DSEs review on DSEs productivity and same is true for poor distributors productivity.

Frequency of distributors review is having no impact on productivity as half of distributors frequency of market visit is low and balance who are visiting the market are also not doing it will rigor. They are probable doing market visit casually with much readiness. It is always suggested to any channel sales people to visit the market always with factors and figures, how company offerings are profitable to them and how it is better than competitors’ offerings. If channels sales people visit the market with complete readiness of How their products or services are Best for Retail, Best for customer and have availability of sufficient stocks (Stocks till neck) then only it results in better productivity.
At Managers level none of the four working KPIs-Time given by managers, frequency of gate meeting, frequency of DSEs review, frequency of distributors review do not have direct impact on productivity KPIs of activation & recharges. For managers ANOVA analysis is not giving significant output probably due to the fact that managers are part of organization and they also drive many other productivity KPIs (like setting up distribution infra, retailers business participations, distribution hygiene, driving productivity, training of team etc.) in addition to activations & recharges.
This study is an extensive study with focus on channel members—retailers, DSEs, Distributors and managers. The findings of research have various aspects of contribution which are as below:

Theoretical contributions:

- This research work reveals the factors of motivation at four levels of distribution channels—retailers, DSEs, Distributors and managers. Out of which three levels are part of external partners and were low focused by academicians and researchers in past studies.

- In addition to the factors of motivations there are many working factors which are also important to drive productivity are also been identified.

- This study able to re-establish the relationship between factors of motivation and other working factors with productivity in the context of channel sales.

- Various statistical tools like Principal component analysis (PCA), MANOVA, ANOVA used in the context of channel sales to establish the linkages between motivation and productivity.
Practical contributions:

✓ This study will help managers and organizations in devising their employee engagement or motivation strategy to be more impactful.

✓ There are many other working factors which have direct impact on productivity which got found from this study. Managers and organization must give due considerations to all these working factors.

✓ Findings of this research can be used by Telecom and other industry to design and develop their channel policy which will result in long term sustainable business, low employee and distributor turnover.

Social contributions:

✓ This study able to reiterates the importance of people in context of channel sales management and shows that in any competitive scenarios it is always important to take care of behavioral aspect of people to keep their motivation high which has direct impact of productivity.

✓ As this is work to study the behavioral aspects of channel sales motivation and its impact on productivity hence this is not limited to specific geography or sectors. Similar distribution structures are followed by other sectors like FMCG, FMCD, paint, device industry, lubricants etc. for which this study is relevant and findings can be used.
12: LIMITATIONS OF THE RESEARCH

- This study has been done only for 3 selected Telecom operators of Jharkhand

- The study is limited to Pre-pay business of telecom. Post-pay channel has not been study as it has only 2 layer of distribution channels

- Distributors and sub-distributors both has been taken for study as different operators has different models of distribution channels

- This study is done for distribution channel of wireless business only. Wire line business is not included for this study.
SCOPE OF FUTURE WORK

- This study finds factors of motivations at different level however there was no comparison done between factors of motivations at different level which can be studied further.

- Similarly, the impact of motivation on productivity at different level can be studied further.

- There are many other KPIs which have impact on productivity at each stratums level which can be studied further in future.

- Managers, who are part of organization, require more focused study as in addition to sales there are many other tasks they perform and studying their impact on productivity requires different approach with much broader scope.

- Future researcher can also study the impact of behaviour of organizations on respective channel stratums as channel sales is an extended arm of organization.

- Separate study at each stratum level can be done to get further insight of factors of motivation, working factors and productivity.
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