Економічні науки

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EFFECTIVE MANAGEMENT OF SALES REPRESENTATIVES: KPI, MOTIVATION AND TRAINING

Summary. *The transformation of market conditions and the increasing complexity of buyer behavior necessitate a radical revision of established practices for managing sales teams. The mere sequential application of KPI systems, schemes of monetary and non-monetary incentives, or training programs can no longer ensure the required level of performance. This study aims to propose and substantiate an integrated model for managing sales representatives that combines the principal management functions—diagnostics, motivation, and development—into a closed, adaptive cycle. The methodological basis of the work is a systematic analysis of scientific publications over recent years in the fields of sales management, organizational psychology, and instructional design, supplemented by statistical data. As a result, the author's Triad of Synergistic Management is proposed, namely a closed system in which the results of in-depth individual diagnostics of a sales representative (based on CRM analytics and competency assessments) serve as the basis for the operational adjustment of personal KPIs, the selection of optimal motivational instruments, and the assignment of targeted training interventions. The implementation of the proposed model can raise the average level of task fulfillment and increase sales velocity (Sales Velocity) compared with the traditional, fragmented approach. Based on the obtained data, it is concluded that the evolution of sales management should be directed toward a shift from static, disparate functions to dynamic, personalized, analytics-based systems capable of ensuring the continuous development and maximum effectiveness of sales teams. The materials presented in this article will be of interest to commercial directors, heads of sales*

departments, HR specialists, and other researchers engaged in improving the effectiveness of sales processes.

Key words: *sales management, sales representatives, key performance indicators (KPI), personnel motivation, sales training, management system, sales effectiveness, CRM analytics, Sales Velocity, adaptive management.*

Introduction. In the context of the transition to a digital economy and the shift from purely transactional forms of interaction to consultative approaches the functions of the sales representative undergo qualitative changes: now the primary indicator of success is not the number of deals closed but the understanding of the client's needs and the ability to offer a comprehensive solution. This evolution reveals a discrepancy between contemporary efficiency requirements and traditional models for managing sales teams in which goal setting (KPI), motivation systems and training activities exist as disparate processes with little correlation. According to Salesforce sales representatives devote only about 28 % of their working time to direct sales while the remaining time is consumed by administrative procedures and low-productivity tasks indicating systemic flaws in current management approaches [11].

The scientific literature notes the insufficiency of holistic methodologies that regard KPI motivation and personnel development as interdependent components of a dynamic management system capable of rapidly adapting to changes in external and internal factors.

The aim of the study is to substantiate and formulate an adaptive integrated model for managing sales representatives that provides a synergistic effect through the coordinated use of assessment tools incentives and training.

The scientific novelty of the work lies in the introduction of the concept of the Triad of Synergetic Management – a cyclical closed-loop system in which data from objective diagnostics of each employee's performance and

competencies automatically serve as the basis for personalized adjustment of all three managerial components.

It is hypothesized that the implementation of this model will lead to a significant and sustainable increase in sales team performance indicators (quota attainment deal velocity conversion) compared to the traditional functionally segmented approach.

Materials and methods. In the literature on salesforce management, materials are consolidated into four interrelated blocks: control and motivation, training and competency development, analytics/AI and the digital architecture of KPIs, as well as industry contexts, each of which sets its own premises for the design of metrics and compensation. In the domain of control and motivation: Rapp A., Beeler L. [6] record a shift in research from purely outcome metrics to behavioral and relational metrics and set an agenda for integrating analytics into sales management. Shin K. S. et al. [13] show the differentiated effects of outcome-, behavior-, and capability-based control on behavior and results, which requires aligning KPIs and bonuses with the type of control. Yun C. [5] demonstrates that pay-for-performance accelerates innovation adoption under certain organizational characteristics. Lussier B., Hartmann N. N., Bolander W. [7] identify the negative effect of emotional exhaustion on ethical behavior and performance, thereby warning of the risks of hard KPIs. Akar A., Sharma G. [14], in a banking context, link the talent funnel to performance and development metrics. Yakubiv V., Poliuk M. [2] substantiate the adaptation of personnel evaluations to the seasonality and technological intensity of the agricultural sector.

The training and development stream insists on the synergy of learning indicators with business outcomes: Sitzmann T., Weinhardt J. M. [10] develop a multilevel model for evaluating training effectiveness (individual—team—organization), where behavior change and unit-level indicators serve as target outcomes. Min K. S., Jung J. M., Ryu K. [8] demonstrate that training in active

listening after service failures increases customer satisfaction, legitimizing the inclusion of behavioral metrics (listening quality, speed of empathic response) in KPIs and coaching; taken together with Lussier B., Hartmann N. N., Bolander W. [7] and Shin K. S. et al. [13], this substantiates the role of the first-line manager as a moderator of workload and an agent of supportive control.

Analytics, AI, and digital architecture serve as the infrastructure for KPIs and motivation: Pai P. F., Liu C. H. [11] show that external signals (Twitter sentiment, stock indices) improve sales forecasting and can serve as leading KPIs for quota setting and lead routing. Nizamuddin M. et al. [12] systematize AI methods (classification, NLP, recommendation) for marketing analytics, thus laying the groundwork for closing the loop between seller behavior and financial outcomes. Engel C. T., Ebel P. [9] advance data-driven service innovations and the necessity of measuring usage and the co-design of solutions, not only revenue. Benavides L. M. C. et al. [3] interpret digital transformation as institutional change, where data architecture and staff competencies determine metric quality. Schmidt R. A., Thiry M. [1] argue for the design of microservices based on DDD/MDE, which simplifies the collection of fine-grained customer journey events and the rapid evolution of KPIs without monolithic releases.

Industry contexts suggest tuning metrics to the structure of markets and supply chains: Tripathi S., Rangarajan K., Talukder B. [4] show that differences among pharmaceutical segments (Rx/OTC; hospital/retail channels) shift the KPI focus from unit sales plans to availability, timeliness, and risk management, and that bonuses should account for cross-functional coordination. Benavides L. M. C. et al. [3], in higher education, highlight engagement and user experience metrics as analogues of sales-type KPIs in service contexts. Akar A., Sharma G. [14] and Yakubiv V., Poliuk M. [2] add HR and appraisal practices, as well as seasonal constraints that influence goal setting for sales teams.

As a result, a compact framework emerges: KPIs should integrate outcome, behavioral, and learning indicators [10, 13]; pay-for-performance is effective

under organizational readiness and supportive leadership [5, 7]; the analytical and architectural base must ensure the rapid incorporation of leading signals and customer journey events into dashboards and bonuses [1, 11, 12]. Tensions concern the trade-off between formal control and well-being [7, 13], the gap between AI capabilities and their embodiment in individual compensation schemes [9, 12], and the shortage of comparative cross-industry studies [4, 14]. Weakly illuminated are the protocols for online stitching of learning indicators with operational KPIs at the level of the individual salesperson, and the managerial mechanisms for translating architectural solutions (microservices, DDD/MDE) into daily behavioral goals and fair bonuses [1, 6].

Results and Discussion. The concept of Triad of Synergetic Management (TSU) is proposed to eliminate the fragmentation of managerial practices. At its core lies a closed managerial cycle, at the center of which is a continuously updated diagnostic profile of the employee, and at the three vertices – the interrelated controllable elements: key performance indicators (KPI), the motivation system and the training program. This model is based on extensive data analysis and is designed for deep integration with major corporate information platforms (CRM, LMS, HRIS) [1, 2].
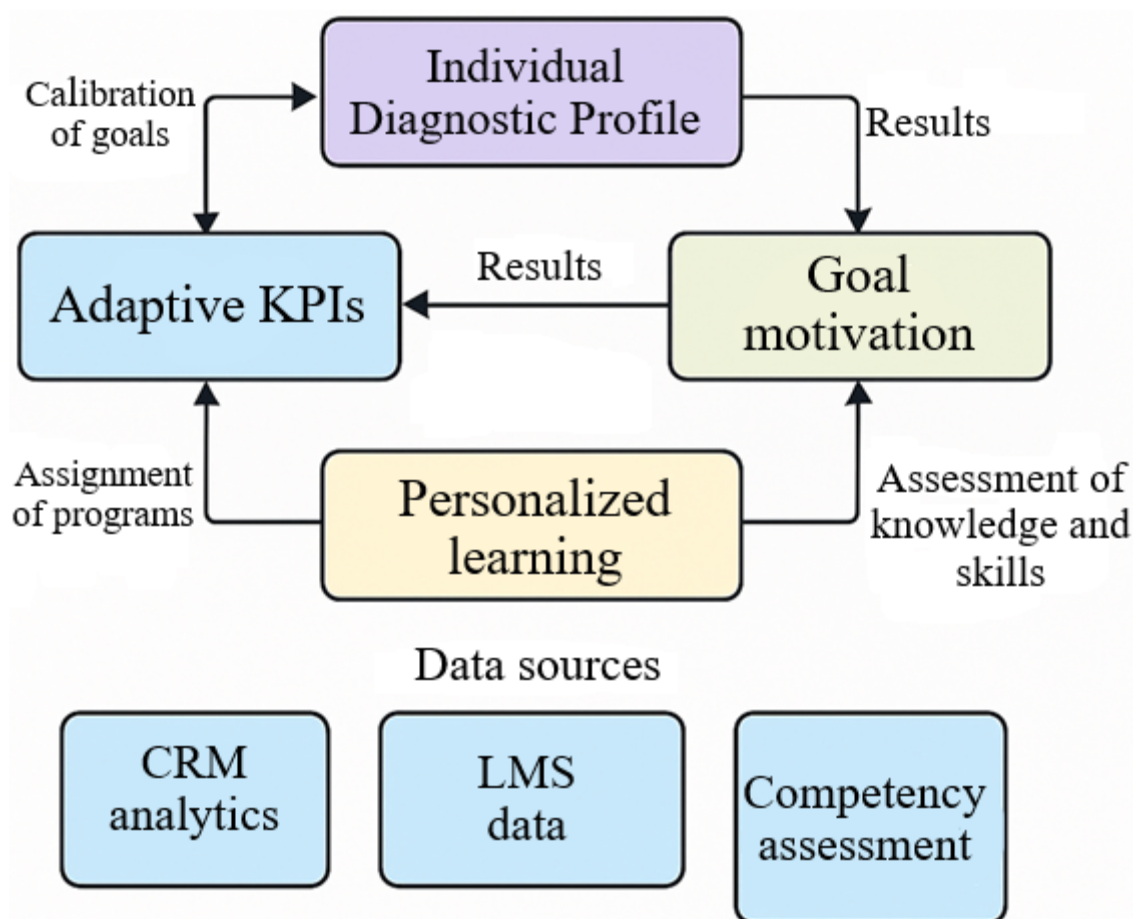
Fig. 1. Model "Triad of synergetic management" (TSM)

Source: compiled by the author based on [1, 2, 5, 6]

As can be observed from Figure 1 the primary component of the system is the individual diagnostic profile which is not limited to a single report but constitutes a continuously updated dashboard aggregating information from multiple sources. Within CRM analytics it records sales funnel parameters average transaction value deal cycle duration activity level and conversion rate at each stage. The competency assessment module displays the results of regular evaluations according to approved models (for example negotiation skills product knowledge and territory management). LMS data encompass information on completed courses test outcomes and time expended on training [5, 14].

On the basis of these data the Triad comprises three interrelated elements. First adaptive KPIs: when performance with the current client base is satisfactory while effectiveness in acquiring new clients is inadequate the coefficient of the

indicator quantity of new active clients may be increased in the subsequent reporting period. Second targeted motivation customized to individual drivers: for specialists demotivated by routine a bonus is introduced for the sale of complex products and for those who value public recognition — intangible incentives are provided in the form of public acknowledgment of a high client satisfaction score (NPS). Third personalized training, in which upon detection of low conversion at the presentation of solution stage the system automatically initiates assignment of a micro course on the relevant topic in the LMS and organization of a coaching session to address deficient skills [3, 4].

To illustrate practical implementation of the model Table 1 presents examples of its application to two sales representatives with different profiles.

Table 1

Application of the TSU Model Based on Diagnostic Profiles

Parameter	Sales representative A (Farmer)	Sales representative B (Hunter)
Diagnostics (CRM analytics and competency assessment)	An exclusively high level of retention of existing clients and a significant average check were identified in conjunction with an evidently insufficient pace of acquiring new deals. Competency development and maintenance of relationships – 5/5, lead generation – 2/5.	A substantial influx of new leads was detected, accompanied by a low conversion rate into deals and a reduced average check. Competency client prospecting and engagement – 5/5, price negotiation – 2/5.
Adaptive KPIs (for the quarter)	Increase in the number of new active clients while necessarily preserving the current retention metric.	Increase in average check and bringing conversion from the proposal stage to the closed deal stage to the level .
Target motivation	Financial reward for each new client beyond the established plan; nonmaterial recognition in the form of the title Best in Territory Development.	Increased commission rate for deals with profitability above the planned level; nonmaterial incentive – the right of first choice of a promising yet unexploited territory.

Personalized training	Automatic assignment in LMS of the course Techniques of cold calling and digital networking and participation in a practical workshop on lead generation.	Assignment in LMS of the module Value based negotiations and objection handling with organization of role playing sessions under the guidance of a coach to develop skills in argumentation and overcoming price objections.

Source: compiled by the author based on [3, 4, 9, 10]

The effectiveness of the sales management system is manifested not only in the growth of key financial indicators but also in the optimization of each stage of the commercial cycle. One of the most substantive integral criteria is the metric Sales Velocity, which characterizes the rate at which a company converts potential opportunities into actual cash inflows.

Concentration of efforts on consultative selling and value-based negotiations contributes to an increase in average transaction value and conversion rate. Refined KPI indicators in combination with targeted professional development programs ensure a reduction in deal cycle duration. Ultimately, the sales velocity metric grows at a rate that substantially outpaces the dynamics of any individual component, thus characterizing the manifestation of a synergistic effect (see figure 2).
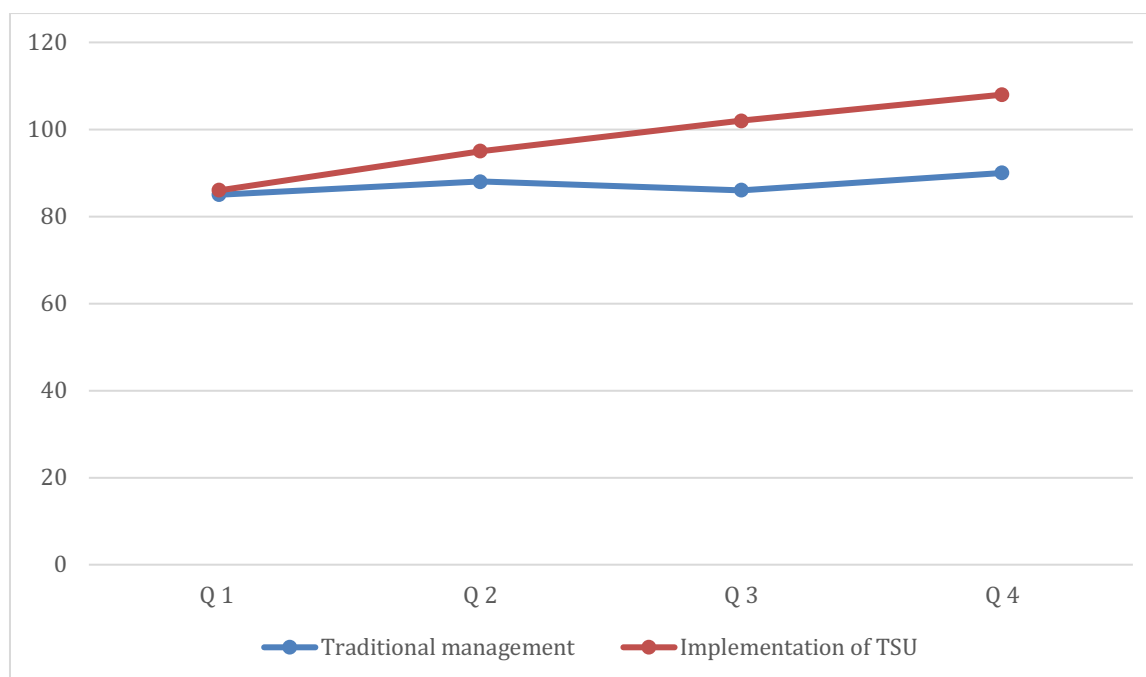
Fig. 2. Comparison of growth in % quota fulfillment (simulation)
Source: compiled by the author based on [6, 7, 8, 11]

Analysis of the obtained data shows that the application of the TSU model transforms sales management from an intuitive and creative practice into a rigorously calibrated engineering discipline grounded in empirical indicators. This approach eliminates the principal problem of contemporary commercial units—the misalignment of corporate strategy with the daily actions of sales representatives. Instead of template trainings and a uniform motivation system for the entire staff, the organization acquires the capability for deeply targeted, personalized interventions that maximally correspond to the profile and needs of each employee [12, 13]. This not only elevates the efficiency level but also strengthens employee engagement, reducing turnover because employees clearly understand that the company is investing in their individual professional development. The implementation of the TSU imposes heightened requirements on the maturity of the IT landscape and the corporate management culture; however, the potential effect from increased effectiveness greatly exceeds the initial costs.

Conclusion. Analysis of existing practices revealed that fragmented functional approaches to the formation of KPIs, incentivization, and staff training do not provide the required adaptivity, individualization, and responsiveness necessary in modern consultative sales under conditions of intense competition. To avoid these shortcomings, the author proposes the concept Triad of Synergetic Management (TSM), within which all three managerial links are combined into a closed, data-analytics-based cycle.

The conclusion of the study is the establishment of the fact that synergy is achieved through dynamic coordination: information obtained during individual diagnostics serves as the basis for the continuous revision of personal KPIs, selection of optimal motivational stimuli, and formation of targeted educational programs. The integration of these three elements leads not only to the improvement of individual indicators, but also to a profound enhancement of the entire sales process, which is reflected in a significant increase of the composite metric Sales Velocity. Prospects for further research include the development of a methodology for the quantitative assessment of the contribution of each component of the triad to the final result, as well as the study of best practices for implementing similar systems in companies of different scales and industry specifics.

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