

Employer Demand for Qualifications for Sales Professionals

**Chichester CWL Development Fund Project
Final Report**

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24th June 2011

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1. Introduction

The sales sector in the UK employs just over 2 million people in directly related roles and 1.3 million in roles with an element of sales. There are more salespeople than doctors, teachers, IT professionals and engineers and current forecasts predict that sales roles are due to increase from 6.6% to 7.1% of the UK workforce by 2014. However, there is little recognition of sales as a professional discipline and it is a significantly under-represented subject at HE level.

Chichester Centre for Work and Learning were considering the development of a Foundation Degree in Sales Management, however, whilst there appears to be a need for qualifications in this area it has not been established whether there is a market demand. The aim of this project was to test the market in relation to professional qualifications for sales managers and to enable the development and provision of accredited training that meets the needs of employers in terms of context, format and method of delivery.

There were two components to the first phase of the project:

1. Review & Benchmarking

Recruitment of a Graduate-On intern to:

- Carry out competitor analysis, assess delivery models, qualifications and benchmark existing good practice in HE and in the professional bodies.
- Review our current FD model as a potential framework for delivery.
- From these exercises to put forward a proposal for delivery methodology.

For a summary of the findings from this activity please refer to page 6.

2. Market Research

Market research, carried out by a specialist agency to identify the market need and the requirements in terms of format, content, delivery and assessment.

The market research was conducted in two parts. First, an online survey to 105 companies in the south-east of England, in specific sectors and with owner, director and manager job titles in marketing, sales or training. The second part was through telephone interviews with survey recipients who agreed to participate.

More detail and a summary of the findings from this activity can be found on page 10.

2. Research Conclusions

Whilst the competitive research confirmed our initial understanding in relation to the lack of HE provision in sales and sales management, the market research identified little demand for a Foundation Degree in Sales Management. This is partly due to a lack of knowledge of Foundation Degrees in the marketplace, but there also appears to be a lack of employer interest in the provision of higher level qualifications for staff in this area. Where there is interest employers appear to favour the professional bodies such as Institute of Sales and Marketing and the Institute of Marketing.

Interestingly, the biggest issue highlighted by respondents was around sales performance and yet the link between performance and effective management is not being made. Several respondents highlighted the difference between sales management and other management roles where the sales manager is often expected to sell to clients themselves and to be out in the field alongside their teams. They therefore highlighted a requirement for more practical sales skills – prospecting, presentation, understanding the needs of the customer and sector knowledge rather than generic management competencies. This was particularly the case with SMEs, whilst respondents from larger organisations identified the need for training in remuneration and compensation methods and policies, the understanding of a business case as opposed to selling on price and knowledge of HR legislation and professional standards relating to specific commercial fields. Knowledge of regulations and compliance standards was important to those working in financial and professional services.

Overall the biggest skills requirements appear to be negotiation and presentation skills with more than half of respondents indicating lack of skills in this area. Sales process skills and business understanding, (both management skills, but not necessarily perceived as such) were next followed by other management skills, such as innovation and people management. More general skills, such as IT or analytical abilities are not perceived to be major skills gaps.

When recruiting sales people respondents identified lack of skills and experience as the biggest issue with only 13% stating that applicants lacked the necessary qualifications. This would indicate that either applicants had the right qualifications or that they are not a deciding factor in employment. Contacts, prospects and proven experience emerged as the chief criteria when recruiting sales management staff.

In terms of barriers to training the majority of respondents cited time. Sales managers are often expected to be in the field with their teams, making it difficult to arrange conventional training. So time is likely to be a more of a barrier for sales-specific courses than for other business functions. Cost was a factor for 45%, and with the current financial uncertainty this is unlikely to change, despite the recognised importance of sales training.

The research would point to the fact that there is not a market demand for a Foundation Degree in Sales Management but that there is a requirement for good quality sales specific training delivered in a format that minimises time away from the workplace and impacts both individual and team sales performance. Chichester Centre for Work and Learning could potentially meet this market need by

developing a selection of sales specific modules within the University's current Foundation Degree in Management which could be offered as options within the FDM and as accredited short courses. Joint accreditation with a professional body may increase their market value .

4. Action Taken

Following the review of the research findings the decision was taken to develop three sales related modules which will sit within the Foundation Degree in Management and will enhance and enrich our workforce development offer in four ways:

- They may be delivered as accredited short courses for employers, SMEs and individuals to book onto
- They may be selected as part of a bespoke programme by employers
- They will be available as option modules for students on full time degree courses at the University
- They may be delivered for pre-start and start-up businesses based at the University's new Enterprise Centre to support their business development

The development is being undertaken by a team of lecturers from both the University and College selected for their specific expertise and industry experience in sales. This group will be involved in the delivery of the modules.

The module topics are:

- Understanding the Customer
- The Sales Process
- Sales Skills

Module descriptors will be completed by 30th June and will be presented to a Programme Board in July in preparation for approval in September.

During this period additional employer research will be carried out by the Business Development Manager, which will feed into the development process as appropriate.

The three modules will available to students following approval in September and will be offered as accredited short courses starting in January 2012.

A marketing campaign for the short courses will commence immediately approval is confirmed and this will include a leaflet, information on the website and editorials and adverts in local business publications as well as at events being hosted for local business organisations such as the Chichester Chamber of Commerce and Sussex Enterprise, as well as the College's own Business Breakfast.

5. Summary of Findings from Review and Benchmarking

5.1 Competitive Analysis

5.1.1 HE Provision

Across the UK sales is a significantly under-represented subject at HE level. There is one higher diploma in Sales and Marketing Management (London Centre of Marketing). The competitive analysis highlights that there are no Foundation Degrees which specialise purely in sales. There are two with a sales element in combination with marketing, and there are numerous retail and marketing Foundation Degrees. There is one Marketing and Sales BA degree. At Postgraduate level, there are two institutions providing MA degrees in Sales Management (one of which is Portsmouth) and one other offering an MSc in Sales and Marketing.

Table 1: Foundation Degrees in Sales Management

Only two institutions nationally offer a Foundation Degree which includes an element of Sales Management:

Institution	Course Title
Kaplan Open Learning (University of Essex)	Marketing & Sales Management
New College Nottingham	Business & Management (Sales & Marketing)

There are a number of Foundation Degrees in the areas of Retail and Marketing which include an element of sales. Table 2 shows those which could be considered local competitors to Chichester.

Table 2: Foundation Degrees with an element of sales

Institution	Course Title
University of Winchester	Retail Management
Sussex Downs College	Retail Enterprise
Bournemouth & Poole College	Marketing
Highbury College Portsmouth	Business with Marketing Management

5.1.2 Professional Bodies

The Institute of Sales and Marketing Management (ISSM)

The Institute of Sales and Marketing Management is the UK's foremost professional body representing the interests of sales professionals from every commercial sector. It is the only membership body accredited by the Qualifications & Curriculum Authority (QCA) to award nationally-recognised qualifications in selling and sales management.

The ISSM education department offers endorsement of courses and regulated qualifications. They offer a total of 19 qualifications from a Level 1 Award which is the level of GCSE (grades D-G), to a level 6 Executive Diploma which is the same level (but not size) as a Masters degree.

The Chartered Institute of Marketing (CIM)

The CIM is the leading international body for marketing and business development. It is the world's largest organisation for professional marketers and they play a key role in training, developing and representing the profession. The CIM deliver accredited, practice-based qualifications through their UK and international study centre network, and also offer marketing and sales training courses.

Institute of Commercial Management

ICM is the leading professional body for Commercial and Business Development Managers. It is a fully accredited QCA/Ofqual awarding and examining body for business and management students. The ICM provide qualifications and awards at Certificate, Diploma, Advanced Diploma, Graduate and Postgraduate levels.

London Centre of Marketing

The London Centre of Marketing is an International Awarding Body. They offer Diplomas in Sales and Marketing at Levels 3, 4, 5 and 6.

5.1.3 Possible Progression Routes

In comparison to Marketing, the sales profession is considerably under represented at degree level. Table 3 below shows the Undergraduate and Postgraduate courses available for possible progression routes from a Foundation Degree in Sales Management.

Table 3: Progression Routes for Foundation Degree in Sales Management

Qualification	Institution
BA Retail Management	Bournemouth University Brighton University
MSc Retail Management	Bournemouth University University of Surrey
MSc International Fashion Retailing	University of Manchester
MSc Marketing and Sales Management	London School of Business & Finance
Ma Sales Management	Portsmouth University Huddersfield University

5.2 Development of a Foundation Degree in Sales Management

The following table presents most commonly used units within qualifications from the educational, private and professional bodies.

Table 4: FD Sales Management Content

Consultancy Skills Training Impact & Influence Training Practical Negotiation Skill Major Account Selling Skills (MASS) Sales Management Telephone Technique Writing Proposals Change Management Strategic Management Development	Introduction to Sales Professional Selling skills Live Telephone Selling Ethical Negotiation Account Management High Impact Presentation Essential Selling Skills Telephone Selling Masterclass Advanced Selling Skills
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5.2.1 Foundation Degree in Sales Management at University of Chichester

Table 5 shows the potential content for a Foundation Degree in Sales Management at Chichester University. The majority of these modules have been selected from the current FD Management as well as modules from the Business School. Specific sales modules identified as essential in sales related qualifications from the research have also been included.

Table 5 Potential Content for a Foundation Degree in Sales Management at Chichester

Level 1	Level 2
Introduction to Sales Management Introduction to Marketing (Business and Management) Marketing and Customers (Fd Management) Account Management Skills (Business and Management) The Sales planning process Personal Development Planning (FD Management) Principles and Practice of Selling Marketing Communications	Leadership (Business and Management) Consumer Buyer Behaviour (Business and Management) Leading and Developing Teams (Fd Management) Strategic Sales Management Financial Reporting (Business and Management) Sales Operations Human Resources Management (FD Management) Market Research <u>Optional units</u> <ul style="list-style-type: none"> • Public Sector Selling • Advanced Negotiation

6. Summary of Findings from Market Research

The market research was conducted in two parts. First, an online survey to 105 companies in the south-east of England, in specific sectors and with owner, director and manager job titles in marketing, sales or training. The targeted sectors were:

- Advanced engineering and marine
- Aerospace and Defence
- Environmental & Energy Technologies
- Pharmaceuticals, Life Science and Health Technologies
- ICT and Digital Media
- Financial and Professional Services
- Horticulture

The second part of the market research was a number of telephone interviews with survey recipients who agreed to participate. The aim of the interviews was to take an in depth look at Foundation Degrees, including the preferred methods of delivery and assessment and the content that would be needed to make the course outstanding. The plan was for 30 interviews but only 12 survey respondents made themselves available .

The key findings from the market research were:

6.1 Current training

- Most companies provide training – large companies are more likely to use formal methods
- Only fifty percent use external providers, around half of their training budget is spent with these companies. £3,000.00 is seen as a reasonable annual spend per employee
- Satisfaction with general training is high, but sales management training is an underdeveloped area.

6.2 Future Training Needs

- Interviewees kept coming back to what they regarded as deficiencies in sales teams' performance rather than issues of sales management itself. Often, the interviewees saw little difference between sales and sales management - with sales managers often expected to be in the field with their team, it cannot be segmented in the same way as other management functions.
- In the online survey, more than a third perceived gaps in sales management, which rises significantly when looking just at respondents from larger sales departments. Only a very small percentage would use universities or colleges to fill these gaps.

- 41% thought universities have a role to play in delivering training, however there was negativity towards courses that were too academic.
- Opinions towards accredited degrees were more positive, with the CIM the most well-known professional body, followed by the Institute of Sales and Marketing Management.

6.3 Foundation Degree in Sales Management

- Those that took part in the telephone interviews knew little about Foundation Degrees, seeing them as “unnecessary” and uninteresting.
- Only 9% of online survey respondents were interested in a Foundation Degree in Sales Management at the University of Chichester.
- However, ten out of the twelve interviewees agreed that there was a market for a Foundation Degree in Sales Management, but this was after both Foundation Degrees and current sales management training had been discussed in more detail.
- Where the interviewees commented on the nature of this perceived market, it was emphasised that the course would be most suitable for larger enterprises where a standardised sales and staff promotion structure existed.
- Several respondents emphasised that the University would need to make the course structure and content very clear in its publicity material and to ensure that companies and individuals understood what a Foundation Degree involved.

6.4 Summary

There is little evidence that a Foundation Degree in Sales Management would be a widely successful course. However, there is evidence of a potential requirement if it is short in duration and fills a gap for the larger, more bureaucratic companies in the local area. The following points seem to be important to our interviewees:

- The course will be relatively small, designed in conjunction with a number of key stakeholders, large businesses with local sales presence.
- Sector-specific knowledge transfer is essential, however an open programme is also seen as most beneficial.
- The course must be delivered by those with sales experience so as to give it a practical knowledge, backed up with an academic underpinning.

- The course must touch on general sales and personal skills as well as management skills – psychology and sociology are important components.
- Classroom tuition, residential seminars and work-place assessment must all be part of the offering, while day-release is preferential.
- Exams are not seen as the correct method of assessment, instead essays and case studies are more important
- Current university tuition fees are acceptable, however the course will have to be seen as outstanding to warrant higher levels of fees if they rise from 2012.