

A PROFILE OF BRITISH COLUMBIA SALES MANAGERS

by

GEORGE HENRY ABBOTT

B.Comm., University of Saskatchewan, 1956

A THESIS SUBMITTED IN PARTIAL FULFILMENT OF
THE REQUIREMENTS FOR THE DEGREE OF
MASTER OF BUSINESS ADMINISTRATION

in the Department

of

Commerce and Business Administration

We accept this thesis as conforming to the
required standard

THE UNIVERSITY OF BRITISH COLUMBIA

April, 1969

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Department of Commerce and Business Administration

The University of British Columbia
Vancouver 8, B.C., Canada

Date April 25/1969

ABSTRACT

The purpose of this thesis was to develop a profile of the typical British Columbia sales executive; his background, his present personal and business status, his duties and responsibilities, and his aspirations.

The thesis also examines characteristics of the companies for which the sales managers worked. These characteristics include: the type of goods sold, size in terms of gross sales, growth prospects, and the standardization of certain procedures such as salesmen evaluation and job descriptions.

Certain areas were developed to compare individual sales executive statistics and company statistics with a similar study undertaken in 1960. This identified changes which took place and trends which are developing.

The investigation was essentially statistical and the data gathered was obtained through the use of an involved questionnaire. The questionnaire was mailed to sales executives of public companies which had sales offices in British Columbia. The cooperation of the respondents was most satisfactory and resulted in a questionnaire return of over 68 percent.

The average sales executive of the study was 45 years old, and employed in a branch office of a consumer goods company whose aggregate sales were over \$15,000,000. He was born in an urban area of well educated white collar parents. He is much better

educated than the average Canadian.

Although this thesis concludes that the level of formal education has very little bearing on level of income, it does establish that education is becoming a more important factor in the selection and promotion of sales executives.

Average incomes were relatively high, averaging about \$15,000 including bonuses and commissions. The vast majority of sales managers were married and had somewhat larger families than the Canadian average. They owned their homes and valued them well in excess of the British Columbia average.

The study indicated a disproportionate increase in incomes of these sales managers as compared to the 1960 study. There are indications that there has been an upgrading of personnel which has consequently led to the higher income levels.

The companies involved in this study posted a rapid rate of growth over the six year period. Sales volume expanded dramatically. The proportion of branch offices increased and over 20 percent of the branch office respondents were in positions created within the previous five years.

Almost one half of the respondents were involved with the training of new salesmen. Less than one third of the companies maintained a formal programme for this function. Formal salesmen evaluation systems were standard procedure in slightly over one half of the companies, and job descriptions for sales managers and salesmen were the rule rather than the exception.

The typical sales executive was involved in a wide range of activities but found directing the sales force, training salesmen, and personal selling the most time consuming as well as the most important of his responsibilities. He has a wider direct span of control than his 1960 counterpart but conversely has responsibility for fewer indirect and non-sales staff.

Despite the higher than average educational level for the group as a whole, the average sales manager did not have a university education and began his career in his late teens. He has been quite stable in terms of inter-company changes as his experience has been largely gained with his present employer.

All indications are that the typical sales manager has achieved his present position through promotions in the sales end of the business.

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ACKNOWLEDGMENTS

The writer acknowledges the help of the people who made this study possible.

Mr. James B. Warren, Chairman of the Marketing Division of the Faculty of Commerce and Business Administration was the thesis advisor and was instrumental in the choice of this work. He provided the patient direction and encouragement needed to complete the task.

Mr. A. Fowler and Miss G. Starky of the U.B.C. Computing Centre were extremely helpful in programming and processing the data.

Special thanks are due the respondents who gave their time to the questionnaire and without whose cooperation the study could not have been carried out.

CHAPTER I

INTRODUCTION

In the exciting changing world of business the nature of sales management is changing. There has been increased interest in the role of marketing management within the business enterprise. An awareness of the need for greater customer orientation has led business firms to adopt the "marketing concept" and recognize the need to adjust to their changing environments.

Although advertising, publicity and sales promotion seem relatively more important to the layman because of their almost overwhelming visual impact, for most firms personal selling represents the major element of their programme. Personal contact has always been the major means of bringing buyer and seller together in the market place. The success of the selling operation - which determines the success of the firm - depends significantly on the effectiveness of its salesmen. The effectiveness of the firm's salesmen depends on the effectiveness of their managers.

The salesman's primary responsibility is generating sales revenue but today's salesman is likely to perform many other marketing functions including product and technical service for his customers. Our economy has evolved from a seller's market through the "hard sell" market, typical of the years when the vast quantities of products

coming off the production lines had to be moved, to the buyer's market of today where customers demand that the salesman help them define and solve a wide range of problems.

The broadening responsibility of salesmen has placed new and more demanding responsibilities on the sales manager. No longer can yesterday's "supersalesman" be expected to have the training and talent necessary to carry out the new demands placed on him. The role of the sales executive, both at home office and in the field, is more important and more demanding than ever before. Moreover, it is changing and becoming even more demanding. The focus is no longer limited to selling, recruiting and training - it now includes broad responsibilities in the company's marketing programme, its market research, promotion, product and customer development. In many cases the increasing importance of the sales executive has been reflected in his title; Vice President of Sales, Vice President in Charge of Marketing, or perhaps as this thesis will show, Marketing Manager.

There has been a great deal written about the small group of powerful leaders who order and control great business hierarchies; chairmen of the board, presidents, vice presidents who compose top management. These writings have studied executive development,¹ the activities

¹What Makes An Executive? Report of a Round Table on Executive Potential and Performance: New York, Columbia University Press, 1955.

of top management,² and the careers of business leaders and the forces that made them leaders.³

However, there is a real lack of writings and studies on the men below these levels, the men who report directly to the top men, the men who are actively involved in seeing that the orders and directives are carried out. These are the men this thesis focuses its attention on. More particularly, this study is concerned with British Columbia sales executives. It presents the findings of extensive research in a broad spectrum of sales executives' backgrounds, the companies they work for, their job opportunities and responsibilities, and their personal achievements.

The careers of sales executives, their private lives, and what they are thought to be, have become the material of legend and modern theatre. The popular mind has transformed them into symbols and stereotypes. Contemporary novels sometimes describe what these men are believed to be as persons; the hail-fellow, well-met who does all his business on the golf course or in the cocktail lounge; the sales manager whose concern for his salesmen is limited to the sales volume they can generate.

This thesis will be directed toward presenting an objective

²Warner, L.W. and Abegglen, J., Big Business Leaders in America, Harper Brothers, New York, 1955.

³Randal, Clarence B., The Executive in Transition, McGraw Hill Book Company, New York, 1967.

view applicable to today. It attempts to provide an insight into the type of person who is a sales executive today and provide meaning to the term "sales executive."

I. PURPOSES OF THE STUDY

This thesis generally discusses the background of British Columbia sales executives. Specifically, it has the following objectives:

1. To present a profile of the typical B.C. sales executive; his background, his present personal and business status, and his duties and responsibilities.
2. To present characteristics of the companies the sales executives work for; their size, types of goods sold, growth prospects, and the extent to which they have formalized essential areas such as job descriptions and salesmen evaluation.
3. To make significant comparisons with a similar study conducted in 1960 and with the findings of other studies and writings in applicable areas.
4. To give meaning to the term "sales executive" and a full understanding of its significance, both economically and socially.
5. To inform and warn British Columbia companies, as distinct from out-of-province based companies, that they are not

taking full advantage of British Columbia's rapid growth and expanding opportunities.

In fulfilling these objectives the study will provide answers to questions of the following nature: What are the education and experience qualifications for achieving sales executive positions? Are there significant differences among industries and among firms in the same industry but of different size? Are there any particular types of individual backgrounds that predominate in today's sales executives? Does there appear to be any particular characteristics of a positive nature that can be identified and considered in evaluating potential candidates for sales executive positions? These questions and many others will be considered in depth in the establishment of the typical profile of sales executives in British Columbia.

II. IMPORTANCE OF THE STUDY

This study is important because, at present, the knowledge of sales executive development has been inadequate to offer clear-cut answers to the questions with which this field has been filled, particularly in an area such as British Columbia where most of our major development is yet to come and where, for the most part, decisions and choices of existing sales executive personnel have been made by managements far removed from the local scene.

Naturally, the best this study can do is draw tentative conclusions that will provide a basis for evaluating current practices in sales executive development and at the same time prepare a

foundation for further research.

The results of this study should be of value to new firms setting up sales organizations in British Columbia and to existing firms considering change or expansion. It is also hoped that certain guidelines can be established for the selection of the right individuals to ensure as much as possible, the success of programmes. Certainly, this study will serve to establish the sales executive as a professional and his position as one vitally important to the success of any company.

III. SCOPE OF THE STUDY

This study began in 1966 when questionnaires were mailed to a group of sales executives in British Columbia. The questionnaire was designed to help provide an understanding of the position "sales executive" and the man who holds that position. Where possible, results are compared with a similar study undertaken through the Faculty of Commerce and Business Administration, University of British Columbia by H.D. Butterworth in 1960.⁴

This study is based, in large part, on the study undertaken by Mr. Butterworth. Much of the value of this study lies in determining whether or not significant changes have taken place during the interim

⁴H. Douglas Butterworth, "A Profile of the Typical British Columbia Sales Manager," A Graduating Essay presented to the Faculty of Commerce and Business Administration, University of British Columbia, 1960.

period. Some interesting new data for evaluation and analysis have also been obtained. In addition, although the comparisons may not be particularly valid, the findings of a number of American publication and Industry association sponsored studies will be presented where applicable.

The questionnaires were mailed to 214 sales managers or persons of equivalent responsibility in British Columbia. The response was extremely high; 146 responses out of 214 responses solicited, a return of over 68 percent.

The companies selected for this thesis were "Industrials" which were listed in the Financial Post Survey of Industrials - 1966.⁵

These included companies and their subsidiaries in the following classifications:

1. Beverage companies.
2. Chemical and allied product companies.
3. Construction companies.
4. Electrical equipment companies.
5. Foodstuff companies.
6. Iron and steel companies.
7. Merchandising companies.
8. Milling and grain companies.
9. Non-ferrous metal companies.
10. Oil and pipeline companies.
11. Pulp and paper companies.
12. Textile companies.
13. Transportation companies.

A. DEFINITIONS OF TERMS USED IN THE STUDY

For the purpose of this study the preceding classifications

⁵The Financial Post Survey of Industrials - 1966, Mclean Hunter, Toronto, 1966.

of companies have been grouped under the following four major classifications. These classifications generally classify the companies by principle types of products sold.

1. Consumer Goods
Those goods intended for household or personal use of the ultimate consumer.
2. Industrial Goods
Those goods destined for use in producing other goods or services.
3. Combination Consumer Goods and Industrial Goods
Those goods sold by companies serving both the industrial and consumer markets. (Throughout this report this classification will be referred to as simply "combination goods.")
4. Service Industry
Services rather than products, such as offered by transportation companies, dry cleaners, etc.

Other terms which will be used and which help to establish the frame of reference of this study follow.

5. Executive
An "executive" is a relatively high member of the management family whose work is largely in the area of decision making and policy formulation. His capacity is such that his judgement, perspective, and skill in properly delegating responsibility will weigh heavily in the long term success or failure of the business.⁶
6. Occupational Succession
Occupational succession is the ordered process⁷ by which individuals succeed each other in occupations.

⁶Leland Doan, Executive Life, Doubleday and Company, Inc., Garden City, New York, 1956, p. 19.

⁷W.L. Warner and J.C. Abegglen, Occupational Mobility in Business and Industry, Minneapolis, University of Minnesota Press, 1952, p. 4.

7. Productivity

The ratio of the respondents to the total sample divided by the ratio of the same criteria to the total Canadian population for the time period under consideration.⁸

8. Sales Manager

The executive responsible for the planning, direction, and control of the selling activities of a business organization, especially the activities of the salesmen themselves.⁹

9. B.C.

The term British Columbia is used repeatedly throughout the study. For the purposes of brevity and layout, the abbreviation B.C. will be used when necessary or when repetition is too great.

B. LIMITATIONS OF THE STUDY

This thesis is concerned with British Columbia sales executives only. There is no attempt to expand the findings to a Canada-wide basis even though many of the firms included in the survey have head offices outside British Columbia. There are two basic reasons for this limitation; the fact that a Canada-wide survey would have been too large an undertaking, and secondly, it was felt that British Columbia sales executives could very well differ in many characteristics from sales executives in other parts of Canada. These differences would probably arise as a result of the desirable living conditions in British Columbia which tends to influence the choice of many people

⁸F.W. Taussig and C.S. Joslyn, American Business Leaders, The MacMillan Company, New York, 1932, p. 84 and H.D. Butterworth, op. cit., p. 6.

⁹D.J. Clark and B.A. Gottfried, Dictionary of Business and Finance, New York, Cromwell, 1957, p. 312.

in their career decisions. The author knows several people personally who have taken lesser positions to come to British Columbia and who have passed up or given up better positions in order to remain in, or come back to, British Columbia.¹⁰

The study has a built in limitation in the sample selection which was restricted to firms listed in the Financial Post Survey of Industrials. This was a deliberate decision in order to eliminate the majority of smaller firms which exist in British Columbia and which would tend to bias the results. Unfortunately, this method also eliminated very large firms from the survey; firms which operate in British Columbia but which do not have their shares traded on the Canadian Stock Exchanges and consequently do not appear in the Financial Post Survey.

Other limitations of the study are as follows:

1. This is primarily a statistical summary. No attempt was made to interview the respondents personally, or in depth, to determine the "whys" of the findings. The factual data provides a basis for interpretation by the writer. This will raise the possibility of controversy.
2. Generally, mail questionnaires have a low response due to lack of interest or because the questionnaire did not arrive on the intended respondent's desk. This was overcome by addressing the questionnaire personally to the

¹⁰For a very interesting discussion on the attractiveness and lure of the British Columbia environment, see Pat Annesley's special report, "Everything's Sliding Into B.C.," Marketing, March 10, 1969, pp. 20-24. p. 30.

to the named recipient and including a covering letter which will be discussed in Chapter II.

3. The questionnaire was long and required a considerable effort on the part of the respondent to answer fully. Those who took the time may or may not be representative of the universe, however, this is considered unlikely due to the high response.
4. "No replies" were not considered serious enough in any question to invalidate the entire questionnaire. As a result, there are a number of these recorded throughout the study. The number of non-replies, in no case, are large enough to cast any doubts on the overall findings. Non-replies are typically less than two percent in any individual tabular presentation. In bivariate tables it is possible to have non-replies in one or two questionnaires in the vertical classification and non-replies in additional questionnaires in the horizontal classification. Where this happens, all the offending questionnaires are eliminated from the presentation (as many as four in some cases), and the calculations based on the remaining questionnaires.

IV. ORGANIZATION OF THE REST OF THE THESIS

The remainder of the thesis is organized in the following manner. Chapter II will be devoted to the questionnaire used in

the study along with a full explanation of the questionnaire itself and the procedures involved. Chapter III will deal with the characteristics of the individual respondents and develop a personal profile of the typical sales executive. Each area in this chapter will be preceded by a short synopsis which expresses the typical characteristics of the sample as a whole. Where the results between the four major classifications differ significantly, further discussion will be presented so that meaningful comparisons can be made. This chapter will also present data where it appears that significant changes have taken place in comparison with Mr. Butterworth's 1960 study.

Chapter IV will deal with the characteristics of the companies involved in this study. Growth characteristics, sales volumes, and formalization of selected procedures will be presented and discussed. Particular emphasis will be placed on comparisons with the 1960 company data in order to demonstrate the rapid growth characteristic of this period.

Chapter V is concerned with the business activities and responsibilities of British Columbia sales executives, their job titles, to whom responsible, spans of control, and actual job responsibilities.

Chapter VI involves itself with the career patterns of the respondents to date and speculates on the future prospects of these respondents. It discusses job patterns, company and job mobility,

the influence of various factors such as education and social origin on their achievement times, and closes with considered opinions on their future promotional prospects and the prospects of future sales executives.

Chapter VII deals with the respondents' incomes and the form of their income. This chapter also critically analyzes some of the factors normally expected to influence income.

Chapter VIII, the concluding chapter, summarizes the findings of Chapters III to VII and presents a final look at the profile of the typical British Columbia sales executive today.

CHAPTER II

THE QUESTIONNAIRE AND SAMPLE DESIGN

I. INTRODUCTION

The typical B.C. sales executive is 45 years old, earns \$15,000 per year, and is employed by a company selling consumer goods. He owns his own home and has 2.4 children.

The above data are essentially statistical averages. There is no one of the respondents who matches the statistical averages exactly, and there are many who vary from the norms established, but there are some characteristics which hold generally true for sales executives in British Columbia. The questionnaire used in this study was designed to identify those characteristics. A brief explanation of the questionnaire follows.

II. THE QUESTIONNAIRE

The questionnaire was six pages long and contained 39 individual questions.¹¹ It was divided into six parts: Classification Data, Social Origins, Formal Educational Background, Career Pattern, Present Status, and Duties and Responsibilities. A brief explanation of each of these sections and the questions contained will be presented here.

¹¹The complete questionnaire is reproduced in Appendix A, pages 172 to 180. The questionnaire was based on the 27 questions of Butterworth's study and; Warner and Abegglen, op. cit., pp. 242-245, and Tausig and Joslyn, op. cit., p. 14.

Classification Data.

This section was designed to establish the characteristics of the respondent's company, type of goods sold, size of company, and whether it was a branch or head office operation. This section also indicates the age classification of the respondent.

Social Origin.

Questions on place and size of place of birth, occupation of the respondent's father, size of the family group, and the respondent's hobbies as a teenager were included in this section.

Formal Educational Background.

This section contained specific questions to determine the level of education received, means of financing university education, and subject matter considered most useful in the respondent's career.

Career Pattern.

Included in this section was a request for a complete job history of the respondent. The questions also sought answers to inter- and intra- company changes, length of service in present company, number of years in present position, and types of positions held, etc..

Present Status.

Examples of questions asked in this section which established the present status of the sales executive today were: Is he married? How many children does he have? Does he own his own home and what

value does he place on it? What is his income?

Duties and Responsibilities.

This is the final section. An attempt was made to determine the present duties and responsibilities of the respondent. Typical questions were: What does the sales executive do? What is his title? Where will the next step in his career take him? How much time away from home does his job require of him?

III. SELECTION OF THE SAMPLE

The questionnaire was mailed to 214 sales managers or persons of equivalent responsibility in British Columbia. The original mailing list was compiled by cross checking all the industrial firms listed in the Financial Post Survey with the telephone directories of the major British Columbia centers. This identified the firms which had offices in British Columbia.

The next step was to insure that those firms which received a questionnaire had a local sales organization within the frame of reference of this study. This was accomplished by checking the list of firms that had been obtained at this point with Contacts Business Reference Book.¹²

¹²This is a publication and service of Contacts Influential International Incorporated. This very comprehensive publication is continually updated and is available to business firms on a subscription basis or through the Vancouver Public Library.

In many instances this publication indicated that certain firms should be eliminated because they did not have an acceptable sales organization. In a great number of instances it also identified the holders of various positions within the company. Where doubt still existed or where the names of executives who should receive the questionnaire were still unknown, a telephone call to the firm in question was made. A few brief questions to the receptionist were usually all that was required. This procedure was well worth the effort for it insured that almost all of the questionnaires returned were usable. In fact, only two of the responses were discarded because they did not fit the original frame of reference.

The questionnaire was long. It would require a major effort on the part of a busy recipient to take the time to fill it out fully and carefully. Normally, one would expect a very poor return under these circumstances. To overcome this inertia a covering letter was sent with the questionnaire.¹³ This covering letter was sent out under the signature of Professor J.B. Warren, Chairman of the Marketing Division of the Faculty of Commerce and Business Administration of the University of British Columbia. This letter added prestige and importance to the questionnaire.

While explaining the importance of the study, the covering letter also included a promise to send a summary of the findings to all

¹³For the complete text of the letter see Appendix A, page 172.

recipients of the questionnaire.

The final effort made to ensure a good response was a personal telephone contact. Approximately three weeks after the questionnaire was mailed, each of the intended recipients was phoned to confirm that they had received the questionnaire. If by some chance the questionnaire had not been received, permission to send a duplicate was requested. Those who had answered the questionnaire were thanked while those who had not answered were asked if they would take the time. This final effort helped increase the returns as was evident from returns after the telephone follow-up.

During the telephone follow-up it was discovered that in a number of cases the named recipient was no longer with the company or had been transferred. The new holder of that position usually expressed interest and willingness to cooperate and a new questionnaire was mailed.¹⁴ This follow-up was important because it increased returns by several percentage points and also insured that the summaries would go to the proper individuals. In several cases it also eliminated some firms or offices from the study due to changed conditions such as the closing of an office or a company reorganization that eliminated the position.

¹⁴Additional questionnaires (as a result of this situation) and duplicate questionnaires, where for some reason the original had not been received or was misplaced, were not added to the total figure of questionnaires mailed.

CHAPTER III

A PERSONAL PROFILE OF THE TYPICAL BRITISH COLUMBIA

SALES EXECUTIVE

I. PURPOSE

It is the purpose of this chapter to present the basic characteristics that will present a personal profile of the typical British Columbia sales executive today. Many of the basic findings presented in this chapter will be used as control data throughout the rest of the thesis. In addition, comparisons will be made with the personal characteristics of Mr. Butterworth's typical sales executive of 1960 wherever significant changes in the character of the respondent's seems to have taken place. Comparisons will also be made between the four groups of respondents representing the four different classifications of companies included in this study.

II. BASIC CHARACTERISTICS

The typical B.C. sales executive is 45 years old. He is employed by a consumer goods company in a branch office of his company. The annual sales of his company are over \$15,000,000 while the sales of the branch for which he is responsible are under \$5,000,000.

Type of Company and Type of Office

The 146 respondents were classified into four groups depending

on the principle type of products with which they were involved. These four groups were: consumer goods, industrial goods, a combination of consumer and industrial goods, and services. Table I presents the numerical and percentage response in these four categories. This table also classifies the respondents as head office or branch office sales executives.

TABLE I
DISTRIBUTION OF RESPONDENTS BY PRINCIPLE TYPE OF
GOODS SOLD AND BY OFFICE TYPE

PRODUCT TYPE	Total Response		OFFICE TYPE			
			HEAD		BRANCH	
	No.	%	No.	%	No.	%
Consumer	48	32.9	12	25.0	36	75.0
Industrial	43	29.5	7	16.3	36	83.7
Combination	41	28.0	8	19.5	33	80.5
Service	14	9.6	8	57.1	6	42.9
Totals	146	100.0	35	24.0	111	76.0

The number of responses from the "goods" sales executives (as distinct from services) were fairly evenly distributed. Consumer goods, industrial, and combination respondents accounted for approximately 33 percent, 30 percent, and 28 percent of the total responses respectively, while service industry responses accounted for less than 10 percent. Assuming that approximately one half of the combination group of respondents are involved with consumer goods it becomes readily

apparent that consumer sales dominate in this study.

Table I also demonstrates that branch office sales executives outnumber head office executives by better than three to one. This would appear reasonable considering B.C.'s relative youth in Canada's industrial development. The branch office operations are primarily branches of Eastern Canadian companies. The service industry presents a reversal from the general trend with head office responses slightly outnumbering branch office responses. It would seem that the larger companies headquartered outside British Columbia have taken considerably less interest in the areas covered by service than they have taken in industrial and consumer sales. However, Chapter IV will introduce this subject again and will demonstrate that even in the service industry growth prospects are attracting more and more of the larger eastern companies.

Age

The respondents were grouped into five age categories which are presented in Table II. It will be noted that the bulk of the respondents fall into the 40 to 49 age grouping and that if the average age of the respondents were calculated it would fall into the same grouping; approximately 45 years of age. It is readily determined that over 71 percent of the respondents are over 40 years of age.

The average age of 45 indicates that experience plays a major role in achieving sales executive positions. Forty-four percent of

the respondents were in the modal class of 40 to 49 and 27 percent were aged fifty or more.

TABLE II
DISTRIBUTION OF RESPONDENTS BY AGE

AGE	NUMBER	PERCENTAGE
Under 30	1	.7
30 - 34	12	8.2
35 - 39	29	19.9
40 - 49	64	43.8
50 and over	40	27.4
Totals	146	100.0

The B.C. based companies' sales executives were older than their out-of-province counterparts. This is established in Tables III and IV where the respondents' ages are classified by office type and by company type. Note that in Table III, 37.1 percent of the head office sales executives are aged fifty or more while only 24.3 percent of the branch office respondents were in this age group.

Table III establishes the fact that sales executives of British Columbia based companies are older than their counterparts in out-of-province companies. Table IV confirms this conclusion by classifying the responses by company type. Here it will be noted that the industrial classification which has the highest percentage of branch offices (see Table I) has

TABLE III

PERCENTAGE DISTRIBUTION OF RESPONDENTS'
AGES CLASSIFIED BY OFFICE TYPE

AGE	OFFICE TYPE	
	Head Office %	Branch Office %
Under 30	.0	.9
30 - 39	25.8	28.8
40 - 49	37.1	46.0
50 and over	37.1	24.3
Totals	100.0	100.0

TABLE IV

PERCENTAGE DISTRIBUTION OF RESPONDENTS'
AGES CLASSIFIED BY COMPANY TYPE

AGE	COMPANY TYPE			
	Consumer %	Industrial %	Combination %	Service %
Under 30	.0	2.3	.0	.0
30 - 39	27.1	27.9	29.3	28.6
40 - 49	41.7	48.8	43.9	35.7
50 and over	31.2	21.0	26.8	35.7
Totals	100.0	100.0	100.0	100.0

the lowest percentage (21 percent) of respondents over fifty years of age. Combination goods, with the second highest incidence of branch offices, follows the pattern set with the second lowest percentage (26.8 percent) of respondents over fifty. The same pattern holds true for consumer goods and service companies, in that order.

The immediate question which is raised is: Why, in a young, dynamic province such as British Columbia, should the sales executives of home grown companies be demonstrably older than the sales executives of companies which are established elsewhere? Perhaps it is because most firms have a tendency to test their personnel in branch offices and move them into head office positions after gaining experience and demonstrating their ability to handle the added responsibility of head office decisions. However, it is not felt that this adequately explains the situation. It is a hypothesis of this thesis that British Columbia companies are lagging in their efforts to capitalize on the tremendous potential of B.C. and that the above observations are only the first of several confirming observations which will be presented throughout the thesis.

Apart from this question there are other observations.

The B.C. sales executive tends to be older than his counterparts in the United States. Printers Ink reports that the average United States sales executive is likely to be in his late thirties or early forties with the median age falling in the 35 to 44 age bracket.¹⁵

¹⁵"How Average is the Average U.S. Sales Executive," Chicago

Industrial Marketing found the average industrial sales manager was almost 42 years old,¹⁶ while Sales Management found the typical sales executive with his 45th birthday almost on him.¹⁷

Size of Company

Several criteria could have been used to determine the size of the respondent's company such as capital assets, total assets, number of employees, and share of market. It was felt however, that total annual sales would be the most useful measure as well as probably being the one measure that most respondents would have easy access to. Table V presents the total distribution of responses in terms of total annual sales.

Almost 35 percent of the responses were in the \$50,000,000 and over sales classification. An addition 24 percent of the responses indicated sales of over \$15,000,000 so that almost 60 percent of the respondents worked for companies whose annual sales were over \$15,000,000.

Since over 75 percent of the respondents worked in branch offices of their companies, a look at the sales volume recorded for branch offices is in order. Table VI presents the annual sales volumes

Survey, Printers Ink, v. 267 (April 17, 1959), p.94.

¹⁶H. Jay Bullen, "An Intimate Look at Today's Industrial Sales Manager," Special Report, Industrial Marketing, v. 45 (November, 1960), p. 42.

¹⁷P. Salisbury, "Profile of the Typical Sales Executive," Sales Management, v. 84 (February 19, 1960), p. 33.

TABLE V
DISTRIBUTION OF RESPONSES BY TOTAL COMPANY
DOLLAR SALES VOLUME

TOTAL ANNUAL SALES \$	NUMBER	PERCENT
Less than 1,000,000	4	2.7
1,000,000 - 4,999,999	19	13.0
5,000,000 - 14,999,999	34	23.3
15,000,000 - 49,999,999	35	24.0
50,000,000 and over	51	34.9
No reply	3	2.1
Totals	<u>146</u>	<u>100.0</u>

TABLE VI
DISTRIBUTION OF BRANCH OFFICE ANNUAL
DOLLAR SALES VOLUME

BRANCH ANNUAL SALES \$	NUMBER	PERCENT
Less than 250,000	4	3.6
250,000 - 999,999	17	15.3
1,000,000 - 4,999,999	49	44.1
5,000,000 and over	39	35.1
No reply	2	1.9
Totals	<u>111</u>	<u>100.0</u>

indicated by the branch office respondents for their respective branches.

Sixty three percent of the responses indicated sales volume of under \$5,000,000. The modal class was \$1,000,000 to \$4,999,999 with 44 percent of branch office responses.

Thirty-five of the respondents were in head offices of their companies. These are B.C. based companies. Table VII presents the annual sales of these locally based companies. A comparison of this table with Table V on page 26 readily demonstrates that B.C. based companies are generally not as large as their out-of-province counterparts.

TABLE VII

DISTRIBUTION OF HEAD OFFICE ANNUAL DOLLAR SALES VOLUME
(BRITISH COLUMBIA BASED COMPANIES)

HEAD OFFICE ANNUAL SALES \$	NUMBER	PERCENT
Less than \$1,000,000	2	5.7
1,000,000 - 4,999,999	9	25.8
5,000,000 - 14,999,999	12	34.3
15,000,000 - 49,999,999	6	17.1
50,000,000 and over	6	17.1
Totals	35	100.0

Age Comparisons

That age and experience play a major role in achieving sales

executive positions has been firmly demonstrated. The only significant variation between the 1966 and the 1960 results is a slightly greater emphasis on under 30 respondents in the 1960 study, which recorded 3.6 percent compared to the 1966 results of less than one percent. This was balanced by a lower percentage of 1966 respondents in the 30 to 39 age category. More significantly however, it was found that the head office respondents of the current study are considerably older than the comparable respondents of the 1960 study. This is demonstrated in the following figures:

	<u>1960</u>	<u>1966</u>
Respondents under 40	22.9%	25.8%
40 - 49	51.5%	37.1%
50 and over	25.6%	37.1%

The average age of all respondents has remained very much the same over the six year period and so it is difficult to determine whether or not age is a more important determinant in achieving sales executive positions now than it was in 1960. It is also difficult to determine what part ability plays in this achievement other than to say that ability and experience are closely related. But, it does seem evident that the out-of-province companies are more inclined to give responsibility to the younger man while the B.C. based company is more inclined to reward age. When B.C. based companies compound this situation with an ever increasing dependence on age and experience in sales executive promotions, as was just demonstrated, it behooves them to recognize the pitfalls.

III. SOCIAL ORIGINS OF BRITISH COLUMBIA

SALES EXECUTIVES

The typical B.C. sales executive was born in Canada in an urban area. His father was a white collar worker and had attained a higher level of education than the average Canadian.

Regions of Birth

As would be expected the majority of respondents were born in Canada: 80.1 percent. The balance were almost entirely of United Kingdom origin. There was a significant drop in United States born respondents in comparison to the 1960 study. In that study nine percent of the respondents were United States born. The current study revealed only slightly over one percent United States born respondents while the Canadian proportion remained relatively the same and the difference was made up by a substantial increase in United Kingdom born respondents. Table VIII presents region of birth data and compares the recent results with those of the 1960 study.

Why was there such a large decrease in the proportion of United States born respondents? This is probably explained by United States companies putting more emphasis on staffing with Canadian nationals, a trend which has been evident in a number of larger companies. In addition, there has been a large influx of United Kingdom immigration since World War II which would account for the rising proportion of sales executives born in the United Kingdom.

TABLE VIII

DISTRIBUTION OF RESPONDENTS BY COUNTRY OF BIRTH
AND PROVINCE OF BIRTH - 1966 and 1960

COUNTRY OF BIRTH	No.	1966 STUDY %	1960 STUDY %
Canada	117	80.1	82.0
United States	2	1.4	9.0
Other	27	18.5	9.0
	<u>117</u>	<u>100.0</u>	<u>100.0</u>
Totals	117	100.0	100.0
PROVINCE OF BIRTH	No.	1966 STUDY %	1960 STUDY %
British Columbia	37	31.6	34.4
Alberta	15	12.8	16.7
Saskatchewan	14	12.0	8.9
Manitoba	15	12.8	12.2
Ontario	27	23.1	21.1
Quebec	4	3.4	5.6
Maritimes	2	1.7	1.1
No reply	3	2.6	
	<u>117</u>	<u>100.0</u>	<u>100.0</u>
Totals	117	100.0	100.0

An interesting aspect uncovered in the study concerns the rising proportion of United Kingdom born respondents. Eighteen percent of the sales executives were born in the United Kingdom while the 1960 census indicates that only 5.3 percent of Canada's population at that time were born in the British Isles.¹⁸

This high productivity of the United Kingdom in providing sales executive talent to Canadian business is worthy of more study. Are there identifiable psychological and sociological factors within those who immigrate to this country that can be used to predict sales executive success? If there are, a major advance in sales executive selection can be envisaged.

Not unexpectedly, British Columbia heads the field as a provider of B.C. sales executives - with Ontario the second major contributor. Ontario is expected to be a major contributor because of two major factors: its large population base and the heavy industrialization of the province with the resultant expansion by the major industrial firms into British Columbia.

In the matter of province of birth, there is a change from 1960 that is interesting. British Columbia has dropped almost three percent as a contributor of sales executives while Saskatchewan has increased, as a contributor, by slightly over three percent.

¹⁸Canada Year Book 1966, Dominion Bureau of Statistics, Handbook and Library Division, Queen's Printer and Controller of Stationary, Ottawa, Canada, 1966, Table 15, p. 202.

Absolute percentages can be misleading in this case. In order to calculate the proportional contribution of each province as a contributor of British Columbia sales executives, Table IX adjusts the percentage of contribution to the distribution of Canadian population by province at the approximate time of the respondents' births. This leads to a productivity factor for each of the provinces. Where the productivity ratio is greater than one, it means that the province has produced a greater proportion of B.C. sales executives than would be expected on the basis of population only.

As Table IX demonstrates, British Columbia ranks highest with a ratio of 5.2 : 1; Alberta is second with a ratio of 1.9 : 1; and Saskatchewan and Manitoba are tied for third with 1.8 : 1. Comparison with 1960 also demonstrates the increasing proportion of Saskatchewan born respondents, primarily at the expense of Alberta and British Columbia. The attractiveness of British Columbia's climate and the close proximity of the provinces would account for this.

It has been hypothesized that a region's productivity of business leaders closely parallels its industrial development, standard of living, and level of education.¹⁹ If this can be extended to include sales executives, then an anomaly exists. It will be generally conceded that levels in all three categories are increasing; then why

¹⁹ Warner and Abegglen, op. cit., p. 72.

TABLE IX
PRODUCTIVITY RATIO OF THE VARIOUS CANADIAN
PROVINCES - 1966 - 1960

PROVINCE	PERCENT OF RESPONDENTS	PERCENT OF TO- TAL POPULATION	PRODUCTIVITY RATIO	
	1966	1921*	1966	1960
British Columbia	31.6	6.0	5.2	5.6
Alberta	12.8	6.7	1.9	2.5
Saskatchewan	12.0	8.6	1.8	1.0
Manitoba	12.8	6.8	1.8	1.8
Ontario	23.1	33.4	.6	.6
Quebec	3.4	26.9	.1	.3
Maritimes	1.7	11.4	.1	.2
Yukon and North West Territories	-	.2		
No Reply	2.6			
Totals	100.0	100.0		

* Source: Derived from Canada Year Book 1963-64, Dominion Bureau of Statistics, Queen's Printer and Controller of Stationary, Ottawa, Canada, 1964, Table 1, p. 158.

has the productivity ratio of British Columbia declined. Even though the decline is less than one half of one percent some concern should be expressed for it is the direction of the change with which we should be concerned. Further explanation will be presented in Chapter IV where the increasing industrialization of British Columbia is attributed to the faster growth of out-of-province firms as compared to B.C. based companies.

Size of Birthplace

The typical sales executive was born in an urban area, i.e. one of over 5,000 population. This would not seem to be a significant fact today but, when realizing that in 1921 (the year in which our typical sales executive was born) over sixty percent of Canada's population was rural, it does become significant.²⁰ Fewer than 27 percent of the respondents were born in a rural (under 5,000 population) area. This is almost equal to the percentage of respondents born in metro areas of over 200,000 which accounted for only about 12 percent of Canada's population in 1929. This means that the over 200,000 population areas were highly productive in yielding British Columbia sales executives. The areas of between 5,000 and 199,000 population accounts for 43 percent of the respondents while representing 26 percent of the population. These areas, while being more productive

²⁰ Sixty-two percent of Canada's population were resident in rural, or less than 5,000 population areas in 1921. Canada Year Book - 1951; King's Printer and Controller of Stationary, Ottawa, Canada, 1951, Tables 1 and 2, p. 122.

than rural areas were not so productive as the over 200,000 population areas. Table X presents size of birthplace data and compares the recent results to those of the 1960 study. It should be noted here that the age classifications of respondents were in step with population growth of urban areas. The younger the respondent, the more likely he was born in a larger urban area.

TABLE X
PERCENTAGE DISTRIBUTION OF RESPONDENTS BY SIZE
OF BIRTHPLACE - 1966 and 1960

SIZE OF BIRTHPLACE	1966 STUDY %	1960 STUDY %
Rural or less than 5,000	26.7	30.0
5,000 - 24,999	15.1	10.0
25,000 - 99,999	16.4	21.8
100,000 - 199,999	11.6	10.0
200,000 and over	28.8	28.2
No reply	1.0	
Totals	100.0	100.0

Occupation and Education of Respondents' Fathers

The respondents' fathers' occupations and educational level will now be considered. Because of the wide variety of responses as to occupation, it was not possible to arrive at a specific typical background for the respondents. Generally, however, the typical sales executive's father was a businessman. Table XI reclassifies

the responses to fathers' occupation according to census classifications and compares them to 1951 labor force statistics. In addition, this table compares the incidence of university education among the respondents' fathers to the incidence of university education in the male population of Canada in 1921.

The labor force statistics of 1951 were used in preference to 1921 statistics (the year the typical sales executive was born) because it was felt that 1921 statistics might be misleading due to the relative youth of the respondents' fathers at that time and their natural progression in their careers. The proclivity of the respondents to respond with their fathers' highest level of attainment is consistent with the choice of 1951 as a comparison year.

Table XI lists proprietary and managerial as one classification for ease in comparison with census data. The 34.9 percent representing this group is a composite of owners of a business (primarily a small business), 19.2 percent; and business executives, 17.7 percent.

Although it would seem that the major supplier of sales executives was the blue collar group of workers with almost 29 percent of the total, it soon becomes apparent that from a productivity ratio point of view the group of small businessmen and the business executive group are far more important suppliers of today's British Columbia sales executives. The productivity ratios are as follows:

Proprietary and managerial	4.7 : 1
Professional	1.1 : 1
Salesmen	1.1 : 1

TABLE XI
RESPONDENTS' FATHERS' OCCUPATION AND UNIVERSITY
EDUCATION LEVEL COMPARED TO GENERAL POPULATION

FATHERS' OCCUPATIONS	OCCUPATIONAL DISTRIBUTION OF CANADA'S LABOR FORCE IN 1951*		
	Percentage	Percentage	
Proprietary and Managerial			
- Owners of a business	19.2	34.9	7.4
- Business executive	15.7		
Professional	8.2		7.3
Salesmen	6.9		6.0
Other white collar	13.7		22.4
Agricultural	7.5		16.7
Blue collar	28.8		40.2
Totals	100.0		100.0

FATHERS' UNIVERSITY EDUCATION	PERCENTAGE OF CANADA'S MALE POPULATION WITH UNIVERSITY EDUCATION IN 1921**	
	Percentage	Percentage
Attended university - did not graduate	11.0	2.6
Attended university - graduated	10.3	2.9

*Source: Derived from Canada One Hundred 1867-1967, Canada Yearbook, Library Division, Dominion Bureau of Statistics, Ottawa, p. 281.

**Source: Derived from Canada One Hundred 1867-1967, Canada Yearbook, Library Division, Dominion Bureau of Statistics, Ottawa, p. 285.

Other white collar	.6 : 1
Agricultural	.4 : 1
Blue collar	.7 : 1

Table XI also presents educational level comparisons at the university level with the general population. The educational background of the typical British Columbia sales executive is far above that of the general population. Over 21 percent of the respondents' fathers attended and/or graduated from university. This is significantly higher than the 1921 male population average of 5.5 percent.

The data presented here would lead to the conclusion that occupational background has a positive bearing on a successful career in sales, however, this would be a presumptuous conclusion without first having data on all those entering sales and who have not gained sales executive positions within the companies represented. It may be that the business group has a higher success factor but it is also very likely that there is a reluctance for sons of blue collar workers to enter sales and as a result this group is inadequately represented from the start or conversely, that there is a predilection for sons of the proprietary and managerial group to look on sales as a means of rapid achievement of monetary and personal rewards. Unfortunately, this study does not provide the data necessary to answer this question. This should provide an area of very productive research.

IV. PERSONAL CHARACTERISTICS

The typical B.C. sales executive is married and has two children. He comes from a family of four children. As a teenager he was an active individual. He is still active but in his present hobbies there is far less emphasis on team sports than when he was in his teens. He has a high school education and has spent some time in military service.

Marital Status and Family Size

The typical B.C. sales executive is definitely a family man. Of the 146 respondents, 141 were married, 133 had children and 116 had two or more children. Only three of the respondents were single and only two indicated divorce or separation. Table XII presents data on the respondents' marital status, number of children in their fathers' families, and number of children the respondents have.

Table XII demonstrates that the respondents tend to have smaller families than their parents had. However, both their parents and they themselves have larger than average families, as revealed in Table XIII. The average number of children the respondents have is 2.4 which is slightly higher than the 1960 results of 2.1. It is also considerably higher than the Canadian national average of 1.9 children and the British Columbia average of 1.6 children per family. The same higher than average relationships hold true for the respondents' fathers' families.

TABLE XII

PERCENTAGE DISTRIBUTION OF RESPONDENTS' MARITAL STATUS,
 SIZE OF FAMILY RESPONDENTS CAME FROM AND
 NUMBER OF CHILDREN RESPONDENTS HAVE

MARITAL STATUS	Percentage	
Married	96.6	
Single	2.1	
Divorced or Separated	1.3	
Total	100.0	

FAMILY SIZE	RESPONDENTS' FATHERS' FAMILY	RESPONDENTS' OWN FAMILY
	Percentage	Percentage
No children	-	8.2
One child	8.2	11.6
Two children	27.4	33.6
Three children	17.8	30.1
Four children	28.8	9.6
Five children	5.5	4.8
Six or more	12.3	2.1
Totals	100.0	100.0

TABLE XIII
COMPARISON OF RESPONDENTS' FAMILY SIZE WITH
NATIONAL AND PROVINCIAL AVERAGES

Average number of children in family respondents came from	3.6	Average number of children respondents have	2.4
Canadian average number of children in 1921*	2.6	Canadian average number of children in 1966**	1.9
B.C. average number of children in 1921	1.9	B.C. average number of children in 1966**	1.6

*Source: Census of Canada 1921, Families by Size: Population, Vol. III, Table 16, p. 55, Dominion Bureau of Statistics, King's Printer, Ottawa.

**Source: Census of Canada, 1961, Families by Size; Catalogue 93-514, Vol. II, Part I, Table 43, Page 43-1, Dominion Bureau of Statistics, Ottawa.

Hobbies - Teenage and Present

Is there any correlation between teenage hobbies and a later choice of a career in sales? The questionnaire simply asked for the respondent's two main hobbies as a teenager. The responses were classified and are presented in Table XIV.

The terms "active" and "passive" classify the amount of physical exertion required in the individual hobbies. For example, football would be classified active and playing cards as passive. The terms "individual" and "team" refer to the nature of the sports or hobbies. Did they involve active team participation such as baseball, which would be classified as team, or did they involve the pitting of one individual's skill against another's, such as tennis or boxing?

The classification "all sports" is included for recording those respondents who simply answered sports or all sports and thus could not be classified. Table XIV also compares the responses to those of the 1960 study.

As a teenager the typical sales executive of today was quite an active individual. If the category of "all sports" is included in the active group, over 70 percent of the respondents were active participants as contrasted to less than 30 percent indicating a preference for non-athletic hobbies or activities such as reading, music, and collecting.

In addition to being active, the typical sales executive had a definite tendency toward being an individualist, i.e. a preference

TABLE XIV
PERCENTAGE DISTRIBUTION COMPARISON OF RESPONDENTS'
TEENAGE AND PRESENT HOBBIES

HOBBIES	PRESENT ACTIVITIES		TEENAGE ACTIVITIES	
	1966	1960	1966	1960
	%	%	%	%
Active team sports	4.1	6.3	30.8	12.2
Active individual sports	59.6	57.7	26.0	34.1
Passive team games	0.0	1.7	0.0	0.0
Passive individual games	14.4	8.3	14.4	10.6
All sports	2.1	6.3	14.4	25.0
Reading and music	2.7	7.4	4.8	9.0
Others	2.4	11.6	3.4	3.5
None	14.7	.7	6.2	5.6
Totals	100.0	100.0	100.0	100.0

for activities which did not require the support of team members. This individualistic tendency was not nearly so pronounced as in the 1960 study. Almost 31 percent of the present respondents engaged in team sports compared to only slightly over 12 percent of the 1960 respondents. This raises a question. Is there a growing tendency for companies to look for or promote those sales people and sales executives who demonstrate their ability to contribute to and guide team effort? The captain of the hockey team or the quarterback of the football team will probably make a better sales executive than the tennis player or the track star. The captain and the quarterback have the ability to lead and guide team members toward a common goal and they have demonstrated that ability.

All work and no play does not make a lastingly successful sales executive. Table XIV also presents the present sources of relaxation of the sales executives. As would be expected, the present hobbies have changed from those which they engaged in in their teens. However, they have remained primarily of an active kind. The real change is in the nature of the hobbies. Team sports which made up 31 percent of teenage hobbies dropped to 4 percent in adult years. The greatest majority of present activities are of a kind which the respondent can engage in by himself. This is probably due to the difficulty in getting sufficient men together (men who in all likelihood have family and job commitments) at specific places and times to form teams.

There seems to be a narrowing of interest in activities for those respondents who engaged in all sports. The percentage of response in this category dropped from over 14 percent to 2 percent. This indicates that the wide interest of youth has been reduced to a few well-defined activities.

The pressures of the job and perhaps age seems to have taken its toll of spare-time activities. Almost 15 percent of the respondents engaged in no hobbies. This is in sharp contrast to the 1960 study where less than one percent of the respondents had no hobbies. There is no adequate explanation for this but it may be the result of the growing pressures of the job during the last six years which have seen a major growth in business and sales volume. This aspect will be discussed in Chapter IV.

This study speaks of the average or typical sales executive primarily and the tendency is to begin stereotyping these gentlemen. Just to keep the record straight and to show that they are individuals a complete list of the hobbies indicated and the number of responses for each of them follows. Note that the only really typical activity is golf, which is not too surprising.

<u>ACTIVITY</u>	<u>RESPONSE</u>	<u>ACTIVITY</u>	<u>RESPONSE</u>
Golfing	135	Fishing	35
Gardening	32	Hiking, skating, water and snow	
Reading	21	skiing	25
Boating	19	Woodwork	16
Curling	19	Hunting	10
Clubs	11	Spectator sports	9
Music	9	Bridge and chess	7
Swimming	8		

<u>ACTIVITY</u>	<u>RESPONSE</u>	<u>ACTIVITY</u>	<u>RESPONSE</u>
Photography	6	Numismatics and	
Tennis	5	philately	6
Flying	3	Stock market	2
Art	2	Model railroads	1
Dancing	1		

A very interesting cross section of activities is represented in the above group and a wide variety of individual pursuits are demonstrated on the part of our so-called typical sales executives.

Level of Education

To what extent is formal education really necessary in order to become a successful sales executive? How much does B.C. industry penalize those who lack formal education? These questions are of major significance in this study because formal education at the university level has become increasingly important in our way of life. Modern industry has become so specialized that generally speaking, executives must have a considerable amount of education (formal or otherwise) in order to perform in the highly competitive market place. Not only that, the recruiting of potential executives by most larger companies has been increasingly restricted to the university campus. Table XV presents the educational achievement of the respondents and compares their educational level with that of the 1960 study and with the educational level of the male population of Canada for corresponding age groups as of February, 1965.

Educational comparisons with 1960 study. Although the recent study shows a slightly lower level of university education than the

TABLE XV

PERCENTAGE DISTRIBUTION OF 1966 AND 1960 RESPONDENTS
BY LEVEL OF EDUCATION COMPARED TO LEVEL OF
EDUCATION OF MALE POPULATION 20 YEARS
OF AGE AND OVER

CANADA, FEBRUARY, 1965

HIGHEST LEVEL OF EDUCATION ACHIEVED	NUMBER	ALL RESPONDENTS		CANADA, *FEBRUARY, 1965	
		1966	1960	AGE	
	1966	%	%	35-44 %	45-54 %
Grade School	5	3.4	1.8	42.8	50.2
High School	82	56.2	55.6	46.0	40.3
Some University	18	12.3	13.6	4.5	4.0
Undergraduate Degree	34	23.3	25.4	6.7	5.6
Post Graduate Degree	3	2.1	3.6	-	-
No reply	4	2.7	-	-	-
Totals	146	100.0	100.0	100.0	100.0

*Source: Canada One Hundred 1867-1967, op. cit., p. 285.

1960 study, there is no significant difference between the educational levels of the two studies. Both however, are considerably higher than the general population educational attainment, particularly at the grade and high school level. Fifty-seven percent of Canada's male population aged 35 to 44 and 50 percent of the male population aged 45 to 54 have gone beyond grade school. Compare this to the recent study where almost 94 percent of the respondents had gone beyond grade school. Only 11 percent of the same Canadian group aged 35 to 44 have gone beyond high school compared to almost 38 percent of the current respondents.

Educational comparison with United States counterparts. Although the respondents of this study have a generally higher level of education than the general population, their level of education does not come up to the educational levels established in the previously mentioned United States studies. The Industrial Marketing Survey listed the following:

Post graduate degrees	14.4%
College graduate	50.4%
Some college	28.8%
High school	6.4% ⁽²¹⁾

The Printers Ink Study also demonstrated a higher level of education; 43 percent holding a college degree and another 36 percent with some college training.²²

²¹Industrial Marketing, op. cit., p. 41.

²²Printers Ink, op. cit., p. 95.

Although the 1960 and the 1966 studies show no indication of an upgrading in educational requirements needed to achieve sales executive positions, it would appear obvious that this is the coming trend. Educational requirements are rising throughout industry and the sales and marketing divisions are no exceptions. As British Columbia develops and competition becomes keener, more and more emphasis will be placed on university education.

The industrial goods respondents have achieved a higher level of education than any of the other three company classifications. This is demonstrated in Table XVI.

Table XVI reveals that undergraduate degrees are held by 37.2 percent of the industrial goods respondents. This is almost twice as high as that recorded for combination goods category where 19.5 percent of the respondents hold an undergraduate degree. Only 16.7 percent of the consumer and 14.3 percent of the service respondents hold an undergraduate degree.

By far the greatest majority of those receiving university degrees attended the University of British Columbia. Forty percent of the degrees were in Science and Engineering, 40 percent in Business, and 18 percent in Arts. The predominance of Science and Engineering degrees, and the high incidence of degree holders in the industrial classification leads to the conclusion that industrial companies look primarily for this type of degree. Combination goods, which rank second in incidence of degrees, follow this pattern since approximately one half of these respondents are concerned with

TABLE XVI

PERCENTAGE DISTRIBUTION OF EDUCATIONAL LEVEL ACHIEVED
CLASSIFIED BY THE TYPE OF COMPANY

HIGHEST LEVEL OF EDUCATION ACHIEVED	TYPE OF COMPANY			
	Consumer %	Industrial %	Combination %	Service %
Grade school	4.2	4.7	2.5	.0
High school	62.5	41.9	58.5	71.4
Some university	12.5	9.3	14.6	14.3
Undergraduate degree	16.7	37.2	19.5	14.3
Post graduate degree	2.1	2.3	2.4	.0
No Reply	2.0	4.6	2.4	.0
Totals	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

industrial sales.

One half of the Business degrees were held by consumer goods respondents, 25 percent by industrial respondents, 20 percent by combination respondents, and the balance by service respondents.

Who gets higher educations? Table XVII presents the level of education achieved by fathers' occupation. The son of a business executive is more likely to persevere and complete his programme of university studies than any of the other groups of fathers' occupations (33.3 percent), with the blue collar occupations ranking second (26.8 percent), and salesmen ranking third (25.0 percent).

The sons of farmers are least likely to consider a university education with only 20 percent of this group even starting university; Almost 32 percent of the blue collar group of sons started university; only 5 percent of this group did not complete their undertaking; 37.5 percent of both the salesmens' and business executives' sons started university, and 40 percent or more of each of business owner, professional and government employees' sons started university.

Farming and government service occupations are fairly safe and secure. Perhaps this has some long term affects on the need for personal achievement demonstrated by the sons of men in these occupations and would explain the lower than average propensity to complete university. At the other extreme we have business executives and salesmen who are probably driving types of personalities and this may have been instilled in their children. The sons of blue

TABLE XVII

PERCENTAGE DISTRIBUTION OF EDUCATIONAL LEVEL ACHIEVED
CLASSIFIED BY RESPONDENTS' FATHERS' OCCUPATIONS

EDUCATIONAL LEVEL	OCCUPATION OF RESPONDENTS' FATHERS							
	Government	Farmer	Professional	Business Owner	Business Executive	Salesman	Blue Collar	Other
	%	%	%	%	%	%	%	%
Grade School	.0	.0	.0	3.5	.0	.0	7.3	.0
High School	57.1	80.0	40.0	55.2	58.3	62.5	61.0	33.3
University - No Degree	28.6	10.0	20.0	24.1	4.2	12.5	4.9	.0
University - Degree	14.3	10.0	20.0	17.2	33.3	25.0	26.8	66.7
Post Graduate Degree	.0	.0	20.0	.0	4.2	.0	.0	.0
Totals	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

collar workers would equate a university education with the way out of the limited opportunities of their fathers' occupations. This is all speculation of course, and indicates a separate area of research.

Another area of information not presented in tabular form is the distribution of university degrees by age groups. It was found that the 30 to 39 age group, which accounted for 28 percent of the respondents, accounted for 32.4 percent of the degrees held. The 40 to 49 age group, while accounting for 44 percent of the respondents, accounted for 59.5 percent of the degrees held. This is quite surprising. If university education is becoming more important in the business scene then you would certainly expect that the younger sales executives would have a higher incidence of degrees than the older group. This study indicates just the opposite. Again, the only explanation that can be offered is that this apparent anomaly is a direct result of rapid business expansion (to be discussed in Chapter IV) and the urgent need to find sales executive calibre whether or not they have a university degree.

Source of funds for university expenses. An excellent test of initiative and drive is the degree to which an individual will extend himself to attend university. It is not difficult if parents are reasonably well off and can support the cost of seeing their children through university and providing the children are willing to accept this assistance. However, many parents cannot support such an expenditure completely and many sons are too independent to accept

this help even if it were available. Table XVIII will indicate the source of funds for those respondents who attended university.

TABLE XVIII

SOURCES OF FUNDS WHILE AT UNIVERSITY AND EXTENT TO WHICH SOURCES WERE USED (55 RESPONDENTS ONLY)

SOURCE OF FUNDS	NUMBER WHO USED THIS SOURCE	EXTENT TO WHICH SOURCES WERE USED				TOTALS
		Less than 25%	25-49%	50-74%	Over 75%	
Parents Help	40	20.0	20.0	37.5	22.5	100.0
Gifts	4	.0	.0	25.0	75.0	100.0
Scholarships	5	20.0	20.0	.0	80.0	100.0
Work	46	15.2	8.0	32.6	43.5	100.0

Working was the major source of funds at university as Table XVIII indicates followed closely by parents help. Of the 55 respondents who attended university, 46 depended on work to some extent. Forty of the respondents depended on their parents help to some extent also but to a considerably lesser degree. Work was the major contributor of the needed funds. Of those who worked for their funds, 43.5 percent depended almost completely on this source while only 22.5 percent of those who used parents assistance depended as heavily on that source. Initiative and drive, compatible with assuming sales executive responsibilities, have been firmly established.

Military Service

The majority of respondents spent some time in the armed services during their careers. Most of the respondents served in the Air Force. The majority of those respondents who were in the services spent less than five years and age relationships indicate that most of the service was war-time.

Leadership ability required of a sales executive is borne out by the fact that 61.5 percent of those who served were commissioned officers when they received their discharge. Table XIX presents armed service data.

TABLE XIX

PERCENTAGE DISTRIBUTION OF RESPONDENTS INDICATING MILITARY SERVICE, BY BRANCH OF SERVICE, NUMBER OF YEARS IN THE SERVICE AND STATUS AT DISCHARGE

RESPONDENT'S BRANCH OF SERVICE		NUMBER OF YEARS SPENT IN THE SERVICES		STATUS AT DISCHARGE FROM SERVICES	
Army	19.9	Less than 5 years	39.8	Commissioned officer	34.9
Navy	10.3	5 to 9 years	17.8	Non-commissioned	22.7
Airforce	27.4				
Did not serve	42.4	Did not serve	42.4	Did not serve	42.4
Total	100.0		100.0		100.0

V. PRESENT STATUS

The typical B.C. sales executive earns \$15,000 per year. He has changed his residence twice in the last ten years; one of those changes was the result of a company transfer, the other a personal decision. He owns his own home and values it at \$30,000. He leans toward the Liberal party in provincial political affiliation.

Income

The average income of the respondents was \$15,000. This is significantly higher than the results of the 1960 study. Table XX will prove very interesting.

Annual income is total income of the respondents including stock options, bonuses, and commissions. The modal income range was \$12,000 to \$17,999, (over 53 percent of the replies). If the average income were calculated, it would fall within this range, approximately \$15,000. The incomes reported range widely from under \$8,000 to over \$30,000 annually.

A significant increase in income levels of sales executives is readily apparent when comparing the 1960 and the 1966 percentages. The number of respondents reporting income under \$8,000 has dropped from 11 percent to 2 percent. The next income range of \$8,000 to \$11,999 shows an even greater decrease in the number of responses - almost 24 percent. Those receiving from \$12,000 to \$17,999 more than doubled percentage-wise.

TABLE XX

DISTRIBUTION OF RESPONDENTS BY TOTAL ANNUAL
INCOME - 1966 and 1960

TOTAL ANNUAL INCOME	1966		1960	% CHANGE 1960-66
	NUMBER OF RESPONDENTS	PERCENTAGE OF RESPONDENTS	PERCENTAGE OF RESPONDENTS	
\$				
Under 8,000	3	2.1	11.1	-9.0
8,000 - 11,999	37	25.3	49.1	-23.8
12,000 - 17,999	78	53.4	23.2	30.2
18,000 - 24,999	18	12.3	12.0	.3
25,000 - 29,999	5	3.4	4.6	.9
30,000 and over	3	2.1		
No reply	2	1.4		
Totals	<u>146</u>	<u>100.0</u>	<u>100.0</u>	

It is apparent that a substantial upgrading of the lower income levels has taken place over the six year period under review. The higher income ranges (over \$25,000) on the other hand, have remained relatively stable with only a slight increase in responses recorded.

The increase in level of compensation for the lower level sales executives is not surprising in view of recent studies by the Dartnell Corporation.²³ This publishing firm reports Canadian salesmen's earnings up dramatically over the last 10 years and it is natural to expect that their managers' earnings would have gone up in proportion. The lack of apparent increase for the upper levels of income is not so readily explained. Additional dollars may not be considered as important in these upper levels of income and recognition may be expressed in other terms; better pension funds, stock options, more liberal expense accounts, longer vacations, etc.

Mobility

Seventy-two percent of the respondents had changed residence during the last ten years with the number of changes ranging from one to more than six. Table XXI presents data on the total number of residence changes. This includes changes due to company transfers and changes which were the result of personal decisions.

The average number of changes for all respondents was two, but

²³"U.S. Salesmen Earn More, But Canadians Are Catching Up," Marketing, March 10, 1969, p. 1.

TABLE XXI
PERCENTAGE DISTRIBUTION OF RESPONDENTS CHANGING
RESIDENCE OVER THE LAST TEN YEARS

TOTAL CHANGES IN RESIDENCE	PERCENTAGE
No changes in residence	28.1
1 change	19.2
2 changes	13.1
3 changes	15.9
4 changes	10.4
5 changes	6.3
6 or more changes	7.0
Total	<u>100.0</u>

if only those respondents who actually changed residence are considered the average rises to three. As mentioned, some of the changes were personal decisions. Table XXII presents data on changes in residence which were a direct result of company transfers.

TABLE XXII
PERCENTAGE DISTRIBUTION OF RESPONDENTS' CHANGES IN
RESIDENCE WHICH WERE DUE TO COMPANY TRANSFERS

CHANGES IN RESIDENCE DUE TO COMPANY TRANSFER	PERCENTAGE
No changes	52.8
1 change	12.3
2 changes	13.7
3 changes	12.3
4 changes	4.1
5 changes	2.1
6 or more changes	2.7
Total	<u>100.0</u>

Just under one-half (47.2 percent) of the respondents changed residence due to company transfers. These respondents represent 70 percent of all those who actually changed residence. This is positive evidence of a relative stability on the part of the typical B.C. sales executive. He has a definite tendency to stay in one location unless a company transfer necessitates a change.

A further examination of data was undertaken in order to

determine whether any particular company type might shift its sales executives around any more than the others. Consumer, industrial and combination companies were very similar in the number of executives' transfers. The service industry was the only variant and it proved extremely stable in this respect. All respondents recorded at least 174 actual changes in residence as a result of company transfers. Of this total the service industry, representing 9.6 percent of the respondents, accounted for only 7.5 percent of the total changes in residence. No service industry respondent changed residence more than three times in the last 10 years.

Home Ownership

Home ownership was the accepted trend. Over 85% of the respondents owned their homes. Fewer than 15 percent rented. This is a very high home ownership and low rental average as indicated in Table XXIII which presents the study findings and compares them to the 1961 Census Housing Characteristics. This census data reports that 59.1 percent of B.C. family dwellings are owner occupied whereas the sales executives of this study report a home ownership ratio of 84.9 percent - significantly higher than the general population achievement.

Table XXIII also presents home valuation data. Not only do the respondents have a very high degree of home ownership, they own a higher-than-average quality home. The 1961 Census data reports that the median value of B.C. urban homes was \$11,744; the median value of homes in metropolitan Vancouver was \$13,757. Despite the increase in

TABLE XXIII

RESPONDENTS' HOME OWNERSHIP AND VALUATION (1966)
 COMPARED TO 1961 CENSUS DATA

RESPONDENTS' TYPE OF RESIDENCE	Percentage	1961 CENSUS* HOUSING CHARACTERISTICS		
		National %	B.C. %	Vancouver %
Own home	84.9	Owner occupied 65.6	59.1	56.6
Own apartment	1.0			
Rent home	3.5	Tenant occupied 34.4	40.9	43.3
Rent apartment	9.6			
Rent duplex	1.0			
Totals	100.0	100.0	100.0	100.0

RESPONDENTS' VALUATION OF RESIDENCE \$	Percentage
Less than 10,000	.0
10,000 - 19,999	9.6
20,000 - 24,999	22.6
25,000 - 34,999	35.6
35,000 - 44,999	11.7
Over 45,000	6.2
No reply	14.3
Total	100.0

	National	B.C.	Vancouver
Median value of homes	\$11,021	\$11,744	\$13,757

*Source: Census of Canada 1961, Values and Rents, Catalogue 93-528, Vol. II, Part II, Table 60, Page 60-1. Dominion Bureau of Statistics, Ottawa.

real estate values between 1961 and 1966, the median values would still be well under \$20,000 in 1966. In comparison, almost 90 percent of the respondents valued their homes in excess of \$20,000; 68.9 percent in excess of \$25,000.

Provincial Political Affiliation

The typical B.C. sales executive leans toward the Liberal party in provincial political affiliation. Table XXIV compares the respondents provincial political affiliation with the popular vote results of recent Federal and Provincial elections.

Political affiliation is a personal aspect of the individual's life but is generally influenced by his position and occupation. This is firmly demonstrated in Table XXIV. The typical sales executive is not socialist (one percent responded N.D.P.) nor would this be expected. His concern is primarily with management and business problems and what is good for his company and business prospects as a whole. His point of view would not lie with the laborer and working class people from which the N.D.P. draws its support.

One might have expected a closer relationship to the Social Credit party than was indicated since Social Credit is presumably the party of "free enterprise" but apparently the respondents' interest is in Canada as a whole and not just British Columbia. This is indicated by a closer overall relationship to federal election than to the provincial election results. The explanation most probably lies in the fact that most respondents are employed in branch

TABLE XXIV

PERCENTAGE DISTRIBUTION OF RESPONDENTS' PROVINCIAL POLITICAL
AFFILIATION COMPARED TO POPULAR VOTE RESULTS IN THE
1966 PROVINCIAL AND THE 1965 FEDERAL ELECTIONS

POLITICAL PARTY	PERCENT RESPONSE	1966 PROVINCIAL ELECTION*	1965 FEDERAL ELECTION**
Social Credit	27.0	45.6	3.6
Liberal	36.0	20.2	40.2
Progressive Conservative	11.0	-@	32.4
New Democratic	1.0	33.6	17.9
Other	1.0	.6	5.9
Undecided	22.0		
No reply	2.0		
Totals	100.0	100.0	100.0

*Source: Statement of Votes General Election, September 12, 1966 and By-election Cariboo, November 28, 1966: Queen's Printer, November 28, 1966.

**Source: CANADA: General Election November 27, 1965: Chief Electoral Officer, 1966, Queen's Printer, Ottawa.

@Provincial Progressive Conservative vote included in "Other" (Independent, Conservative, and Communist).

offices of nation wide firms which accounts for political views more closely attuned to federal policies than those of the average B.C. citizen who is concerned with his own province and its problems. This was confirmed by comparing responses of the individual company classifications. Industrial and combination goods respondents were strongly Liberal (both over 41 percent). Consumer goods respondents were fairly evenly divided between Social Credit and Liberal (33 and 31 percent respectively), and service industry respondents were predominantly Social Credit. Table XXV presents the actual responses classified by company type.

TABLE XXV
PERCENTAGE DISTRIBUTION OF PROVINCIAL POLITICAL
AFFILIATION CLASSIFIED BY COMPANY TYPE

PROVINCIAL POLITICAL AFFILIATION	COMPANY TYPE			
	Consumer %	Industrial %	Combination %	Service %
Social Credit	33.3	23.3	22.0	28.6
Liberal	31.3	41.9	41.5	21.4
Progressive Conservative	10.4	9.3	14.6	7.1
New Democratic	.0	.0	2.4	.0
Other	.0	2.3	.0	.0
Undecided	22.9	20.9	14.6	42.9
No reply	2.1	2.3	4.9	.0
Totals	100.0	100.0	100.0	100.0

With the exception of the service industry the undecided vote was low which indicates firm political convictions on the part of the majority of the respondents. The conservative vote is low in comparison to the federal statistics which it was determined most closely represented the respondents political affiliation. This must be the result of a transfer to the Social Credit vote by those who would normally vote Progressive Conservative federally.

CHAPTER IV

COMPANY CHARACTERISTICS

I. INTRODUCTION

This chapter will be concerned with discussing the characteristics of the companies involved in this study. A comparison of findings of the 1960 and recent studies will be made with particular emphasis on the growth patterns over the six year period. The growing industrialization of British Columbia will also be demonstrated. Finally, the chapter will take a critical look at the extent to which the companies represented have formalized vital procedures in the matters of sales training, salesmen evaluation, and job descriptions.

II. GROWTH CHARACTERISTICS

All four company groups are growing but the industrial group of companies is far outpacing the other three classifications. The major demonstration of growth is found in the establishment of branch offices by firms headquartered outside British Columbia. Significant increases in sales have been posted by all four groups of companies but these sales increases appear to be confined to the out-of-province companies while the B.C. based companies remained relatively stable.

Number of Firms Reporting

Table XXVI compares the distribution of responses by company

type between 1960 and 1966. Bear in mind that the two studies are taken from essentially the same base.

TABLE XXVI
CLASSIFICATION OF TOTAL RESPONSES BY
COMPANY TYPE - 1960 and 1966

TYPE OF COMPANY	1966		1960	
	Number	Percent	Number	Percent
Consumer	48	32.9	42	38.2
Industrial	43	29.4	27	24.6
Combination	41	28.1	32	29.0
Service	14	9.6	9	8.2
Totals	146	100.0	110	100.0

The first impression gained is that British Columbia is becoming more industrialized. While responses from each of the four classifications increased in absolute numbers, the industrial classification was the only one to show a significant percentage increase; from 24.6 to 29.4, almost 5 percent. This increase was at the expense of the consumer goods classification which declined over five percent. The combination and service industry both remained relatively stable.

Head Office Versus Branch Office

The increase in industrial opportunities is evident and expected when projects such as the Peace River Power Development are considered. The next obvious question must be: Who is taking advantage of these

opportunities? Table XXVII answers this question by comparing head office and branch office responses in the two studies. The first part of Table XXVII is interesting in the following respect. The 1966 study recorded 146 responses, 36 more than the 1960 study. The entire increase in responses is accounted for in the branch office classification while head office responses remained at 35. The result is a percentage decline of head office representation in this study from 31.8 percent to 24.0 percent, a decline of almost 8 percent. Out-of-province companies are establishing branches in British Columbia at a fairly rapid pace. With British Columbia's rapid growth and great potential, this is not surprising. What is surprising is the apparent lack of similar growth on the part of British Columbia based companies. It is not the purpose of this report to express alarm over the possibility of a takeover of British Columbia's business opportunities by outside business interests because the development of the province is very much dependent on outside capital,²⁴ but certainly, one would hope that British Columbia business interests will one day be able to at least slow down, if not reverse this trend.

The second part of Table XXVII shows which company types are taking advantage of British Columbia's growth - the industrial group. The increase in industrial activity in British Columbia has already been established. The increase of 17 percent over 1960 in the branch office responses further confirms it and identifies out-of-province

²⁴Kaiser Coal Ltd. provides an excellent example with their purchase of Crows Nest Pass. coal properties from Crows Nest Industries in 1968 and the subsequent 15 year contract they negotiated to export 50 million tons of coal to Japan.

companies as the major participants. The combination responses, approximately half of which are industrial, posted an 18 percent increase in branch office responses.

Consumer goods companies provide a slight reversal in the trend of out-of-province company domination of the growth scene. Head office responses in this category increased from 19.5 percent in 1960 to 25.0 percent in 1966.

Total Annual Sales - All Companies

There has been a substantial increase in sales volume recorded by the companies represented in this study. Table XXVIII compares the 1966 and 1960 percentage distribution of responses in terms of total annual sales and classifies the 1966 sales volume by company type.²⁵

As demonstrated in Table XXVIII, there has been a substantial growth in the size of the companies the respondents represent. In the 1960 study, 53.7 percent of the respondents worked for companies whose annual sales were under \$15,000,000. This dropped to 39.0 percent in the current study. Each of the three sales classifications under \$15,000,000 followed this same trend while both classifications over \$15,000,000 produced an absolute and a percentage increase in responses over the 1960 study.

²⁵A breakdown of sales by company classification for the 1960 data is not available for this and the two tables following.

TABLE XXVIII

PERCENTAGE DISTRIBUTION OF TOTAL ANNUAL
SALES - 1966 AND 1960 - CLASSIFIED
BY COMPANY TYPE 1966

TOTAL ANNUAL SALES	TOTAL RESPONSE		COMPANY TYPE			
	1966	1960	Consumer	Industrial	Combination	Service
\$	%	%	%	%	%	%
Less than 1,000,000	2.7	6.4	4.2	0.0	0.0	14.3
1,000,000 - 4,999,999	13.0	19.1	12.5	16.3	9.8	14.3
5,000,000 - 14,999,999	23.3	28.2	22.9	30.2	9.8	42.9
15,000,000 - 49,999,999	24.0	20.0	29.2	23.3	24.4	7.1
50,000,000 and over	34.9	25.4	27.1	27.9	56.1	21.4
No reply	2.1	.9	4.1	2.3	.0	.-
Totals	100.0	100.0	100.0	100.0	100.0	100.0

Table XXVIII also classified the 1966 sales responses by company type. Some interesting aspects of company sales volume appear. Consumer good and service industry companies are represented in all of the sales volume classes. There are no industrial or combination companies reporting sales under \$1,000,000.

Combination companies are barely represented below \$15,000,000 sales volume and they record the largest sales volumes. Over 56 percent of the combination respondents reported their company sales as over \$50,000,000 compared to only 27.9 and 27.1 percent respectively for industrial and consumer respondents. This heavy representation of combination responses in the very large sales classes is easily explained - their total sales are a combination of consumer and industrial sales and are, in effect, the equivalent of two companies' sales volumes being combined as one.

Rather surprising was the large representation (21.4 percent) of service industry responses in the \$50,000,000 and over sales class. The service industry seems to be one of extremes - many small companies (far more than any of the other three company classifications) and some very large ones.

Annual sales of British Columbia based companies. The B.C. based companies are represented in the head office responses. Considering the overall growth demonstrated, the results for head office companies are rather disappointing. Table XXIX compares the 1966 and 1960 sales volumes of these companies and classifies the

TABLE XXIX

PERCENTAGE DISTRIBUTION OF TOTAL ANNUAL SALES OF
B.C. BASED COMPANIES - 1966 AND 1960
CLASSIFIED BY COMPANY TYPE - 1966

TOTAL ANNUAL SALES	TOTAL RESPONSES		COMPANY TYPE - 1966			
	1966	1960	Consumer	Industrial	Combination	Service
\$	%	%	%	%	%	%
Less than 1,000,000	5.7	8.6	0.0	0.0	0.0	25.0
1,000,000 - 4,999,999	25.8	20.0	33.3	14.3	25.0	25.0
5,000,000 - 14,999,999	34.3	34.3	41.7	42.9	12.5	37.5
15,000,000 - 49,999,999	17.1	14.2	8.3	14.3	37.5	12.5
50,000,000 and over	17.1	20.0	16.7	28.5	25.0	.0
No reply	.0	2.9	.0	.0	.0	.0
Totals	100.0	100.0	100.0	100.0	100.0	100.0

1966 responses by company type.

Table XXIX readily establishes that the typical sales executive of British Columbia based companies works for a company whose sales range between \$5,000,000 and \$14,999,999. This is almost exactly the same as the 1960 study. The only significant change is the 5.8 percent increase in responses in the \$1,000,000 to \$4,999,999 sales category and the 2.9 percent decrease in the under \$1,000,000 sales category. A higher percentage of responses were recorded in the \$5,000,000 to \$14,999,999 sales category by the current respondents but an equivalent percentage loss was recorded in the \$50,000,000 and over sales class.

The company classification data shows consumer goods heavily represented in the \$5,000,000 to \$14,999,999 sales category (41.7 percent) as are the industrial goods companies (42.9 percent). True to form, the combination goods companies are more heavily represented in the larger sales class of over \$15,000,000.

Branch office sales volumes. Branch offices are primarily branch offices of companies based outside British Columbia. Here again a substantial increase in sales over the six year period is demonstrated. Over 79 percent of the current branch office operations reported sales over \$1,000,000 compared to 65.4 percent for the similar group of branch offices in the 1960 study. Table XXX will need no further explanation.

The growth demonstrated over the six year period has been

TABLE XXX

PERCENTAGE DISTRIBUTION OF BRANCH OFFICE SALES - 1966 AND 1960
CLASSIFIED BY COMPANY TYPE - 1966

BRANCH ANNUAL SALES	TOTAL RESPONSES		COMPANY TYPE - 1966			
	1966	1960	Consumer	Industrial	Combination	Service
\$	%	%	%	%	%	%
Less than 250,000	3.6	10.6	8.3	2.8	0.0	0.0
250,000 - 999,999	15.3	22.7	11.1	25.0	6.1	33.3
1,000,000 - 4,999,999	44.2	45.4	47.2	41.6	48.5	16.7
5,000,000 and over	35.1	20.0	30.6	27.8	45.4	50.0
No reply	1.8	1.3	2.8	2.8	.0	.0
Totals	100.0	100.0	100.0	100.0	100.0	100.0

amazing. Increasing industrialization, increasing consumer and service operations, and substantial increases in sales volumes by most of the segments of this study have been observed. More to the point, this means rapidly increasing opportunities for those interested in sales executive careers and for those already embarked on such careers. A further ramification of this rapid growth will be discussed in Chapter VII when the influence of education on income will be discussed and where it is argued that the companies involved in this study have had to lower their educational requirements in order to fill sales executive positions.

Newly Created Positions

"Has your present position been created within the last five years?" Although redundant now, the purpose of this question was to determine whether or not any significant growth and/or decentralization of companies could be identified. The results did show a significant growth. Almost 20 percent of the respondents indicated that they were in a position that did not exist five years previously. Table XXXI presents the response to the above question.

The pattern of new positions was evident in all the four company classifications. Almost 23 percent of the consumer goods respondents were in new positions followed closely by combination goods respondents with 22 percent. Industrial goods responses were high also although previous findings would have indicated a much larger percentage. The service industry shows a much smaller growth

TABLE XXXI
 PERCENTAGE RESPONSE OF NEWLY CREATED POSITIONS
 CLASSIFIED BY COMPANY TYPE

POSITION CREATED WITHIN THE PAST FIVE YEARS	ALL RESPONDENTS	COMPANY TYPE			
		Consumer %	Industrial %	Combination %	Service %
Yes	19.9	22.9	18.6	22.0	7.1
No	79.4	77.1	79.1	78.0	92.9
No reply	.7	.0	2.3	.0	.0
Totals	100.0	100.0	100.0	100.0	100.0

in opportunities with a minor 7 percent of the respondents in newly created positions.

The growth demonstrated is gratifying and indicates good opportunities for advancement for sales career minded men.

A word of caution is in order. The majority of new positions created were found in branch office operations as the following summary demonstrates:

5 were Head office respondents:	2 consumer
	1 industrial
	1 combination
	1 service
24 were Branch office respondents:	8 consumer
	9 industrial
	7 combination
	0 service

III. FORMALIZATION OF SALES EXECUTIVE RESPONSIBILITIES

Primary responsibility for training new company salesmen lies with the sales executive. The typical sales executive's company maintains a formal salesmen evaluation programme and formal job descriptions for his own and for company salesmen.

Formal Sales Training Programmes

The primary responsibility for training new company salesmen lies with the sales executive. This is demonstrated in Table XXXII.

The disturbing part of Table XXXII is that 45.2 percent of all the respondents were actively involved in the initial training of new salesmen while only 28.1 percent indicated a formal company

TABLE XXXII
 PERCENTAGE DISTRIBUTION OF THE RESPONSIBILITY
 FOR TRAINING NEW COMPANY SALESMEN
 CLASSIFIED BY COMPANY TYPE

WHO TRAINS SALESMEN?	CONSUMER GOODS %	INDUSTRIAL GOODS %	COMBINATION GOODS %	SERVICE INDUSTRY %	TOTAL RESPONSES %
Respondent	58.3	48.8	26.8	42.9	45.2
Subordinate	18.8	14.0	36.6	28.6	23.3
Formal company training program	20.8	30.2	36.6	21.4	28.1
No reply	2.1	7.0	.0	7.1	3.4
Totals	100.0	100.0	100.0	100.0	100.0

training program to handle this responsibility. Certainly the sales executive has a major responsibility in training where special problems exist due to the type of product, the industry or the customer, but this type of training should be one-the-job training when the salesman is actually in the field and producing for the company. The initial training task can be formalized and taken out of his hands. This would be particularly important in companies where there is a high turnover of salesmen or where the complexities of the product or industry require long training periods.

Considering the age of specialization in which these companies carry on their business, one would suspect that formal company training programs will grow. They will have to. Sales executive talent is too difficult to find and too valuable to waste on tasks that can be delegated to full time staffs. Some companies have adopted formal sales training programs and thus released their sales executives to more productive tasks.

Product and technical knowledge are usually the first training sessions attended by the new recruit to a company's sales staff. It has been recently suggested that programmed learning will help train salesmen faster, better, and more economically, while emancipating field sales management from the chores of rote indoctrination of new men in product and technical knowledge.²⁶ The results have been

²⁶J. Porter Henry, Jr., "Can Machines Teach Salesmen to Sell?" Sales Management, 89 (July 20, 1962), pp. 38-39, 95-103.

scattered but often spectacular, and warrant far more serious consideration by sales executives than has been given to this date. Even if the results can be justified only on the basis of releasing valuable sales executive time they would be well worth investigating.

Combination and industrial goods companies are well ahead of the consumer and service industry respondents in the use of formal sales training programmes. This is natural since these companies are the largest of the four groups and are mainly branches of eastern companies where competition has forced earlier recognition of the need for professionally trained people. However they should not feel complacent. They still have a long way to go. Consumer and service industry respondents will have to become much more concerned in this area. In the competitive world of today it is no longer sufficient to send a man out with a catalogue and a price list. He needs sound training.

The necessity for sound training by competent full-time sales trainers or sales training directors is amply covered in sales management manuals.²⁷ What salesmen are trained is also important. John M. Frey stresses the need for sound training in salesmanship itself.²⁸ Mayer and Greenberg,²⁹ marketing consultants, stress the need for proper selection techniques to ensure that the formal training programmes

²⁷See Handbook of Sales Training, Prentice-Hall, Inc., New York, 1951.

²⁸John M. Frey, "Missing Ingredient in Sales Training," Harvard Business Review, 33 (November-December 1955), pp. 126-132.

²⁹David Mayer and Herbert M. Greenberg, "'What Makes a Good

are a success. They hypothesize that many formal training programmes are scrapped because results have been disappointing when, in fact, the programme was excellent but the men being trained should not have been selected for selling positions in the first place.

Table XXXVIII further classifies company performance in salesmen training procedures by giving a Branch and Head office breakdown of data. Branch office operations have a slight edge in the use of formal company programmes. This would be explained by the fact that British Columbia companies are generally smaller operations than the corresponding companies which maintain branches in this province. Thus a valid assumption would be that the branch office operations, being a part of large out-of-province companies which are better able financially to support centralized training facilities for all branches, should score considerably higher than B.C. based companies in this regard. In actual fact the difference (25.7 percent of head office and 28.8 percent branch offices with formal company training programmes) is quite small. This speaks very highly of the relative sophistication of B.C. based companies.

Particularly noticeable in Table XXXVIII is that branch office sales executives assume more responsibility for initial training than head office sales executives (47.8 percent versus 37.1 percent) and conversely, make considerably less use of subordinates for initial training (19.8 percent versus 34.3 percent).

Salesman," Harvard Business Review, 42 (July-August 1964), pp. 119-125.

TABLE XXXIII

PERCENTAGE DISTRIBUTION OF THE RESPONSIBILITY FOR TRAINING COMPANY
SALESMEN CLASSIFIED BY OFFICE TYPE

WHO TRAINS SALESMEN	TOTAL		CONSUMER		COMPANY TYPE					
					INDUSTRIAL		COMBINATION		SERVICE	
	Head Office %	Branch Office %	Head Office %	Branch Office %	Head Office %	Branch Office %	Head Office %	Branch Office %	Head Office %	Branch Office %
Respondent	37.1	47.8	50.0	61.1	42.8	50.0	12.5	30.3	37.5	50.0
Subordinate	34.3	19.8	16.7	19.4	28.6	11.1	50.0	33.3	50.0	.0
Formal company training program	25.7	28.8	33.3	16.7	28.6	30.6	37.5	36.4	.0	50.0
No reply	2.9	3.6	.0	2.8	.0	8.3	.0	.0	12.5	.0
Totals	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

The fact that head office sales executives place more responsibility on subordinates than branch office sales executives in the initial training of new salesmen is probably due to branch office operations being typically smaller than their head office counterparts and thus less likely to have subordinates on staff capable of assuming this responsibility.

In considering the individual company classifications the general pattern is one of less emphasis on subordinates taking on the responsibility of training new salesmen in branch office operations than in head office operations, however, the consumer goods companies proved to be an exception to this pattern. Whereas consumer head office operations are well above average in the use of formal training programmes, the branch office operations are well below average. It would appear that the use of subordinates for training is a stop gap measure pending the establishment of, or making use of, formal programmes.

Formal Salesmen Evaluation Programmes

The majority of the companies of this study maintain formal evaluation programmes for company salesmen. The questionnaire response from all respondents was: 55.5 percent - yes, 43.1 percent - no, and 1.4 percent - no reply. Following is a ranking of the four groups of companies in response to this question with a breakdown between head office and branch office replies.

Combination goods total replies.....73.2%

Head office.....62.5%

Branch office.....75.7%

Service industry total replies.....57.1%

Head office.....37.5%

Branch office.....83.3%

Consumer goods total replies.....50.0%

Head office.....41.7%

Branch office.....52.8%

Industrial goods total replies.....44.2%

Head office.....28.6%

Branch office.....47.2%

Combination goods companies were outstanding in the area of salesmen evaluation. It is surprising to find the industrial companies at the bottom of the list. Perhaps with their personnel selection procedures and the heavy emphasis on university graduates, it is felt that evaluation programmes are not particularly necessary. If this is the attitude it is one which should be seriously questioned.

The above ranking clearly demonstrates the leading role taken by the larger out-of-province companies in the matter of salesmen evaluation. Without exception, branch offices are well ahead of their head office counterparts. The most likely explanation again is that the greater sophistication of these companies which have established branches in British Columbia is due to the impetus of keener competition which they face and the financial advantage which comes from considerably larger sales bases than British Columbia companies.

Formal Job Descriptions

The importance of job descriptions lies in matching jobs and individuals. The job description sets forth the objectives, duties, relationships, and results expected of a person in a given job. Without a job description there is no objective measuring device for determining the individual's capability in his position nor for assessing his performance or probable performance in a more advanced position. The size of these companies and the competitive markets in which they operate demands a sophisticated means of determining the type of individual and the talents required of that individual for each one of the positions considered in this study.

Formal job descriptions seem to be a firmly established procedure in all the companies represented in this study. Only 23.3 percent of all respondents indicated that there were no formal job descriptions in their company. Over 64 percent indicated a formal job description for their own position; 58 percent, a job description for their immediate subordinate, and 65 percent, a formal job description for company salesmen.

Considering the individual company types, combination goods companies are again well above average. Industrial goods companies are also above the average in each of the three categories of job descriptions. Both the consumer goods and service industry companies can find room for improvement. Table XXXIV compares the average responses on this question with the responses for the four types of companies.

TABLE XXXIV
 PERCENTAGE RESPONSE OF FORMAL JOB DESCRIPTIONS
 CLASSIFIED BY COMPANY TYPE

FORMAL JOB DESCRIPTIONS FOR	CONSUMER GOODS %	INDUSTRIAL GOODS %	COMBINATION GOODS %	SERVICE INDUSTRY %	TOTAL RESPONSE %
Respondent	62.5	65.1	78.1	28.6	64.4
Immediate subordinate	50.0	62.8	68.3	42.9	58.2
Company salesmen	54.2	67.4	73.2	71.4	65.1
No job description	25.0	25.6	17.1	28.6	23.3

CHAPTER V
BUSINESS ACTIVITIES AND RESPONSIBILITIES OF
BRITISH COLUMBIA SALES EXECUTIVES

I. INTRODUCTION

This chapter provides a description and analysis of the B.C. sales executives' on-the-job activities, his official title, to whom he is responsible, and the number of employees for whom he is directly and indirectly responsible.

II. OFFICIAL TITLES

The typical B.C. sales executive bears the title of Regional, Western, Division, Provincial, or B.C. Sales Manager. He is responsible to the Vice President or General Manager of his company.

Respondents' Job Titles

There was a wide variety of titles given in response to the question of present official title. The 146 respondents responded with 44 different job titles, many the result of specialized responsibilities within the company; for example, "Marine Manager" or "Sales Manager - Household." There were also many combinations of titles such as Sales and Marketing Manager, General Field Manager, and Western Regional Sales Manager. It was difficult to classify these titles meaningfully but six categories were finally established

which represent fairly accurately the different types of titles held.

The largest number of responses contained the designations regional, western, division, provincial, zone or B.C. in the title. These titles all signify responsibility for a fairly large area, probably covering the province of British Columbia at a minimum and some perhaps extending to Alberta and Saskatchewan. The other classifications cannot be ignored however. The breakdown of responses are classified by company type and reproduced in Table XXXV. The term others is a general classification which covers those titles that could not be conveniently classified.

There is considerable variation among the four groups of companies. The industrial respondents lean heavily toward District or Branch sales manager titles which gives the connotation that they are responsible for smaller territories than the consumer and service respondents, where the Regional, etc., sales manager titles predominate. The combination respondents were the most difficult to classify and have, by far, the greatest number of responses classified in the "others" group. This is due to the more specialized terminology used in this group to distinguish between the industrial and consumer sales which these companies are engaged in.

Who Respondents Are Responsible To

The majority of the respondents (38.4 percent) are responsible to the Vice President or General Manager of their respective companies. A smaller group (18.5 percent) are responsible to the

TABLE XXXV

PERCENTAGE DISTRIBUTION OF OFFICIAL JOB TITLES
CLASSIFIED BY COMPANY TYPE

JOB TITLE	TOTAL RESPONSE %	COMPANY TYPE			
		Consumer %	Industrial %	Combination %	Service %
President, Vice President and General Manager	6.2	10.4	4.6	.0	14.3
General Sales Man- ager and National Sales Manager	7.5	6.2	7.0	7.3	14.3
Regional, Pro- vincial, Western, Division, Zone and B.C. Sales Manager	26.7	31.2	18.6	26.8	35.7
District or Branch Sales Manager	21.1	18.8	37.2	12.2	7.1
Sales Manager	19.9	18.8	20.9	22.0	14.3
Others*	17.8	14.6	11.7	31.7	14.3
Totals	100.0	100.0	100.0	100.0	100.0

*Includes one "No Reply."

General Sales Manager. This same pattern is fairly consistent throughout the four company groups. Table XXXVI presents data on who respondents report to classified by company type. As the table indicates there was more consistency in the titles given in answer to this question than in the question requesting their own titles. This made is far easier to classify the responses.

The pattern established in this table is considerably more consistent than that of the preceding analysis. All four groups of respondents reported predominantly to the Vice President or General Manager of their respective companies. The range of responses in this category was from a low of 32.6 percent for industrial respondents to a high of 43.7 percent for consumer respondents. With the exception of the combination group of respondents, the general or national sales manager was the next title most commonly reported to. This table is far more effective in establishing the relative level in the business hierarchy of the respondents than Table XXXV (page 91).

III. JOB RESPONSIBILITIES

The typical B.C. sales executive engages in a very wide range of activities on the job. He considers directing and controlling the sales force, training salesmen, and personal selling, in that order, the most important activities of his position. He also spends most of his time on these same three activities. He is directly responsible for five to nine employees and indirectly responsible (through subordinates) for between ten and twenty-four employees. He spends approximately 15 percent of his time travelling away from his home.

TABLE XXXVI

PERCENTAGE DISTRIBUTION OF OFFICIAL TITLES OF THE PERSONS
TO WHOM RESPONDENTS ARE DIRECTLY RESPONSIBLE
CLASSIFIED BY COMPANY TYPE

OFFICIAL TITLE	TOTAL RESPONSE		COMPANY TYPE			
	#	%	Consumer %	Industrial %	Combination %	Service %
President	17	11.6	12.5	13.9	7.3	14.3
Vice President and General Manager	56	38.4	43.7	32.6	36.6	42.9
General Sales Manager or National Sales Manager	27	18.5	14.6	23.3	17.1	21.4
Regional, Divisional, Western or B.C. Sales Manager	19	13.0	12.5	11.6	17.1	7.1
Others*	27	18.5	16.7	18.6	21.9	14.3
Totals	146	100.0	100.0	100.0	100.0	100.0

*Includes two "No replies."

On-The-Job Activities

The questionnaire listed thirteen sets of duties that might normally be associated with a sales executive's responsibilities. The list was by no means complete and no doubt most sales executives could easily add many more responsibilities to this list. However, the list does represent the type of business involvement these men must face day by day. Table XXXVII recreates the list with the frequency of response to each listed activity. The respondents were also asked to check the three activities they considered the most important and the three they considered the most time consuming. The three activities with the heaviest response in each category are indicated by an asterisk. Most of the sales executives responding were involved in most of the activities listed. The only activities with a frequency of response under 75 percent are: establishing sales quotas for individual salesmen, establishing price policy and establishing credit policy.

Although both pricing and credit are legitimate concerns of the sales executive because of their impact on the sales performance of his territories and salesmen, their company wide impact on performance makes it readily understandable why the ultimate responsibility will lie with the specialists and higher placed executives. Setting sales quotas for individual salesmen will usually be left to the sales manager directly concerned after the sales executive has established the branch quota.

TABLE XXXVII

PERCENTAGE RESPONSE FOR BUSINESS ACTIVITIES ENGAGED IN BY
RESPONDENTS, THOSE CONSIDERED MOST IMPORTANT AND
THOSE CONSIDERED MOST TIME CONSUMING

BUSINESS ACTIVITIES	RESPONDENTS INVOLVED %	CONSIDERED MOST IMPORTANT %	CONSIDERED MOST TIME CONSUMING %
Personal Selling	82.2	*39.7	*39.7
Recruiting Salesmen	79.5	19.9	4.8
Training Salesmen	84.3	*43.8	*30.8
Directing and Controlling Sales Force	91.8	*72.6	*58.9
Sales Forecasting	93.8	27.4	21.2
Establishing Sales Quotas - branch	78.1	3.4	2.7
- salesmen	58.2	.0	.0
Salary Determination	79.5	2.7	.7
Expense Account Control	87.7	4.1	4.8
Planning Sales Promotions	82.2	30.8	21.9
Introducing New Products	76.7	14.4	11.0
Establishing Pricing Policy	55.5	26.0	13.0
Establishing Credit Policy	37.0	6.9	6.2

*The three activities with highest frequency of responses.

The three most important duties are solidly established. In order of relative importance they were found to be:

Directing and controlling the sales force.....	72.6%
Training salesmen.....	43.8%
Personal selling.....	39.7%

The three most time consuming activities were the same three although their order was altered somewhat with personal selling displacing training salesmen in second place.

Training company salesmen. Training salesmen is a large part of the sales executive's job. This would include both the training of new salesmen and continuing on-the-job training for salesmen after their initial training programmes. Chapter IV discussed the initial training of new salesmen and the desirability of having it carried out by full-time people. Initial training is normally concerned with technical and product knowledge. In this chapter we are concerned with after- initial training.

After-initial training would normally include two fundamental aspects: market information and customer characteristics, and selling techniques and sales basics. The selling techniques and "how to sell" sales basics can and should be initially the responsibility of trained personnel. The sales executive's major responsibility would be one of follow-up and reinforcement, through on-the-job training, which includes making field sales calls with the salesmen. Market information and customer characteristics would include making sure that the individual salesmen know who their

customers and prospects are, how they use his product or service, how often repeat purchases are normally made, various product applications, buying patterns, prospect habits and idiosyncrasies, and competitive products and practices.

This is not information that is given just to new salesmen in a territory. It must be continuing, keeping the salesmen abreast of trends, product developments, new applications, competitive strategy changes, economic fluctuations and new prospect and customer developments. The information would come from marketing research studies, competitive analysis, sales-call reports, basic marketing programmes and plans, business publications, and annual audits of the company's marketing operations. This does not sound like selling and it is not supposed to. We are not discussing salesmen. We are discussing sales executives or sales managers with the emphasis on executive and managing.³⁰

Personal selling. With over 82 percent of the respondents involved in selling there is no question of its importance in the sales executive's overall responsibilities. But what are the respondents' thoughts on being involved in selling themselves? This study made no provision for an answer to this question but a survey carried out by

³⁰ For a very well thought out and well presented discussion on the question of sales managers "doing" versus managing, see Raymond O. Loen, Management Consultant, "Sales Managers Must Manage," Harvard Business Review, 42 (May-June, 1964), pp. 107-114.

Industrial Distribution provides some interesting highlights.³¹ In that survey, 83 percent of the respondents believed that they should not be responsible for any accounts, yet 40 percent (considerably below the 82 percent of this study) handled accounts personally, and 35 percent spent more than 50 percent of their time in the field.

There was a broad difference in views about the role the sales managers should play in the selling effort in the abovementioned study. On the one hand (the minority), some of the sales managers felt their toughest job was getting out from under paperwork to spend more time in the field. This group disliked or even resented paperwork and irksome chores that kept them from the field. The majority however, felt that they should not handle accounts and expressed views such as the following:³²

A sales manager should teach, train and direct his sales force. This can be, and is, a fulltime job.

Handling accounts narrows his perspective.

Sales manager is unable (without penalty) to provide the service, follow-through and on the spot attention so often required.

Handling accounts reduces sales managers overall effectiveness for general sales supervision.

Main job will be neglected.

With all accounts assigned to salesmen, salesmen become more responsible, sales managers more flexible.

Sales manager should be a manager, not a super salesman.

³¹George L. Bottari (Ass. Ed.), "How Do Sales Managers Spend Their Time?" Industrial Distribution, 49 (January, 1959), pp. 84-88.

³²Ibid., p. 85.

Sales manager won't have time to handle accounts if he properly assumes his other responsibilities.

The sales manager who handles his own accounts loses the flexibility he needs to do his job.

An overwhelming weight of opinion against the sales executive being involved in personal selling!

Directing and controlling the sales force. This activity is naturally one of the most important duties of the sales executive because this, essentially, is his job.

The sales manager's job is the plan, plead, inspire and prod the sales force.³³

One aspect of directing and controlling the sales force is field work with salesmen to help them improve their effectiveness. This could also be considered part of training but goes much further. Fifty-eight percent of the Industrial Management respondents wanted to spend more time in the field with their salesmen. They gave the following justifications:³⁴

1. To evaluate the service we are giving.
2. To give customers a feeling of importance.
3. To meet key account personnel.
4. To set up lunches and entertainment.
5. To help show salesmen how to sell.
6. To help salesmen meet customer brass.
7. To straighten out product problems.
8. To handle customer gripes and complaints.

³³Bottari, op. cit., p. 86.

³⁴Bottari, op. cit., p. 86.

9. To check on salesmen's work habits.
10. To observe salesmen's sales techniques.
11. To help get more orders.

Sales forecasting, sales quotas, planning sales promotions, introducing new products, and establishing pricing policies all rate fairly well on the most important activities scale of the respondents. They should rate higher. They should be among the most important phases of a sales executive's job. The establishment of marketing policies and objectives are the most significant areas of business today and the areas where there is the most need for improvement.

A sales manager's broad responsibilities involve producing additional sales profit. To do this he must;

- (a) establish marketing policies and objectives.
- (b) plan the marketing campaign.
- (c) work with the sales force to see that these objectives are met.
- (d) keep direct selling expense in proper relationship to profits produced. (Sales without profits are pointless.)

Perhaps our typical sales executive should take a long close look at what he does, eliminate as much as possible his personal selling activities, try to eliminate routine tasks, standardize procedures and make the time available for more thinking, more planning, and more creative development of long-range sales policies and objectives. He should pay more attention to providing the information which will keep his salesmen abreast of customer and competitive

developments.

Raymond O. Loen, Management Consultant, feels that almost any manager today can talk the language of managing in terms of planning, directing, and controlling, but that the test of being an effective manager is really to understand managing well enough to practice it in day-to-day responsibilities. He feels that today's sales manager often exemplifies this problem of managing by doing, and the result is that they do not manage effectively.³⁵

Spans of Control

The direct span of control (number of employees directly responsible for) appears to be expanding significantly. The 1960 study recorded 74.6 percent of the respondents directly responsible for fewer than ten employees and the remaining 25.4 percent responsible for more than ten employees. In comparison, the 1966 study finds only 53.4 percent of the respondents responsible for fewer than ten employees while the percentage of those responsible for ten or more increased from 25.4 percent to 45.9 percent. This trend holds true for each of the four groups of companies with the exception of the service industry. In this instance there has been no substantial change. The most dramatic example of an increase in the direct span of control is in the industrial group of companies. Seven percent of the 1960 industrial respondents were directly responsible for more

³⁵Loen, op. cit., p. 108.

than ten employees. This increased to 37.2 in the 1966 study.

When considering responsibility for employees both directly, and indirectly through subordinates, a different picture emerges. Here it appears that the span of control is decreasing. The current study records only 40.4 percent of the respondents responsible for more than 25 employees whereas the 1960 study recorded 51.9 percent of its respondents with responsibility for more than 25 employees.

Table XXXVIII presents the current findings on spans of control and compares them to the 1960 study. The first part of the table represents the number of employees reporting directly to the sales manager and the second part, the total number of employees under his control and direction whether reporting directly to him or not.

The conflicting trends apparent in Table XXXVIII are surprising. The only explanation that can be offered is that there has been a considerable amount of decentralization and opening of new offices resulting in fewer employees per office, or possibly, that more direct sales responsibility has been given to the current sales executives while relieving them of indirect responsibility through the establishment of larger staff organizations.

Consumer goods sales executives typically have more employees reporting directly to them (16.7 percent with fewer than five employees and 29.1 percent with twenty or more employees) than the other three groups of sales executives, while service industry sales executives have the smallest number of employees (42.9 percent with fewer than five and 21.4 percent with twenty or more) reporting directly to them.

TABLE XXXVIII

RESPONDENTS' SPAN OF CONTROL AND INDIRECT PERSONNEL
RESPONSIBILITIES CLASSIFIED BY COMPANY TYPE -
1966 AND 1960 (PERCENTAGE OF RESPONSES)

DIRECT SPAN OF CONTROL	AVERAGE 1966 1960	CONSUMER 1966 1960	INDUSTRIAL 1966 1960	COMBINATION 1966 1960	SERVICE 1966 1960
	% %	% %	% %	% %	% %
Less than 5	25.3 32.8	16.7 23.8	37.2 53.6	17.1 34.4	42.9 .0
5 - 9	28.1 41.8	27.1 47.6	25.6 39.3	36.6 34.4	14.3 55.6
10 - 19	24.0 13.6	27.1 19.1	23.3 7.1	22.0 12.5	21.4 11.1
20 - 39	17.8 11.8	22.9 9.5	11.6 .0	17.1 18.7	21.4 33.3
Over 40	4.1	6.2	2.3	4.9	.0
No reply	.7			2.4	
Totals	100.0 100.0	100.0 100.0	100.0 100.0	100.0 100.0	100.0 100.0
DIRECT AND INDIRECT SPAN OF CONTROL					
Less than 10	26.7 24.5	31.3 23.8	34.9 33.3	14.6 25.0	21.4 .0
10 - 24	32.2 23.6	27.1 23.8	44.2 37.0	34.2 12.5	7.1 22.2
25 - 74	27.4 33.7	25.0 28.6	18.6 18.6	34.2 56.2	42.9 22.2
Over 75	13.0 18.2	16.7 23.8	2.3 11.1	14.6 6.2	28.6 55.6
No reply	.7			2.4	
Totals	100.0 100.0	100.0 100.0	100.0 100.0	100.0 100.0	100.0 100.0

This is not unexpected. The service industry is still capitalizing on growth opportunities while the intensive distribution of consumer goods is well established and requires large numbers of salesmen to maintain this distribution structure.

With the exception of the service industry another interesting comparison with 1960 is evident. Consumer, industrial and combination companies all record significant drops in the number of respondents reporting direct responsibility for less than five employees and major increases in each of the categories above five employees. This confirms the suggestion of growth and more intensive sales efforts particularly evident in the industrial and combination companies which was introduced in Chapter IV.

The suggestion of fewer indirectly controlled employees as compared to the 1960 study remains fairly consistent through the four groups of companies. There are exceptions to a completely consistent trend in the combination and service responses for which no adequate explanation is available. However, these exceptions disappear if the less than five, and the five to nine classes are combined, and the twenty to thirty-nine and over forty classes are combined.

Industrial Distributions' sales managers feel capable of managing a goodly number of salesmen. The average of the companies surveyed in that study was 12.6 outside salesmen and 8 inside salesmen with a range of three to twenty-seven. Most of those respondents thought they could handle 10 or 20 salesmen and a few favored more.³⁷

³⁷Bottari, op. cit., p. 87.

Travelling

In the course of his business responsibilities, the typical sales executive finds himself travelling away from his home between ten and twenty-four percent of his time; not too different from Sales Managements' typical sales executive who spends 78 percent of his time in his home city and 22 percent travelling - or one day on the road per average week.³⁸

Table XXXIX presents travel time data and compares the four company types in this respect.

TABLE XXXIX

PERCENTAGE DISTRIBUTION OF AMOUNT OF TRAVEL TIME AWAY
FROM HOME CLASSIFIED BY COMPANY TYPE

TRAVEL TIME	ALL RESPONDENTS %	COMPANY TYPE			
		Consumer %	Industrial %	Combination %	Service %
Less than 10%	25.3	29.2	25.6	24.4	14.3
10 - 24%	50.7	43.7	53.5	48.8	71.4
25 - 49%	21.1	22.9	20.9	22.0	14.3
No reply	.7	.0	.0	2.4	.0
Totals	100.0	100.0	100.0	100.0	100.0
AVERAGES	17.7%	18.5%	16.6%	18.1%	27.1%

The service industry representatives appear to be the most travelled sales executives of the four groups, however, the small

³⁸Salisbury, op.cit., p. 35.

base in the service industry may be presenting a bias. The industrial sales executive does the least amount of travelling away from home, which is quite consistent with the previous supposition that this group is responsible for smaller territories than the other groups. The consumer and service sales executives, with apparently larger territorial responsibilities, would find it necessary to spend more time travelling. It would be interesting in any future research, to determine how the sales executives look on travelling - as a pleasant relief from home office tedium or as a necessary evil in the performance of their responsibilities?

CHAPTER VI
CAREER PATTERNS AND PROSPECTS OF BRITISH
COLUMBIA SALES EXECUTIVES

I. INTRODUCTION

The majority of tabular information pertaining to this chapter will be found in Appendix B, pages 182 to 200. This chapter is concerned with the career patterns and prospective advancement of the B.C. sales executive. The data presented will deal first with the progression of the sales executives to their present positions. It will include first and third job studies, ages at which important steps were made, years of experience, number of companies worked for, and number of positions held. The chapter discusses the respondents' evaluation of experience considered most valuable in advancement and examines the extent of family connections with the respondents' present companies.

The effect of education on the career of the sales executives will then be discussed, followed by the effect of other factors such as fathers' occupation, size of birthplace, and age, on their achievement times.

The chapter will close with a discussion on the promotional expectations and prospects of the sales executives.

II. PROGRESSION DATA

The typical B.C. sales executive obtained his first job in his teens. This job was as an unskilled worker. He was well launched into a sales career by his third job. He has worked for four companies during his career and has held seven positions within those companies. Excluding military service it took him 19 years to reach his present position.

Initial Occupations

The majority of the respondents obtained their first full-time job in their late teens, with their early twenties being the next most important time for embarking on the road of independence.³⁹ The average age of achieving their first full-time job for all respondents was 19.6 years. The difference between the four company groups was minor. The only significant variation seems to be between the consumer group average age of 19.5 years and the industrial group average age of 19.8 years. This difference would be due primarily, to the higher incidence of university attendance in the industrial group and the natural assumption that many of those who went to University went directly, and necessarily achieved their first job at a later date, probably in their early twenties.

First job - third job studies. Very few people find their

³⁹See Appendix B, page 183, Table XLV, Age at Which Respondents Obtained Their First Jobs Classified by Company Type.

niche in their first jobs and the sales executives of this study were no exception. Generally speaking, the first job is one which enables the individual to earn money on his own and to achieve some of the things which seem important at that time, i.e. a car, clothes, funds for furthering one's education, etc. Few, however, are satisfied at this level since the job is normally one that could be achieved with a minimum amount of education and experience and by its very nature will not be satisfactory beyond the achievement of these short term goals. By their third job, most people have probably found their interest in life and are prepared to make a career of that particular type of work or (perhaps unfortunately) they have taken on the responsibilities of a home and family and find it difficult, if not impossible, to change their type of work.

How does the typical B.C. sales executive fit this pattern? Appendix B presents the necessary data by listing and comparing the types of first and third jobs held by the respondents.⁴⁰ The occupations listed were so many and so varied that convenient classification and presentation necessitated a rather broad classification, "Other." This classification includes primarily, jobs of an unskilled clerical nature.

The greatest majority of the respondents obtained their first employment in unskilled laborer jobs (38.4%) or a variety of unskilled

⁴⁰See Appendix B, page 184, Table XLVI, Classification and Comparison of Respondents' First and Third Jobs.

clerical jobs ("Other," 43.8%). Only 8.9 percent started their careers as a salesman.

Typically, the respondents started their careers in jobs far removed from their present positions. The first jobs offered no indication of the status they would reach. By their third job however, the respondents were well on their way to their present positions. This is demonstrated by comparing the percentage of sales positions in the first job classification (8.9 percent) to the percentage of sales positions of the third job classification (33.6 percent salesmen, 4.1 percent sales supervisors or trainers, and 8.2 percent sales managers). The majority of those who were classified as worker or unskilled clerical had moved quickly into sales positions.

The movement into sales positions is particularly evident within the lower levels of educational achievement which will be analyzed more critically later in this chapter. The attraction of a sales career to these individuals probably lies in the opportunity available for a higher level of income and greater degree of recognition in a shorter period of time than is normally available through other types of jobs.

In examining responses by company type, it becomes apparent that the consumer goods respondents are the most single-minded group in the choice of careers.⁴¹ Close to 15 percent of their first jobs were as salesmen compared to the average of just under 9 percent for all the respondents. By their third job, 64 percent of the consumer

⁴¹ See Appendix B, page 185, Table XLVII, Respondents' First and Third Jobs Classified by Company Type.

respondents held a sales position compared to the group average of 46 percent. The combination group of respondents are about average in this respect, and industrial respondents below average. Service respondents were much slower than the rest of the respondents in getting into sales as a career. There was no movement into sales positions demonstrated by their third jobs, and 43 percent were still in unclassifiable positions.

Company and position mobility. As a group, the respondents appeared reasonably stable in their career patterns.⁴² Almost 76 percent reported being with four or fewer companies. The consumer goods respondents were inclined to change companies more often than their counterparts while the service industry respondents were the least mobile in company changes. The following percentage ranking of those respondents who worked for four or fewer companies highlights the stability of the respondents:

Service industry	78.6%
Industrial goods	72.1%
Combination goods	70.7%
Consumer goods	64.4%

Does upward progression come faster to those who change companies to better their position, or to those who look for upward movement within their present company? The data gathered failed to answer

⁴²See Appendix B, page 186, Table XLVIII, Total Number of Companies Worked for Classified by Company Type.

this question.⁴³ The service industry respondents who worked for the least number of companies on average, also held the least number of positions, while the consumer goods respondents, who worked for the most companies held a slight edge in the number of positions held. The average number of positions held (all respondents) was 6.6; service industry respondents' average was 6.1, and consumer respondents' average was 6.8.

How long has it taken? Turning now to the length of time taken to reach their present position (including all companies but excluding military service) it was found that the time taken varies by company type. The typical consumer sales executive moved more slowly than his counterparts in the other three company groups (19.6 years) compared to 19.0, 18.0, and 17.7 years for combination, industrial, and service respondents respectively. Most intriguing is the fact that only 6.2 percent of the consumer respondents had reached their present position within ten years compared to 18.6 percent of the industrial respondents, 14.6 percent of the combination respondents, and 14.3 percent of the service respondents.

The rapid movement of the industrial respondents would be due, in large part, to education and selection procedures. The particularly large group of industrial respondents who achieved their present

⁴³See Appendix B, page 187, Table XLIX, Total Number of Positions Respondents Have Held in All Companies Classified by Company Type.

position within ten years is very likely due to the fast growth in the industrial field over the past six years which has been demonstrated in Chapter IV. The "over ten years class" eliminates this period of rapid growth and the picture normalizes somewhat with very little variation demonstrated in the "11 to 15 years class." On the average, 55.5 percent of all respondents had reached their present position by their twentieth working year. Consumer goods respondents are typical at this point with 56.3 percent, industrial goods and service respondents were slightly above average with 58.1 percent and 57.1 percent respectively, and combination respondents, now trailing the field with 51.2 percent, having reached their present position by their twentieth year.⁴⁴

One of the reasons for the somewhat slower progression of the consumer and combination respondents may be found by referring to the span of control data.⁴⁵ There it was noted that consumer goods companies and presumably the consumer goods portion of combination companies, have larger spans of control and thus more salesmen per sales manager. Since the normal progression of consumer goods sales executives would be through sales, with more fellow employees to compete with, it might take him longer to reach his present position. The same reasoning would also explain why the service sales executive

⁴⁴See Appendix B, page 188, Table L, Number of Years Required to Reach Present Position Classified by Company Type.

⁴⁵See Table XXXVIII, page 103.

seemed to move rapidly. He had less competition. It is suggested however, that the results for the service industry are inconclusive in this regard due to the small sample size.

The next section continues the study of progression by examining present company data.

The typical B.C. sales executive was 30 years old when hired by his present company. His greatest upward movement has been with his present company where he had held three of his seven positions. He achieved his present position at the age of 39 and has held this position for six years. Sales work has been considered the most valuable asset in the sales executive's progression to his present position. Family connections have not played a part in his achievement.

Present Companies

The career patterns of the respondents within their present companies is of major interest in this study. Appendix B tables provide the following information: age when hired by present company; number of positions with present company; age when present position was achieved and number of years in that position; and, importance of business experience and family connections in the sales executives' careers.

Age when hired by present company. In the examination of intra-firm mobility, the first area of interest is the stage in their careers at which the sales executives became associated with their present

companies.⁴⁶ The average respondent was 30.4 years old when he joined his present company. Consumer and combination respondents tended to join their present companies about a year earlier than this average, while industrial and service respondents tended to be a year older than the average.

The age classification of between 26 and 35 years was the most important time for joining present companies (37.6 percent of the respondents). The next most important time was the 20 to 25 age classification with 26.0 percent of the respondents joining their companies at this period in their lives. This is in sharp contrast to the results of the 1960 study as the following comparison shows:

	<u>1960</u>	<u>1966</u>
Percentage of respondents aged 20 - 25 when they joined their present company	36.3%	26.0%
Percentage of respondents aged 26 - 35 when they joined their present company	26.0%	37.6%

The only explanation that can be offered for this seeming reversal is that these positions are becoming more important with the growth in size of the firms represented and that more training and experience is required to achieve them. A corollary to this reasoning is that the rapid expansion of many of the firms necessitated looking outside their ranks for qualified personnel to meet their sales personnel requirements and that experience played a major role in their selection.

⁴⁶See Appendix B, page 189, Table LI, Respondents' Age When Hired by Their Present Companies Classified by Company Type.

Slightly over 79 percent of the consumer respondents joined their present companies before they were thirty-five, compared to 75.5 percent of the combination respondents, 65.1 percent of the industrial respondents, and 57.2 percent of the service respondents.

The tendency for consumer respondents to join their companies earlier than their counterparts is consistent with the generalizations on education and the expanding industrialization of British Columbia. For those interested in sales careers, consumer goods companies provided the best opportunity simply because there were more positions available and less reliance on educational background in order to qualify.

Age present position achieved. The age at which the typical respondent obtained his position was 38.7 years, while the individual averages were 37.7, 38.0, 39.0, and 39.4 years of age for service, industrial, consumer, and combination respondents respectively.⁴⁷

There are two important comparisons to be made with regard to the above information. First, is the comparison with the 1960 study results. Only 25.5 percent of the current respondents had achieved their present position before the age of 36 compared to 82.5 percent of the 1960 respondents. This comparison is consistent with the previous finding that the 1960 respondents joined their companies

⁴⁷ See Appendix B, page 190, Table LII, Age at Which Respondents Achieved Their Present Positions Classified by Company Type.

much earlier in their careers than the current respondents.

The second significant comparison is found when comparing, by company type, the time lapse between age hired by present company and age at which present position was achieved. The following data summarizes the time lapse by company type:

	<u>Age Hired By Present Company</u>	<u>Age Present Position Achieved</u>	<u>Number of Years Taken</u>
Consumer Respondents	29.6	39.0	9.4
Industrial Respondents	31.2	38.0	6.8
Combination Respondents	29.7	39.4	9.7
Service Respondents	31.7	37.7	6.0

The relatively rapid movement of the industrial respondents in comparison to the average is again probably due to the rapid expansion in this field over the past few years. The service respondents moved very rapidly also, due in part to the relatively small numbers involved. The consumer and combination groups are taking considerably longer to reach their present positions.

During the time it took the respondents to move to their present positions within their companies, they have held two to three other positions.⁴⁸ The industrial goods respondents have had the greatest

⁴⁸ See Appendix B, page 191, Table LIII, Number of Positions Respondents Have Held in Their Present Company Classified by Company Type.

variety of experience with an average of 3.6 positions followed closely by consumer respondents with 3.5 positions. Service industry respondents were the lowest in this regard, having held an average of 2.9 positions with their companies.

Over 42 percent of the respondents had been in their present position less than four years and a further 24 percent had held their positions less than six years.⁴⁹ Consumer and industrial respondents have held their positions the shortest period of time, while the service respondents have the longest tenure in their present positions.

Importance of sales experience and family connections. In progressing to their present positions, the respondents felt that sales experience was the most important ingredient although there is some variance between the company classifications. Table XL presents the response to the question of what business experience they considered the most valuable to them in achieving their present positions.

Sales experience was considered the most important by all the respondents, particularly so by the consumer goods respondents. The industrial respondents ranked sales experience as the most important but its significance was overshadowed by the fact that they put far more emphasis on technical and product knowledge than any of the other respondents. This outcome is what might be expected. Considering the variety and number of consumer goods from which the consumer has a

⁴⁹See Appendix B, page 192, Table LIV, Number of Years Respondents Have Been In Their Present Positions Classified By Company Type.

TABLE XL

TYPE OF BUSINESS EXPERIENCE CONSIDERED MOST IMPORTANT
IN ACHIEVING PRESENT POSITIONS CLASSIFIED
BY COMPANY TYPE

TYPE OF BUSINESS EXPERIENCE	TOTAL RESPONSE		TYPE OF COMPANY			
	#	%	Consumer %	Industrial %	Combination %	Service %
Sales work	95	65.1	79.2	48.8	65.8	64.3
Technical and product knowledge	26	17.8	10.4	25.6	19.5	14.3
Other marketing and business	21	14.4	10.4	18.6	14.7	14.3
No reply	4	2.7	.0	7.0	.0	7.1
Totals	146	100.0	100.0	100.0	100.0	100.0

choice, it is apparent that high sales ability will be of first importance. On the other hand, although industrial goods sales positions will require sales ability, product and technical knowledge will be absolutely essential. In the industrial field we are dealing with people who buy with more rational motives and considerations than would be found in consumer sales. The customers for industrial goods will demand technical competence from the people they deal with.

Many of the respondents included "getting along with people" in conjunction with sales experience. One respondent answered with two words, "hard work," while another felt that selling life insurance, an intangible, helped him develop the necessary talents for his executive position. Another very interesting comment was made:

I am firmly convinced that my R.C.A.F. career did more to educate me than any other form of education. Hard work, strict discipline, the desire to win, travelling, and learning to get along with others paved the way for my position today.

Nepotism was not a factor in achieving sales executive positions. Only five percent of the respondents reported any family connection with their present company. In comparing the individual company classifications in this respect, the service industry ranked the highest with 14 percent of these respondents reporting family connections with their present company. Combination, industrial and consumer respondents reported 10, 4, and 2 percent respectively in this regard. Although the relatively high response for the service industry can be readily explained by smaller family run companies which might be found in this category, there is no apparent explanation for the 10 percent response in the combination group.

III. THE INFLUENCE OF EDUCATION ON

ACHIEVEMENT TIME

Education, particularly university education, is strongly stressed by the larger companies and has played a positive role in shortening achievement time. It is questionable however, whether university education has paid off at this point in the sales executive's career. The larger and rapidly expanding companies are more conscious of educational attainment and one can expect that education will play a greater role in the future careers of present and future sales executives.

There is a very definite and positive relationship between the size of the firm the respondent works for and the degree of education which he has achieved. The writing is clear; those who aspire to sales executive positions and beyond in the larger companies will need a university education as the first step. This emphasis on education is firmly demonstrated in the following summary of findings.⁵⁰

<u>Company Size</u>	<u>Respondents With No University</u>	<u>Respondents With Some University</u>
Less than \$15,000,000	44.4%	28.8%
More than \$15,000,000	55.6%	71.2%
Totals	100.0%	100.0%

⁵⁰For complete table see Appendix B, page 193, Table LV, Size of Respondents' Present Companies Classified By Level of Education Received.

When you consider that 59 percent of the companies represented recorded annual sales of over 15 million dollars, the strong emphasis placed by the larger companies on education achievement becomes even more apparent. Only 20 percent of the grade school level respondents are represented in this group of larger companies. Over 57 percent of the high school level respondents, 62.5 percent of the some university level, 89.9 percent of the undergraduate degree level, and all of the graduate level of education respondents are represented in the companies which recorded sales over \$15,000,000.

The 1960 study did not demonstrate this sort of positive relationship and it would appear that formal education is becoming ever-increasingly important to the larger companies. It may even be becoming an "entrance fee" to these companies which is in direct contrast to the conclusion of the 1960 study where it was hypothesized that the generation largely represented in that sample could achieve success in the larger companies through performance and without the aid of higher education.

Education's influence on respondents' first and third jobs. It has already been demonstrated that the respondents have progressed to sales positions at the expense of the worker and "other" occupations. The question we are now concerned with is to what extent education has influenced this progression.

The higher the level of education the less likely the typical respondent started his career as an ordinary worker. None of the grade school educational level respondents started their careers in

sales, while 7.3 percent of the high school, 11.7 percent of the some university, 9.4 percent of the undergraduate, and 66.7 percent of the graduate level respondents did begin in sales.⁵¹ The positive relationship falters after first jobs.

In their third jobs, grade school respondents stood out. Sixty percent of this group were in a sales position by their third job. At this stage they were proportionally just as well represented as respondents with some university and respondents who held graduate level degrees, both of which had a head start. They were far better represented than the high school level graduates, 27.1 percent penetration into sales careers and the undergraduate degree holders of which only 28.1 percent were in sales jobs.

The high school group of respondents stood out in another respect. Although only 27.1 percent of this group were in sales jobs there was a further 12 percent who had progressed to sales supervisory or sales trainer positions and sales management positions. Not one of the other educational levels had any representation in these advanced sales positions.⁵²

Time taken to reach present position. The influence of education in this regard is quite definite. The higher the educational level, the quicker the respondents achieved their present positions. Those

⁵¹ See Appendix B, page 194, Table LVI, Respondents' First Jobs Classified By Level of Education Received.

⁵² See Appendix B, page 195, Table LVII, Respondents' Third Jobs Classified By Level of Education Received.

respondents with a grade school education took 20 years to achieve their present position; those with a high school education, 19.1 years; those with some university, 17.3 years; those with a university degree, 14.1 years; and (the exception which proves the rule?) those with a post graduate education, 19.1 years.⁵³

Although it is a fact that advanced education has shortened progression time to present positions and that the larger companies stress the need for university education, it is questionable whether a university education has actually paid off at this point in the sales executive's career. The reason for this statement will be clear in Chapter VII when education's rather disappointing influence on income is studied. It has been demonstrated that the larger companies stress university education. It will be demonstrated in the following section that the rapidly expanding companies, which are creating new positions, are primarily interested in personnel with a university education. From the monetary standard however, for those who have graduated from university the payoff is still to come.

Who gets the newly created positions? The creation of new positions within the past five years was discussed in Chapter IV. This section examines those newly created positions in reference to the educational level of those who receive them. The importance of

⁵³See Appendix B, page 196, Table LVIII, Years Respondents Required to Achieve Present Position Classified By Level of Education.

education is firmly demonstrated in the following summary of results.

<u>Respondents' Level of Education</u>	<u>Percentage of Respondents Who Received Newly Created Positions</u>
Grade School	.0
High School	12.2
Some University	33.3
Undergraduate Degree	32.3
Graduate Degree	67.7

IV. SOCIAL FACTORS INFLUENCE ON ACHIEVEMENT TIME

This section examines the influence of fathers' occupations and the size of the respondents' place of birth on their achievement times. The social origins of the sales executives had a definite influence on the respondents' achievement times, particularly the occupation of their fathers. The first aspect of this analysis deals with the relationships established between the respondents' fathers' occupations and the respondents' first jobs.

Fathers' occupations and respondents' first jobs. The sons of fathers who owned their own business were the most likely to start directly in a sales career. The incidence of this group starting directly in sales was over twice that of the sons of professional men (38.4 percent compared to 15.4 percent) and over three times that of any other occupational group recorded in the study.⁵⁴ It would seem that they have a major head start in their careers.

⁵⁴See Appendix B, page 1197, Table LIX, The Occupations of Respondents' Fathers Classified By Respondents' First Jobs.

The apparent lead held by the sons of business proprietors over the sons of professional men does not hold up under more critical analysis.⁵⁵ It is quite interesting to note the differences. Whereas the sons of business owners were much more inclined to enter sales directly, the sons of professional men achieved their present positions in a shorter period of time; just over 16 years compared to just over 17 years for the sons of business owners.

Over 18 percent of the professional background respondents managed to achieve their present position with ten years compared to the group performance in this respect of 13.4 percent. The sons of business owners and business executives were able to achieve practically the same outstanding performance.

The sons of farmers and salesmen took the longest time to reach their present positions, requiring 22.0 and 21.5 years respectively. In addition, both were well under the group average in the ability to achieve their present position within ten years. The results of this analysis are very much in line with the results obtained by Messrs. Warner and Abegglen in their 1952 study of business leaders.⁵⁶ They concluded that the superior results achieved by business and professional men's sons was a result of associations and contacts inherent in these backgrounds.

⁵⁵See Appendix B, page 198, Table LX, Number of Years Required to Reach Present Position Classified By Fathers' Occupation.

⁵⁶Warner and Abegglen, op. cit., p. 30.

Size of birthplace influence on respondents' achievements. Data gathered attempted to determine whether or not the size of the respondents' birthplace would have any positive influence on the respondents' achievement times. It was hypothesized that the larger the birthplace, the more competitive the youthful and social environment. This would, in turn, lead to a more aggressive desire to achieve and this would manifest itself in actual achievement. The results were inconclusive since no positive relationship could be established. The fastest movement (16.4 years) came from the group of respondents whose birthplace was of the small city size, i.e. a population of 5,000 to 24,999. Those who came from the large metropolitan areas took an average of 18 years and those from rural areas (under 5,000) took 20.4 years, almost the same as those from each of the remaining classifications of birthplace size.⁵⁷

V. PROMOTION PROSPECTS AND EXPECTATIONS

The typical sales executive is optimistic about his promotion prospects within his company. There is some question about these prospects as there is an even chance that he will move on to another company.

Table XLI compares the respondents' expectations of promotion within their present companies with what actually happened to the former holder of their present position. The purpose in asking what

⁵⁷See Appendix B, page 109, Table LXI, Number of Years Required to Reach Present Position Classified By Size of Respondents' Birthplace.

TABLE XLI

RESPONDENTS' PROMOTION EXPECTATIONS IN THEIR PRESENT POSITIONS
AND THE PROMOTION EXPERIENCE OF THE FORMER HOLDERS
OF THESE POSITIONS BY COMPANY TYPE

RESPONDENTS' EXPECTATIONS	TOTAL RESPONSE		TYPE OF COMPANY			
	#	%	Consumer %	Industrial %	Combination %	Service %
Higher position	98	67.1	70.8	69.7	68.3	42.9
Same position - larger territory	14	9.6	8.3	11.6	9.8	7.1
Retirement	9	6.2	4.2	4.7	7.3	14.3
Not known	25	17.1	16.7	14.0	14.6	35.7
Totals	146	100.0	100.0	100.0	100.0	100.0
PROMOTION EXPERIENCE OF FORMER HOLDER						
Promoted	61	41.8	45.8	39.5	46.3	21.4
Not promoted*	61	41.8	37.5	37.2	46.3	57.2
No former holder	16	11.0	8.3	18.6	2.5	21.4
Retired	5	3.4	4.2	2.3	4.9	.0
No reply	3	2.0	4.2	2.3	.0	.0
Totals	146	100.0	100.0	100.0	100.0	100.0

*The questionnaire response did not specifically identify what happened to those former holders who were not promoted within the company. Since they are not within the retired category, the assumption is that they have moved on to other companies.

happened to the former holder was to determine past experience of where these positions led. Are there really prospects for promotion within the companies or are these dead-end jobs for their holders.

As the first part of the table demonstrates, the respondents are quite optimistic about their chances for promotion within their companies. Sixty-seven percent expect to achieve a higher position and a further 10 percent expect a larger territory. Only six percent intend to retire and 17 percent do not know.

Not as much hope can be held out for the respondents when referring to the second part of Table XLI (page 129). Only 42 percent of the respondents' predecessors were promoted within the company. Forty-two percent were not promoted within the company and presumably moved on to other companies. Past experience does not square with present expectations.⁵⁸

Comparing the actual experience of the four industries along with the respondents' own expectations it appears that the service industry offers the least chance of in-company promotion and combination and industrial companies offer the best chance.

Consumer goods sales executives have the highest promotional expectations. Almost 46 percent of this group expects to be promoted to the level of National Sales Manager or above. Combination

⁵⁸This statement is made under the assumption that those who were not promoted moved on to other companies. Although the likelihood is considered small, some of the non-promoted may have been transferred to equivalent positions elsewhere in the company.

respondents have the next highest expectations with 36 percent aspiring to that level; industrial respondents are third with 26 percent, while service industry respondents seem not too sure of themselves.⁵⁹

⁵⁹See Appendix B, page 200, Table LXII, Respondents Promotion Expectations By Title Classified By Company Type.

CHAPTER VII

INCOME STUDIES

I. INTRODUCTION

This chapter is concerned with the respondents' incomes and the factors affecting their incomes. Section two will deal with annual income by company type and is also concerned with the form of income and the extent to which commissions and bonuses play a part in total income.

Section three will critically examine the influence of education and age on the respondents' incomes and section four will examine the relationships between income and such other factors as number of years with the company, size of the company, spans of control, etc. Tables of data for this chapter will be found in Appendix C, pages 201 to 212.

II. TOTAL ANNUAL INCOME

The typical B.C. sales executive earns \$15,000 per year, substantially more than his 1960 counterpart. He is paid on a salary basis with no commission. Bonuses play an important role in his total income and he has a liberal expense account.

Annual Income

The respondents' average income has already been established

in Chapter III as approximately \$15,000; an amount considerably higher than that recorded for the respondents of the 1960 study. Chapter III did not compare the incomes of the respondents by the type of company they were associated with and this will be dealt with now.

Income by company type. Some interesting highlights are revealed when examining the incomes of the four groups of respondents.⁶⁰

With almost 19 percent reporting incomes over \$18,000 the consumer goods sales executives were in a class by themselves. Industrial goods sales executives rank second in this regard with 14 percent of their responses in the over \$18,000 income bracket. Both combination and service industry respondents recorded fewer than ten percent of their responses in the same income group. Offsetting this somewhat is the fact that the consumer goods group of respondents also recorded the highest percentage of under \$12,000 earners, although just barely so. The consumer group recorded 33.3 percent of their respondents with incomes under \$12,000 compared to 32.2 percent of the combination respondents, 21.0 percent of the industrial respondents, and 14.3 percent of the service respondents.

The industrial and service industry respondents recorded a far heavier concentration of incomes in the modal income range of \$12,000 to \$17,999 (65.1 and 64.3 percent respectively) than the

⁶⁰ See Appendix C, Page 202, Table LXIII, Percentage Distribution of Respondents' Total Annual Income Classified By Company Type.

combination and consumer respondents (46.3 and 45.8 percent respectively).

Although the averages will be very approximate due to the large size of the income ranges and the open ended classes, a presentation of average incomes by company type should prove interesting: consumer respondents, \$14,950; industrial respondents, \$15,175; combination respondents, \$12,260; and service respondents, \$16,150.

Form of Income

Salaries, commissions and bonuses are part of the respondents' total income. The extent to which each of these are a part of the total income of the respondents will now be discussed.

Straight salary for most. The majority (69.8 percent) of the respondents were paid a straight salary. Twenty-six percent received a salary and commission and 3.4 percent were paid on a straight commission basis.⁶¹

Clearly then, the straight salary is the most common form of sales executive compensation with salary and commission running a poor second, and the commission-only basis almost negligible. Industrial Marketing's survey provides an interesting comparison.⁶² A great variety of income plans were reported based on variations of commission, bonuses, profit sharing and base salaries in that study. Despite the

⁶¹ See Appendix C, page 203, Table LXIV, Form of Income Classified By Company Type.

⁶² Bullen, op. cit., p. 42.

various combinations, the majority of those respondents were paid on a straight salary also. Their study however, found that those who received a base salary plus commission had a higher median income than those who received a salary only. This study revealed just the opposite. The average income of the salary-only respondents in this study was slightly higher than the income of those who received both salary and commission.

Commissions and bonuses play a role. Although salary-only was the dominant form of compensation, it is obvious that commissions do play a part in the compensation of some of the respondents. The consumer industry makes a greater use of this incentive than the other three classification. Over 30 percent of the consumer respondents reported salary and commission compared to the average of 26 percent for all respondents. Even more interesting is the fact that over 10 percent of the consumer respondents were paid on a commission-only basis.

Thirty-eight of the respondents received salary plus commission.⁶³ The majority of the salary and commission respondents receive between 15 and 24 percent of their income as commission. The consumer group stands out in this comparison in that they are represented in all of the categories of commission except one, the 35 to 49 percent income class. Why this should be, is not understood. The consumer

⁶³An examination of only those respondents who received salary and commission is presented in Appendix C, page 204, Table LXV, Extent of Commission Incentives In Total Annual Income Classified By Company Type.

group also stands out in the fact that 60 percent of this group receiving commission as part of their income, received over 50 percent of their income in commissions. The service industry percentages are ignored in this analysis because only three respondents were represented in salary and commission group.

Some companies use bonuses as an incentive to salesmen and sales executives. Generally these bonuses are paid on a basis of performance to or over quota, or on the profit performance of the branch or company. The bonuses are paid annually or semi-annually and are included in the total income of the respondents.

Although the majority of respondents did not receive a bonus, 41 percent did. This is considerably higher than the 26 percent of respondents receiving a commission. No provision was made in the questionnaire to distinguish between those who received bonuses from those who received commission or those who received both. A good number of respondents receiving a bonus probably receive a commission as well.

The percentage of sales executives in each of the four company classifications who received bonuses in addition to their other income and the extent to which these bonuses formed a part of their income was examined with the following results.⁶⁴

Just under 32 percent of the combination respondents reported

⁶⁴See Appendix C, page 205, Table LXVI, Extent To Which Bonuses Form A Part Of Respondents' Total Annual Income Classified By Company Type.

a bonus incentive, the lowest of the four company groups, and 46.5 percent of the industrial respondents reported a bonus incentive, the highest of the four company groups.

Where bonuses did form a part of income the most commonly recorded amount was between 5 and 14 percent. Three of the company groups fell in this modal class. The one exception was the service industry where bonuses seemed to play a more important role, the modal class here being 15 to 24 percent.

Liberal expense accounts. The questionnaire listed the following expenses: company car or car allowance, expense accounts, club and professional organization memberships. As would be expected, most of the companies were quite liberal in providing their sales executives with these various expenses. Seventy-five of the respondents (51.4 percent) received all three of the listed expense items. A further 36 (24.7 percent) received a car or car allowance and an expense account. With the exception of four respondents who indicated no expenses as listed in the questionnaire, all of the balance received at least one or another combination of the three categories of expenses. Of those respondents who received no expenses, two were on a straight commission and the other two were receiving 75 percent of their income on a commission basis.

III. THE INFLUENCE OF AGE AND EDUCATION ON INCOME

There is a high correlation between age and income up to \$18,000 annually and a weak positive correlation between university education and income. It seems to make very little difference income wise whether or not the respondents graduated from university.

An excellent indicator of success in the business world is the individual's level of income. We know that the respondents to this study are successful because they enjoy rather high average incomes, considerably higher than the average income for professional groups such as dentists and doctors. The following analysis attempts to evaluate some of the overt factors that normally are expected to have a bearing on income levels. Table XLII looks at two of the more obvious factors: age and education.

TABLE XLII

COMPARISON OF INCOME RANGES, UNIVERSITY EDUCATION AND AGE
(PERCENTAGE OF RESPONSE)*

INCOME RANGE	TOTAL RESPONSE	EDUCATION			AGE		
		Grade and High School	Attended University Did Not Graduate	Graduated University	Less than 40	40 to 49	50 and over
\$	%	%	%	%	%	%	%
Under 12,000	27.4	31.0	23.5	23.7	38.1	25.0	20.0
12,000-17,000	53.4	51.7	58.9	55.3	45.2	54.7	60.0
18,000 & over	17.8	17.3	17.6	21.0	11.9	20.3	20.0
No reply	1.4						
Totals	100.0	100.0	100.0	100.0	100.0	100.0	100.0

*It should be recognized that although little positive correlation is indicated between education and income, the median age of the respondents (45 years) would not allow this conclusion to be extrapolated to the present time. It is assumed that more recent years would indicate strong positive correlation due to the increasing requirement of formal education generally to progress up the corporate ladder.

For the purposes of Table XLII (page 137) and its comparisons, the age groupings have been combined into the following three classes: the modal class of ages 40 to 49 which contains the average age of the respondents and in which the greatest number of respondents appeared, respondents who were older than the modal class, and respondents who were younger than the modal class. Due to the small number of grade school respondents they were combined with those who attended high school to form one classification.

The table definitely demonstrates the positive relationship between income and age. The under \$12,000 income category contains progressively fewer respondents as age increases; i.e. 38 percent of this group were under forty, 25 percent were between forty and forty-nine, and only 20 percent were over fifty. The opposite pattern is demonstrated in the \$12,000 to \$17,999 income category; i.e. as age progresses so does the percentage of respondents earning this income increase.

The relationship between income and age falters somewhat in the over \$18,000 income range. A completely positive relationship would have shown more respondents aged 50 or more than the number of respondents between 40 and 49. In actual fact, the two age classifications have almost exactly the same percentage of responses. It is reasonable to assume that age alone is not sufficient to push the sales executive beyond the \$18,000 income range. Ability and past performance will be of prime importance at this stage. In addition, further analysis will indicate that education may be part of the

missing ingredient.

Table XLII (page 137) also demonstrated that education has some influence on income. This influence is not great and certainly is not as pronounced as the influence of age on income. More surprising however, is the fact that education did not have near the influence on income as was demonstrated in the 1960 study. The only explanation that can be offered is that the upgrading of incomes for sales executives demonstrated in Chapter III has been the result of the pressures of growing markets, rapidly increasing business and the opening of new offices. These pressures create the need for competent sales executives and they must be recruited and promoted without reference to whether or not the individual has a university education. In other words, the men are needed, they are needed now, money is no object, and there is no sense in creating artificial barriers. It is not suggested that this will be a lasting situation. University trained personnel are increasing in numbers and the gap between the university and non-university educated groups will become more pronounced.

Another interesting aspect of Table XLII (page 137) is that it seems to make very little difference whether the respondent graduated from university. Just under 18 percent of those who attended university but did not graduate earned over \$18,000 compared to 21 percent of those who graduated and are earning in this category. The attended university but did not graduate respondent is almost as likely to earn over \$18,000 as his counterpart who did complete university and graduate. This is also in sharp contrast to the 1960

results where substantial differences in income between those who completed and those who did not complete university were demonstrated.

A brief summary of the 1960 results will illustrate:

	Under \$8,000	\$8,000 - \$11,999	\$12,000 - \$17,999	\$18,000 - \$24,999
Some University	25.2%	12.9%	12.0%	15.4%
University Graduate	16.6%	22.2%	28.0%	38.4%

The only explanation that can be offered is that the rapid expansion of business over the six year period covered by these two studies has forced the participating companies to lower their requirements in the search for sales executive personnel. This conclusion would be further backed up by one further comparison with the 1960 study. In that study, 42.6 percent of the respondents had at least some university (13.6 percent some, 25.4 percent graduated, 3.6 percent post graduate).⁶⁵ The current study recorded only 37.7 percent in those same three categories (12.3 percent some, 23.3 percent graduated, 2.1 percent post graduate).

IV. THE INFLUENCE OF OTHER FACTORS ON INCOME

To this point in the study, the respondents' remunerations have been considered by type of company employed by, and by age and income. Let us now consider the relationships between remuneration and such

⁶⁵See Table XV, Chapter III, page 47.

factors as the number of years the respondents have been with their present companies, the size of their present companies, the number of employees they are responsible for, and the amount of travel time in their positions, to mention a few.

Years with present company. Very generally speaking, the longer the association with the company the higher the income of the respondent. The relationships are by no means perfect and this would be accounted for by the very able and experienced respondents who changed companies in their recent years; thus there are respondents who have been with their companies less than ten years and who are earning over \$18,000. On the other hand there appears to be some few respondents who have been with their companies for many years and who are still earning less than \$12,000.⁶⁶

One point revealed in the preceding analysis was that a great many years with the company is not tantamount to high incomes. For example; 25 percent of the respondents who have been with their company between 15 and 19 years were earning over \$18,000 while only 5.6 percent of those who had been with their company 20 to 24 years were earning in that range. It would be reasonable to conclude that length of service with a company is being rewarded, but the individual must also have proven himself and his capabilities.

⁶⁶ See Appendix C, page 206, Table LXVII, Percentage Distribution of Income Levels Classified By Number of Years With Present Company.

Years in present position. The relationship in this respect is very positive and it can be definitely stated that increasing experience within a position leads to higher incomes for carrying out the duties and responsibilities of that position. Almost without exception, fewer respondents appear in each increasing category of years within present position in the lower income levels (below \$12,000) while the opposite relationship exists in the higher income ranges, particularly those above \$18,000.⁶⁷ Other factors will be at work here, factors such as growing volume of sales and increasing responsibility of larger staff. These and other factors will be discussed shortly.

Number of positions held. If the number of positions held by the respondents can be equated with experience, then this experience should be recognized in the level of income received by the respondents. There were some positive relationships indicated when comparing the number of positions the respondents held in all of their company associations and the levels of their income.⁶⁸ The positive relationships were most apparent in the income levels under \$18,000 and most particularly apparent within the modal income class of \$12,000 to \$17,999.

The correlation between income and number of positions was stronger within the respondents' present companies than that

⁶⁷See Appendix C, page 207, Table LXVIII, Percentage Distribution of Income Levels Classified By Number of Years in Present Position.

⁶⁸See Appendix C, page 208, Table LXIX, Percentage Distribution of Income Levels Classified by Number of Positions Held in All Companies.

demonstrated for all companies.⁶⁹ Again, it was noted that the modal income class presented the best correlation. The more experience the typical sales executive had within his company (where experience is typified by a variety of positions) the more likely that he was in the modal income range. It was demonstrated again that it takes more than just years of experience or variety of experience to break into the over \$18,000 income bracket. Over 21 percent of the respondents who had been in their positions less than four years were earning over \$18,000 compared to 12.5 percent of those in their positions four to six years, and 18.2 percent who were in their present positions for seven or more years.

Number of companies worked for. Is there any evidence that the respondents can increase their incomes significantly by changing companies or, on the other hand, are they just as far ahead by sticking with their present company?

A positive relationship was manifested for up to nine company associations and in the income ranges below \$18,000.⁷⁰ To progress beyond the "magic figure" of \$18,000 it would seem that a limited number of company associations is the best bet. These are very broad relationships and entail the grouping of incomes into below and above

⁶⁹See Appendix C, page 209, Table LXX, Percentage Distribution of Income Levels Classified By Number of Positions Held in Present Company.

⁷⁰See Appendix C, page 210, Table LXXI, Percent Distribution of Income Levels Classified By Number of Companies Worked For.

\$18,000. Whether or not this is realistic is questionable and would most certainly require further research. The writer would hesitate to project these findings into the future.

Spans of control. To what extent is income based on the number of employees the respondents are responsible for? Tables XLIII and XLIV present the necessary data to arrive at the answers to this question by classifying the respondents' incomes by the number of employees they are directly, and directly and indirectly, responsible for.

Table XLIII deals with direct span of control. By combining the two income classes under \$12,000 it will be noted that, without exception, the percentage of respondents in each number of employees category decreases as the category size increases. Combining the three income classes over \$18,000, the opposite relationship (with the exception of the 10 to 19 employees classification) occurs. These relationships can be simply expressed by stating that the greater the number of employees the sales executive is responsible for, the more likely it is that he will be in a higher income bracket. There is strong evidence of a positive correlation between high remuneration and broad spans of direct control.

Table XLIV, which presents both direct and indirect spans of control, produces a far more positive correlation than was evidenced in direct spans of control and will need no further explanation. Suffice it to say, that the greater the responsibility in numbers of

TABLE XLIII

PERCENTAGE DISTRIBUTION OF INCOME LEVELS CLASSIFIED BY NUMBER
OF EMPLOYEES DIRECTLY RESPONSIBLE FOR

INCOME LEVEL \$	DIRECT SPAN OF CONTROL				
	Less than 5 %	5 - 9 %	10 - 19 %	20 - 39 %	40 and over %
Less than 8,000	.0	2.4	5.7	.0	.0
8,000-11,999	35.1	26.8	22.9	19.2	.0
12,000-17,999	48.7	48.8	65.7	53.9	60.0
18,000-24,999	5.4	17.2	5.7	23.1	20.0
25,000-29,999	8.1	2.4	.0	3.8	.0
Over 30,000	2.7	2.4	.0	.0	20.0
Totals	100.0	100.0	100.0	100.0	100.0

TABLE XLIV

PERCENTAGE DISTRIBUTION OF INCOME LEVELS CLASSIFIED BY NUMBER
OF EMPLOYEES DIRECTLY AND INDIRECTLY RESPONSIBLE FOR

INCOME LEVEL	DIRECT AND INDIRECT SPAN OF CONTROL			
	Less than 10 %	10 - 24 %	25 - 74 %	75 and over %
Less than 8,000	2.6	4.3	.0	.0
8,000-11,999	38.5	23.4	25.0	5.6
12,000-17,999	46.1	57.5	52.5	66.6
18,000-24,999	10.2	10.6	15.0	16.6
25,000-29,999	2.6	2.1	5.0	5.6
Over 30,000	.0	2.1	2.5	5.6
Totals	100.0	100.0	100.0	100.0

employees, the higher the sales executive's compensation.

Amount of travel time. Chapter V established the extent of travelling the sales executives found necessary in carrying out their job responsibilities. To be answered now is the question of whether or not this type of responsibility and the hardships it brings to family life is recognized in the incomes received by the responding sales executives. From an analysis of the data, it was concluded that travelling is necessary and is entrusted to those who have demonstrated their abilities.⁷¹ To explain: for those receiving incomes under \$12,000, progressively fewer respondents appear as the classes of travel time increase. For those who earn incomes in the modal class of \$12,000 to \$17,999, the reverse holds true. The more travelling their position entails, the greater likelihood of their appearing in this income group.

For the income groups over \$18,000 a different pattern manifests itself. The higher the income range, the less likely the respondents are doing any extensive travelling. Presumably their higher level of income is consistent with higher positions within the company and these respondents have subordinates available for extensive travelling. The advice to be offered is clear. If one aspires to a sales executive position but does not enjoy extensive travelling, he moves quickly

⁷¹ See Appendix C, page 210, Table LXXII, Percentage Distribution of Income Levels Classified by Amount of Travel Time.

through the lower hierarchy.

Total company sales. The final factor to be considered in the study of income is the relationship between income levels and total company sales. Newcomer in his 1955 study, concluded that the larger American companies paid their executives somewhat higher salaries than their smaller company counterparts.⁷² Although the top executives of the companies are not being considered in this study, there is an excellent cross section of companies represented ranging from small to large and across many industries. It was felt that the same relationship would be demonstrated in this study.

Unfortunately, the very positive relationship expected did not manifest itself; quite the opposite in some cases.⁷³ For example, 21 percent of the respondents who were associated with companies whose sales are between one and five million dollars, received incomes over \$18,000 compared to only 9 percent of the respondents who were with companies whose sales were between five and fifteen million dollars. There is no logical explanation for this finding. Moving to the companies whose sales were in the next higher classification (between fifteen and fifty million dollars in sales), the percentage of respondents receiving incomes over \$18,000 jumps to

⁷²M. Newcomer, The Big Business Executive, New York, Columbia University Press, 1955, p. 123.

⁷³See Appendix C, page 212, Table LXXIII, Percentage Distribution of Income Levels Classified By Total Company Sales.

just under 26 percent and then falls back to 20 percent for the companies with sales over fifty million dollars.

The modal income range of \$12,000 to \$17,999 suggests that the best incomes are paid by the companies whose sales are between five million and fifty million dollars.

CHAPTER VIII

SUMMARY AND CONCLUSIONS

I. INTRODUCTION

The objectives of this study were very broad. The underlying purpose was essentially one of presenting and examining the profile of the typical British Columbia sales executive and examining changes that may have taken place since 1960 when a similar study was conducted. An adjunct to this was an analysis and comparison of company characteristics over the six year period and an analysis of other factors not included in the 1960 study. From this developed a concern that out-of-province companies were expanding very rapidly while the British Columbia based companies revealed a relatively stable sales volume. These findings directed the attention of the study to an examination of underlying causal factors which might explain the apparent "back seat" position British Columbia companies were taking in their own province's rapid growth.

The following pages of this concluding chapter will attempt to take the reader through the maze of data gathered in a meaningful and succinct narrative. The presentation will follow the chapter headings but bear in mind that a great deal of the conclusions and analysis will draw of material from other areas.

The companies and respondents represented in this study were

limited to those firms which maintained selling offices in British Columbia and whose shares were traded on the major Canadian stock exchanges. Thirty-three percent of the responses were from consumer goods companies, 29 percent from industrial companies, 28 percent from companies which dealt in both consumer and industrial goods, and 10 percent from companies which offered services rather than products.

II. BASIC CHARACTERISTICS

The majority (75 percent) of respondents were employed in a branch office of a company marketing consumer goods. Their average age was 45 years with 43 percent of the respondents in the 40 to 49 years age category. It was established that the branch office sales executives were younger on average than the head office sales executives.

Further analysis revealed that branch office responses were, of course, British Columbia based companies. This established the fact that the British Columbia company sales executive is older than his out-of-province company counterpart. It was also established that the head office sales executives were considerably older than the similar group of respondents surveyed in the 1960 study. This is the first of several revealing notes of information suggesting ultraconservatism on the part of the British Columbia based companies.

III. SOCIAL ORIGINS

The background of the sample was typically Canadian with four

out of five of the respondents born in Canada. Over 56 percent of the respondents were born in the three western provinces, well over half of these in British Columbia.

The first surprise in comparing this study with the 1960 study was the virtual elimination of United States born respondents - 9 percent in 1960 compared to 1.4 percent in 1966. The United States controlled companies must be placing more emphasis on staffing their Canadian operations with Canadian nationals, a trend much discussed in the press in recent years.

Sales executives, born in the United Kingdom, more than doubled in representation from 9.0 percent in 1960 to 18.5 percent in 1966. This is very intriguing since no comparable increase in immigration could be established to account for such an increase.

The majority of respondents were born in urban areas of over 5,000 population with the most productive size of community being the metropolitan areas of over 200,000. These areas represented only 12 percent of Canada's population in 1921, yet accounted for 28.8 percent of the current sales executives. The least productive population area was the rural or less than 5,000 areas which accounted for over 60 percent of Canada's population in 1921 but which produced only 27 percent of the current respondents. Clearly, there are some factors present in the metropolitan environments which encourage individuals to enter sales careers. One of the factors is probably the simple fact of proximity. The majority of sales positions are available in the metro areas and will be filled by men living in these

areas. Another factor worthy of mention is that the competitive social environment of metro areas is instrumental in developing the particular drive for achievement and the social abilities necessary to be successful in a sales career.

An adjunct to the preceding argument is found in examining the occupations of the respondents' fathers. They were typically businessmen. Over 34 percent were business proprietors or business executives, and a further 29 percent held other white collar jobs including 9 percent who were professional such as doctors and 8 percent who were salesmen. The incidence of university education in this group of fathers was four times that of the general male population average in 1921.

Both the above factors would be considered to have a positive influence on the sons' desire to achieve and would be represented in their actual sales career achievements. The question of why they chose sales remains unanswered and deserves further research. The best this study can do is to speculate that sales offered a chance to achieve more quickly and without the qualifying first step of a university education.

IV. EDUCATION

The sales managers represented in this study had achieved a higher level of formal education than the average Canadian. The incidence of high school attendance was greater than that achieved by the general population, and the incidence of university attendance was about four

times the general population's achievement. Although the comparison is not valid, it is worth noting that the level of education achieved by the respondents of this study was considerably below the level established by three separate studies carried out with similar American sales executives.

What was most surprising about the recent results was that they did not quite reach the level of university education established in the 1960 study. That study recorded 13.6 percent of the respondents with some university and 25.4 percent of the respondents with undergraduate degrees compared to 12.3 percent with some university and 23.3 percent with undergraduate degrees in this current study. The fact that there was no increase in educational level is assumed to be the result of the rapid growth of the companies involved. This could lead to less emphasis on university education as a qualifying factor in the search for capable personnel. It will be discussed in further detail later in the chapter.

The industrial respondents were the most formally educated. Over 37 percent of this group held undergraduate degrees as compared to 19.5 percent of the combination respondents who had achieved the second highest educational level. Only 16.7 percent of the consumer respondents and 14.3 percent of the service respondents held undergraduate degrees.

The degrees obtained were primarily in Science and Engineering (40 percent), Commerce (40 percent), and were obtained, for the most part, from the University of British Columbia. This confirms an

introductory statement of the thesis that there is a strong tendency for people to remain in British Columbia despite opportunities elsewhere or to come back to British Columbia if the opportunity presents itself. Further confirmation of this reasoning may be inferred from a very strange statistic; the fact that the 40 to 49 age group accounted for 44 percent of the respondents and 59.5 percent of the undergraduate degrees, compared to the 30 to 39 age group which accounted for only 32.4 percent of the undergraduate degrees while representing 28 percent of the respondents. The higher incidence of degrees in the 40 to 49 age group suggests that either these men are not leaving, or having left, they are now using their seniority with their companies to take advantages of openings occurring in British Columbia. Logic suggests that the younger group should have a higher incidence of undergraduate degrees. This is not the case here. They must be finding career opportunities outside British Columbia particularly in the Eastern provinces of Ontario and Quebec.

V. PERSONAL CHARACTERISTICS

Family and Home

The typical sales executive was definitely a family man. Almost without exception the respondents were married and had children. They came from larger than average families and while they tended to have smaller families than their fathers, they still had families larger than the national and provincial averages,

Over 85 percent of the respondents owned their home or apartment. According to 1961 Census data, this is considerably above the national home ownership ratio of 65.6 percent and even further above the Vancouver home ownership ratio of 56.6 percent. The value they placed on their homes was high. Almost 90 percent valued their homes in excess of \$20,000 and almost 70 percent placed a value on their homes in excess of \$25,000. This was in 1966 and the valuation would have to be considerably upgraded in view of the spectacular rise in real estate values in the past three years.

The respondents were relatively stable, having averaged only two changes in residence in the past ten years. One of those changes was the result of a company transfer. Twenty-eight percent of the respondents had not changed their residence at all in the past ten years and 19 percent had changed residence only once. Less than one half of the respondents were actually required to change their residence as a result of company transfers.

Hobbies

The respondents were very active as teenagers. They engaged primarily in individual type sports which pits one individual's skill against another as opposed to team sports. However a change in character between the 1960 and the current respondents was noted. The current respondents were more involved in team sports - 12.2 percent in 1960, 30.8 percent in 1966 - as opposed to individual sports. The change represented is indicative of an increasing

recognition that good executives, sales or otherwise, are those who can work well with others and who can guide their efforts towards a common goal.

Politics

Provincially, the respondents were Liberally oriented, much more so than the general British Columbia population. Their provincial political leanings were more in line with federal statistics than they were with provincial statistics - no doubt influenced by the national flavor of the majority of companies and the concern of the respondents for Canada as a whole, rather than a more limited provincial horizon typical of those who cannot see beyond the British Columbia mountain ranges.

Military Service

The majority of respondents (57.6 percent) spent part of their careers in the war time armed services. Leadership ability, necessary for sales executives, was demonstrated early in their careers. Well over one half of the respondents who served were commissioned officers when discharged.

VI. COMPANY CHARACTERISTICS

Growth

Growth in all areas, but particularly in the industrial area, was the predominant characteristic in comparison with 1960 results.

Total response for all four company groups increased but the industrial group was the only group that showed a substantial percentage increase in responses - from 24.6 percent to 29.4 percent - while consumer companies representation dropped percentage wise and combination and service responses remained about the same.

The evidence of growth was supported by the increase in branch office responses from 69.3 percent in 1960 to 76.0 percent in 1966. Growth in the industrial, combination, and service industries was indicated in this manner. Consumer companies growth appeared to have been achieved by new companies being formed in British Columbia as this was the only group where head office responses increased proportionately over branch office responses.

The companies represented recorded substantial increases in sales volumes. Just under 60 percent of the responses were in the \$15,000,000 and over sales category compared to 45 percent in 1960. Unfortunately individual company type sales volume was not available in the 1960 study but it would be safe to assume that all four company groups would have shared in the increased sales.

Branch office sales volume, as distinct from total company sales also increased substantially. Again it was not possible to compare company type sales volume with 1960 results but the assumption can be made that all four groups of companies would have increased their branch sales volume.

The surprising aspect of this area of analysis was the apparent

stability of sales of British Columbia based companies. Why their sales should have remained almost the same as they were in 1960 is a major issue of this thesis.

One last note on company growth is sounded by the question of newly created positions within the five years previous to this study. Which companies were growing, was obvious. Twenty-four of the 29 new positions were branch office positions and since most of the branch offices were branches of out-of-province companies, it was clear that our own home based companies were not expanding as rapidly as the out-of-province companies.

British Columbia companies are not keeping pace. They are not establishing new branches in British Columbia at the same pace as other companies and their sales volumes are not rising proportionately. There is insufficient information in this study to state categorically that our home based companies are taking a back seat in British Columbia development but there is certainly enough indication to justify further research into this very important area.

Formalization of Sales Executive Responsibilities

The study examined three areas of importance: formal sales training programmes, formal salesmen evaluation programmes, and formal job descriptions. Formal job descriptions were used by the majority of companies and left little room for criticism. The findings indicate vast room for improvement for all companies, and particularly home based companies, in the other two areas.

Too many of the sales executives were spending their valuable time in the initial training of new salesmen, an area which this writer firmly believes should be delegated to a professional group of trainers. Head offices did not rank too badly in this regard. They made less use of formal sales training programmes than the branch offices, however, they did make greater use of subordinates in this function.

The companies which have formal salesmen evaluation programmes presented a very intriguing situation. More than one half of the respondents stated that they maintained one. Not bad, but certainly not good either. There is plenty of room for improvement. What really makes one sit back and ponder the relative sophistication of British Columbia companies is that fact that, without exception, branch office companies made considerably greater use of formal evaluation programmes than head office companies. Salesman evaluation is a critical area and one that needs a great deal of attention. The only way to carry it out properly is through well thought out and standardized procedures which evaluate the salesman's performance completely.

These two areas, well conceived sales training programmes and continuing formalized evaluation of sales personnel, provide a major potential for bettering company performance. British Columbia companies will have to invest in these areas if they hope to compete on even terms.

VI. BUSINESS ACTIVITIES

Job Responsibilities

The sales executive of this study were involved in a wide range of activities. The most important and time consuming were without doubt, directing and controlling the sales force, personal selling and training salesmen.

There can be no quarrel with directing and controlling the sales force. After all, that is their job. This study does, however, take issue with the other two activities. Too much of the sales executive's time and effort is spent on selling and training. Ample evidence has been provided to support the contention that personal selling should not be a part of the sales executive's responsibility. That is what the sales force is for. The time the sales executive spends on personal selling would be much better spent on overall planning, research, and helping to improve his men's performance. The same reasoning applies to the time spent on training salesmen, particularly new salesmen. If this responsibility can be taken off his agenda, he should be a more effective manager.

Directing and controlling should be followed in importance by such things as establishing objectives and policies, planning the sales effort and continually searching out better ideas, more ways of giving consumer satisfaction, ways of increasing penetration of existing accounts, and developing new accounts. All of this must be done with a critical eye on expenses for additional sales without

proportionate increases in profits are of little use to the company. This is a full-time job and deserves the full attention of the sales manager or sales executive. After all, the sales executive who devotes all available time to increasing the effectiveness of his salesmen is worth far more than a sales executive who spends half his time selling and the other half trying to keep up with the administrative details of his position.

Spans of Control

The current study pointed out the increasing direct span of control of the sales executives. The current study recorded 45.9 percent of the respondents with direct responsibility for more than ten employees compared to 25.4 percent of the 1960 respondents. The most dramatic increase in direct span of control was in the industrial group.

In contrast to direct span of control, the direct and indirect span of control decreased. This could be the result of larger staff organizations taking over former sales executive responsibilities or it could be the result of smaller non-selling staff in the increased number of branch offices. In either case the change is for the better because it leaves the sales executive more time to carry out his prime responsibility - directing and controlling the sales force. At the same time it allows him to successfully manager more salesmen and achieve a better quality and higher penetration of his markets. It would not be desirable if the increase in his available time is

spent in personal sales.

VII. CAREER PATTERNS AND PROSPECTS

Achievement

The typical sales executive has responsibility for a fairly large geographical region and a title to go with it. A common title is Western Sales Manager.

The majority of respondents achieved at least a partial high school education and embarked on their careers in their late teens. As is quite typical of young men who start work this early in their careers, their jobs were unskilled and often of a temporary nature.

A drive to achieve was very evident in this group. Nine percent started in sales positions and a further 37 percent were in sales positions by their third job. The consumer goods respondents were far above the average. Sixty-four percent were in sales positions by their third job. The service industry respondents were the slow starters with only 21 percent in sales positions by their third job.

Although a few of the respondents held a large number of different jobs, as a group the respondents were relatively stable. Seventy-six percent were with four or fewer companies. In all their company associations the respondents held, on average, seven different positions. Three of those positions were with their present companies which indicated a fairly long and successful association with one company. This is also indicative of a propensity for the companies to reward and promote from within rather than seek qualified sales

executives from outside.

The typical respondent joined his present company when he was 30 years old and had achieved his present position by the age of 39. The length of time from initial present company association varied considerably among the four company groups. Service industry respondents who were slow starters in sales, took a surprisingly short six years. Industrial respondents took under seven years; a very rapid move which is due, in large part, to a faster growing industry and a higher level of education. Consumer and industrial respondents both took well over 9 years.

Comparison with 1960 provides a difficult to explain phenomenon. The 1960 respondents joined their present companies much earlier in their careers than the current respondents. The only explanation that can be offered is that the rapid growth of the firms over the six year period necessitated heavy recruitment of trained salesmen from other companies or industries. This may have involved some "pirating" and may also explain the rapid rise in the respondents' average incomes over this same period.

Education's Influence on Achievement

Formal education proved to be an important factor in length of time taken to achieve present positions. The higher the level of education, the fewer the number of years required on the respondent's part to achieve his present position. This was a general relationship applying to the respondents as a group and was not restricted to any

one company type, but it was particularly true in the industrial group of companies. The importance of education in achievement is not so clear. The larger companies had higher percentages of university graduates, so in this respect a university degree is deemed important. But where it should count and where most people evaluate its importance, it did not show up as expected - in the income of the respondents. It seemed to make very little difference whether the respondent had graduated or just completed some university. In both cases their incomes were very much the same. To illustrate: in the \$12,000 to \$17,000 income category there were 51.7 percent of the grade and high school level respondents, 59.9 percent of the some university level respondents, and 55.3 percent of the undergraduate level respondents. In the \$18,000 and over income category the respective percentages were 17.3, 17.6, and 21.0.

Can the major investment in a university education be justified? That is a matter of personal assessment and must be made recognizing that the typical respondent still has 20 years of earnings and promotion ahead of him and recognizing also that the emphasis on a university degree is becoming more pronounced. It must be recognized also, that this was an exceptional period and that the 1960 results did show a major influence on income by education.

Promotion Prospects

Although very optimistic about his promotion prospects, the typical sales executive may very well find his advancement through

a change in companies. This is the conclusion drawn from the experience of the respondents' predecessors, one half of whom were not promoted within their present company and presumably moved on to other companies. This is a conclusion that must be weighed against the possibility that the preceding six years of active growth may have involved considerable movement between companies so that it is out of proportion to a period of more normal growth. Perhaps this will prove interesting enough to warrant further research.

VIII. INCOME STUDIES

Annual Income

The average income of the respondents was about \$15,000, a great deal higher than recorded in the 1960 study. The factors which may have influenced this rapid rise have been discussed throughout this summary, factors such as rapid expansion and competition for good men.

The majority of respondents were paid on a salary basis with about 40 percent of the respondents receiving a bonus as well. This bonus typically ranged between 5 and 14 percent of the respondent's income. Commissions played a lesser role in the incomes of the respondents with about 26 percent receiving this incentive. Where commission was a factor, it accounted for between 15 and 25 percent of the respondent's income. The consumer group of respondents depended on commissions to a greater extent than the other three company groups as to percentage receiving commission and as a percentage of their income.

Liberal expense accounts were the order of the day.

Factors Which Influence Income

A number of factors were analyzed in this area of the thesis.

Education and age. Education's influence was discussed and found wanting, at least at this particular time and for this particular time period. Age had a far greater influence on income than education at this point in the respondents' careers suggesting that experience and years with the company were being rewarded. Other factors were at work also.

Rapid Growth. This has been discussed in various areas and would appear to be an important consideration. However, the period under study should not be considered a normal state of affairs. A levelling off of incomes is a definite possibility.

Other Factors. Some positive correlations with incomes up to the \$18,000 level were demonstrated by several factors. The number of years the respondents were with their present company had an influence on income. This would indicate that experience and seniority are being rewarded. The same findings were true of the number of years spent in present positions and the number of positions the respondents held in their present and former companies. The greater the responsibility of the respondents as typified by spans of control, the higher their incomes.

Travel time, a necessary part of the job, was not recognized in income except in the availability of liberal expense accounts. In the matter of size of company, the results were inconclusive. The larger companies did not necessarily pay higher incomes.

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APPENDIX A
THE QUESTIONNAIRE

THE UNIVERSITY OF BRITISH COLUMBIA

VANCOUVER 8, CANADA

173

FACULTY OF
COMMERCE AND BUSINESS ADMINISTRATION

February 22, 1966

Dear Mr. Sales Manager:

Over the years several interesting and informative research studies have been conducted in examining top executives in industry. Very little, however, has been done in examining the sales executive.

There are, no doubt, a great many people interested in the "profile of the typical sales manager", a profile which will, in part, explain how and why the sales manager attained his position.

A number of years ago we undertook a research study of over 200 sales managers in British Columbia. Sufficient time has now elapsed where some interesting comparisons can be made between the results of that study and this one which is now underway.

You are being requested as one of the sales managers selected through statistical sampling procedures to assist us in compiling this "sales manager profile."

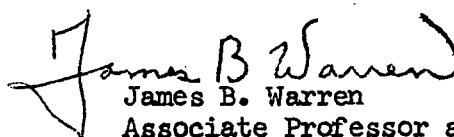
Although much of the information requested is of a personal nature, there is no way of identifying the questionnaires and so your response will remain completely anonymous. It is hoped, therefore, that you will have no hesitancy in completing the questions in full. The information that you give to us will be most sincerely appreciated and we request that you find a few minutes of time from your busy schedule to fill out the accompanying questionnaire and return it in the self-addressed, stamped envelope that has been enclosed.

It is our intention to summarize this study and to mail a copy to each of the participating sales managers in the study. We are asking for 100% response so as to increase the study's statistical validity.

It is regrettable that it is necessary to use this mimeographed message rather than a personal letter but you will recognize that the drafting of over two hundred letters is a very sizable task.

Looking forward to your early reply. I am,

Yours very truly,



James B. Warren
Associate Professor and Chairman
Division of Marketing

CONFIDENTIAL

Faculty of Commerce and Business Administration

Marketing Division

The University of British Columbia

THE UNIVERSITY OF BRITISH COLUMBIA — A STUDY OF
BRITISH COLUMBIA SALES MANAGERS

A. CLASSIFICATION DATA:

1. Indicate the principal type of product which your company markets.
(check one only)

- a. Consumer goods-----☐
 b. Industrial goods-----☐
 c. Combination of consumer and industrial-----☐
 d. Service-----☐
 e. Other (please specify)-----☐

2. Indicate whether your office is:

- a. The head office of your company-----☐
 b. A branch or regional office of your company-----☐

3. What is your present age category? (Please check one.)

Under 30 30-34 35-39 40-49 50 or more

4. What is the approximate total annual sales of your company?

- Less than \$500,000-----☐
 \$500,000 - \$999,999-----☐
 \$1,000,000 - \$4,999,999-----☐
 \$5,000,000 - \$14,999,999-----☐
 \$15,000,000 - \$49,999,999-----☐
 \$50,000,000 and over-----☐

5. If you are a branch or regional sales manager, please indicate
the estimated annual sales of your branch or region.

- Less than \$250,000-----☐
 \$250,000 - \$999,999-----☐
 \$1,000,000 - \$4,999,999-----☐
 \$5,000,000 and over-----☐

B. SOCIAL ORIGINS:

1. (a) Indicate the place of your birth.

Canada-----☐ Province _____
 U.S.A. -----☐ State _____
 Other (please specify) _____

- (b) What was the approximate size of your birthplace at the time of your birth?

Rural or less than 5,000-----☐
 5,000 - 24,999-----☐
 25,000 - 99,999-----☐
 100,000 - 199,999-----☐
 200,000 and over (or a suburb of a city this size)-----☐

2. Indicate the principal occupation of your father during your childhood.

Government service (including military)-----☐
 Farmer-----☐
 Professional - self employed (e.g. doctor, lawyer, etc.)-----☐
 Owner - small business-----☐
 Owner - large business -----☐
 Major executive-----☐
 Minor executive-----☐
 Salesman-----☐
 Blue collar (up to and including foreman)-----☐
 Other (please specify)-----☐

3. How many brothers and sisters, if any, did you have? (please circle)

1 2 3 4 5 6 or more

4. Indicate your two main hobbies as a teenager. Please be specific.

None -----☐

5. Did your father attend university or college? Yes--
- ☐
- No--
- ☐

Did your father graduate from university or college? Yes--☐ No--☐

C. FORMAL EDUCATIONAL BACKGROUND:

1. Please indicate your academic history below.

Name and Location of Institution	Years in Attendance		Majors	Degree ob- tained, if any
	From	To		
Grade School				
High School				
University				
University Post Grad.				
Other Please specify				

2. If you attended college or university, please indicate the percentage of your expenses obtained by:

a. parents assistance _____ ☐ _____ %

b. gifts and/or loans _____ ☐ _____ %

c. scholarships _____ ☐ _____ %

d. working _____ ☐ _____ %

3. Please write in the space below the subject matter of your formal education which you consider the most valuable to you
- in
- achieving
- your present position. (i.e. Liberal Arts, Economics, Business Administration, etc.)

4. Please write in the space below the subject matter of your formal education which you consider particularly valuable to you
- in
- your present position. (i.e. Economics, Mathematics, History, English, etc.)

4. Indicate the type of job experience that you consider the most valuable to you in progressing to your present position (i.e. Technical, Sales, Personnel).
-
-

5. Has your present position been created within the last five years?

Yes---☐ No---☐

6. Was the former holder of your present position promoted within your company?

Yes---☐ No---☐

E. PRESENT STATUS:

1. Marital status (check one)

married-----☐

single-----☐

divorced or separated-----☐

2. Please indicate the number of children you have (circle).

0 1 2 3 4 5 6 or more

3. (a) You reside in (check one)

an apartment-----☐

a house-----☐

other (please specify)-----

Owned ---☐ Rented---☐

- (b) If residence is owned, please indicate its present market value

under \$10,000-----☐

\$10,000 - \$19,999-----☐

\$20,000 - \$24,999-----☐

\$25,000 - \$34,999-----☐

\$35,000 - \$44,999-----☐

\$45,000 and over-----☐

4. (a) Indicate the number of times during the last ten years that you have changed your residence (please circle).

0 1 2 3 4 5 6 or more

- (b) How many of these changes were a direct result of transfers within a company (please circle).

0 1 2 3 4 5 6 or more

5. Please indicate your present provincial political affiliation.

Social Credit-----	<input type="checkbox"/>	N.D.P.-----	<input type="checkbox"/>
Liberal-----	<input type="checkbox"/>	Other-----	<input type="checkbox"/>
Conservative-----	<input type="checkbox"/>	Undecided-----	<input type="checkbox"/>

6. List your present hobbies (please be specific).

None --- ☐

7. Indicate your present total yearly income - (total income to include the value of stock options, bonuses and commissions in addition to regular salary).

(a) Under \$8,000----- ☐
 \$8,000 - \$11,999----- ☐
 \$12,000 - \$17,999----- ☐
 \$18,000 - \$24,999----- ☐
 \$25,000 - \$29,999----- ☐
 \$30,000 and over----- ☐

- (b) What is the form of your compensation? (Please check one)

Straight salary----- ☐
 Combination salary and commission----- ☐
 Straight commission----- ☐

- (c) If your answer to (b) was combination salary and commission, what percentage of your income is commission? _____%

- (d) If bonuses form a part of your total income, indicate the approximate percentage amount.

None-----☐
 Less than 5% -----☐
 5% - 14%-----☐
 15% - 24%-----☐
 Over 25%-----☐

8. Does your company provide you with:

	yes	no
company car or car allowance-----	<input type="checkbox"/>	<input type="checkbox"/>
expense account-----	<input type="checkbox"/>	<input type="checkbox"/>
club and professional organization memberships--	<input type="checkbox"/>	<input type="checkbox"/>

F. DUTIES AND RESPONSIBILITIES:

1. What is your present official title? _____
2. What is the title of the person to whom you report or are directly responsible? _____

3. (a) How many employees do you have directly reporting to you?

Salesmen _____ Employees other than salesmen _____

- (b) How many employees do you control directly; or indirectly through subordinates (including the subordinates)? _____

4. Indicate the approximate amount of business travel time away from your place of residence:

Less than 10%-----☐
 10% - 24% -----☐
 25% - 50%-----☐
 Over 50%-----☐

5. Indicate whether or not the following activities are a part of your position:

	Yes	No
Personal selling-----	<input type="checkbox"/>	<input type="checkbox"/>
Recruiting salesmen-----	<input type="checkbox"/>	<input type="checkbox"/>
Training salesmen-----	<input type="checkbox"/>	<input type="checkbox"/>
Directing and controlling the sales force-----	<input type="checkbox"/>	<input type="checkbox"/>
Sales forecasting-----	<input type="checkbox"/>	<input type="checkbox"/>
Establishing sales quotas - for your branch or region--	<input type="checkbox"/>	<input type="checkbox"/>
- for individual salesmen----	<input type="checkbox"/>	<input type="checkbox"/>

5. (continued...)

	Yes	No
Salary determination-----	<input type="checkbox"/>	<input type="checkbox"/>
Expense account control-----	<input type="checkbox"/>	<input type="checkbox"/>
Planning sales promotions-----	<input type="checkbox"/>	<input type="checkbox"/>
Introducing new products-----	<input type="checkbox"/>	<input type="checkbox"/>
Establishing pricing policy-----	<input type="checkbox"/>	<input type="checkbox"/>
Establishing credit policy-----	<input type="checkbox"/>	<input type="checkbox"/>

6. From the above listed activities (the yes checks of question 5), indicate the three that you consider the most important to your position.

- 1) _____
- 2) _____
- 3) _____

7. Please check those three activities of question 5 which entail the greatest amount of your time expenditure.

8. Is the initial training of new salesmen primarily carried out by -
(please check one)

- yourself-----☐
- a subordinate-----☐
- formal company training program-----☐

9. Do you maintain a formal salesman evaluation program?

Yes---☐ No---☐

10. Under normal conditions your next promotion will carry you to what position?

11. Does your company maintain a formal (written) job description for:

	Yes	No
your position-----	<input type="checkbox"/>	<input type="checkbox"/>
your immediate subordinate-----	<input type="checkbox"/>	<input type="checkbox"/>
company salesmen-----	<input type="checkbox"/>	<input type="checkbox"/>

APPENDIX B
CAREER PATTERN TABLES

TABLE XLV

AGE AT WHICH RESPONDENTS OBTAINED THEIR FIRST JOB
CLASSIFIED BY COMPANY TYPE

AGE	TOTAL RESPONSE		COMPANY TYPE (percentage response)			
	#	%	Consumer	Industrial	Combination	Service
Less than 16	11	7.5	10.4	9.3	4.8	.0
16 - 19	67	45.9	50.0	37.2	48.8	50.0
20 - 23	41	28.1	18.8	34.9	31.7	28.6
24 - 27	20	13.7	18.8	11.6	9.8	14.3
No reply	7	4.8	2.0	7.0	4.9	7.1
Totals		100.0	100.0	100.0	100.0	100.0
Average age at which respondents obtained their first job		19.6	19.5	19.8	19.6	19.9

TABLE XLVI
 CLASSIFICATION AND COMPARISON OF RESPONDENTS'
 FIRST AND THIRD JOBS
 (PERCENTAGE RESPONSE)

TYPE OF JOB	FIRST JOB	THIRD JOB
Worker	38.4	8.9
Salesman	8.0	33.6
Sales supervisor or trainer	.0	4.1
Sales manager	.0	8.2
Foreman	.7	8.9
Engineer	2.7	4.1
Professional	2.1	.7
Other	43.8	28.1
No reply	3.4	3.4
Totals	<u>100.0</u>	<u>100.0</u>

TABLE XLVII
RESPONDENTS' FIRST AND THIRD JOBS CLASSIFIED BY
COMPANY TYPE (PERCENTAGE RESPONSE)

[illegible]

TABLE XLVIII

TOTAL NUMBER OF COMPANIES RESPONDENTS HAVE WORKED FOR
CLASSIFIED BY COMPANY TYPE

NUMBER OF COMPANIES WORKED FOR	RESPONSE		TYPE OF COMPANY (percentage response)			
	#	%	Consumer	Industrial	Combination	Service
One	26	17.8	20.8	16.3	17.1	14.3
Two	33	22.6	22.9	20.9	19.5	35.7
Three	30	20.5	14.6	20.9	29.3	14.3
Four	23	15.8	18.7	13.9	14.6	14.3
Five	16	11.0	8.3	16.3	7.3	14.3
Six	6	4.1	4.2	4.7	4.9	.0
Seven	3	2.0	4.2	.0	.0	7.1
Eight	2	1.4	4.2	.0	.0	.0
Nine or more	2	1.4	2.1	2.3	.0	.0
No reply	5	3.4	.0	4.7	7.3	.0
Totals bc	146	100.0	100.0	100.0	100.0	100.0
Average no. of positions held		6.6	6.8	6.6	6.5	6.1

TABLE XLIX

TOTAL NUMBER OF POSITIONS RESPONDENTS HAVE HELD IN ALL
COMPANIES CLASSIFIED BY COMPANY TYPE

NUMBER OF POSITIONS HELD	TOTAL RESPONSE		TYPE OF COMPANY (percentage response)			
	#	%	Consumer	Industrial	Combination	Service
One	0	0.0	0.0	0.0	0.0	0.0
Two	1	.7	2.1	0.0	0.0	0.0
Three	5	3.4	2.1	2.3	0.0	21.4
Four	14	9.6	6.2	11.6	12.2	7.1
Five	22	15.1	20.8	14.0	14.6	.0
Six	27	18.5	16.7	18.6	19.5	21.4
Seven	27	18.5	16.7	16.3	24.4	14.3
Eight	25	17.1	18.8	14.0	12.2	35.7
Nine	12	8.2	6.2	16.3	4.9	.0
Ten or more	8	5.5	10.4	2.3	4.9	.0
No reply	5	3.4	.0	4.7	7.3	.0
Totals	146	100.0	100.0	100.0	100.0	100.0
Average number of positions held		6.6	6.8	6.6	6.5	6.1

TABLE L
NUMBER OF YEARS REQUIRED TO REACH PRESENT POSITION
CLASSIFIED BY COMPANY TYPE

NUMBER OF YEARS REQUIRED	TOTAL RESPONSE		TYPE OF COMPANY (percentage response)			
	#	%	Consumer	Industrial	Combination	Service
0 - 10	19	13.0	6.2	18.6	14.6	14.3
11 - 15	28	19.2	18.8	20.9	17.1	21.4
16 - 20	34	23.3	31.3	18.6	19.5	21.4
21 - 25	34	23.3	25.0	20.9	21.9	28.6
Over 25	27	18.5	18.7	18.6	21.9	7.1
No reply	4	2.7	.0	2.4	4.9	7.1
Totals	146	100.0	100.0	100.0	100.0	100.0
Average number of years required		19.0	19.6	18.0	19.0	17.7

TABLE LI
 RESPONDENTS' AGES WHEN HIRED BY THEIR PRESENT COMPANIES
 CLASSIFIED BY COMPANY TYPE

AGE HIRED	TOTAL RESPONSE		TYPE OF COMPANY (percentage response)			
	#	%	Consumer	Industrial	Combination	Service
less than 20	12	8.2	14.6	4.6	7.3	.0
20 - 25	38	26.0	20.8	27.9	29.2	28.6
26 - 35	55	37.6	43.8	32.6	39.0	28.6
36 - 45	23	15.8	12.5	23.3	4.9	35.7
over 45	9	6.2	6.2	4.6	9.8	.0
No reply	9	6.2	2.1	7.0	9.8	7.1
Totals	146	100.0	100.0	100.0	100.0	100.0
Average age when hired by present company		30.4	29.6	31.2	29.7	31.7

TABLE LII

AGE AT WHICH RESPONDENTS ACHIEVED THEIR PRESENT POSITION
CLASSIFIED BY COMPANY TYPE

AGE PRESENT POSITION ACHIEVED	TOTAL RESPONSE		TYPE OF COMPANY (percentage response)			
	#	%	Consumer	Industrial	Combination	Service
20 - 25	3	2.0	4.2	.0	2.4	.0
26 - 35	34	23.3	20.8	32.6	17.1	21.4
36 - 45	81	55.5	54.2	46.5	63.4	64.3
over 45	21	14.4	18.8	13.9	12.2	7.1
No reply	7	4.8	2.0	7.0	4.9	7.1
Totals	146	100.0	100.0	100.0	100.0	100.0
Average age present position achieved		38.7	39.0	38.0	39.4	37.7

TABLE LIII

NUMBER OF POSITIONS RESPONDENTS HAVE HELD IN THEIR PRESENT
COMPANY CLASSIFIED BY COMPANY TYPE

NUMBER OF POSITIONS IN PRESENT COMPANY	TOTAL RESPONSE		TYPE OF COMPANY (percentage response)			
	#	%	Consumer	Industrial	Combination	Service
One position	27	18.5	16.7	20.9	12.2	35.7
Two positions	32	21.9	27.1	23.3	14.6	21.4
Three "	23	15.8	14.6	14.0	21.9	7.1
Four "	25	17.1	16.7	16.3	21.9	7.1
Five "	14	9.6	6.2	11.6	9.8	14.3
Six "	9	6.2	6.2	4.6	4.9	14.3
Seven "	4	2.7	4.2	2.3	2.4	.0
Eight "	6	4.1	6.2	2.3	4.9	.0
Nine or more positions	1	.7	2.1	.0	.0	.0
No reply	5	3.4	.0	4.7	7.3	.0
Totals	146	100.0	100.0	100.0	100.0	100.0
Average number of positions in present company		3.3	3.5	3.1	3.6	2.9

TABLE LIV

NUMBER OF YEARS RESPONDENTS HAVE BEEN IN THEIR PRESENT
POSITION CLASSIFIED BY COMPANY TYPE

NUMBER OF YEARS IN PRESENT POSITION	TOTAL RESPONSE		TYPE OF COMPANY (percentage response)			
	#	%	Consumer	Industrial	Combination	Service
less than 4	62	42.5	50.0	46.5	36.5	21.4
4 - 6	35	23.9	22.9	23.2	22.0	35.7
7 - 9	19	13.0	6.2	14.0	22.0	7.2
10 or more	23	15.8	18.8	9.3	12.2	35.7
No reply	7	4.8	2.1	7.0	7.3	.0
Totals	146	100.0	100.0	100.0	100.0	100.0
Average number of years in present position		5.1	4.8	4.6	5.3	6.7

TABLE LV
 SIZE OF RESPONDENTS' PRESENT COMPANIES CLASSIFIED
 CLASSIFIED BY EDUCATION RECEIVED

SIZE OF COMPANY (SALES) \$	LEVEL OF EDUCATION RECEIVED (percentage response)				
	Grade School	High School	University No Degree	Undergraduate Degree	Graduate Degree
Less than 500,000	.0	2.5	.0	3.0	.0
500,000 - 999,999	.0	.0	.2	.0	.0
1,000,000 - 4,999,999	20.0	8.3	18.8	15.2	.0
5,000,000 - 14,999,999	60.0	32.1	12.5	9.1	.0
15,000,000 - 49,999,999	20.0	25.0	25.0	21.2	66.7
50,000,000 and over	.0	32.1	37.5	66.7	33.3
Totals	100.0	100.0	100.0	100.0	100.0

TABLE LVI
RESPONDENTS' FIRST JOBS CLASSIFIED BY LEVEL
OF EDUCATION RECEIVED

TYPE OF FIRST JOB	LEVEL OF EDUCATION ACHIEVED (percentage response)				
	Grade School	High School	Some University	Undergraduate Degree	Post Grad Degree
Worker	80.0	47.6	35.3	21.9	33.3
Salesman	.0	7.3	11.7	9.4	66.7
Foreman	.0	.0	.0	3.1	.0
Engineer	.0	1.2	.0	9.4	.0
Professional	.0	.0	11.8	3.1	.0
Other	20.0	43.9	41.2	53.1	.0
Totals	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

TABLE LVII
 RESPONDENTS' THIRD JOBS CLASSIFIED BY LEVEL
 OF EDUCATION ACHIEVED

TYPE OF THIRD JOB	LEVEL OF EDUCATION ACHIEVED (percentage response)				
	Grade School	High School	Some University	Undergraduate Degree	Post Grad Degree
Worker	20.0	12.0	5.9	3.1	.0
Salesman	60.0	27.7	59.4	28.1	66.7
Sales Super- visor or trainer	.0	4.8	.0	6.3	.0
Sales Manager	.0	7.2	.0	21.8	.0
Foreman	20.0	9.6	.0	9.4	33.3
Engineer	.0	2.4	.0	12.5	.0
Professional	.0	1.2	.0	.0	.0
Other	.0	35.1	34.7	18.7	.0
Totals	100.0	100.0	100.0	100.0	100.0

TABLE LVIII

YEARS RESPONDENTS REQUIRED TO ACHIEVE PRESENT POSITION
CLASSIFIED BY LEVEL OF EDUCATION

YEARS TAKEN	LEVEL OF EDUCATION (percentage response)				
	Grade School	High School	Some University	Undergraduate Degree	Post Grad Degree
0 - 10	0.0	9.5	5.9	30.3	.0
11 - 15	25.0	16.7	29.4	24.2	33.3
16 - 20	25.0	22.6	35.3	21.2	33.3
21 - 25	25.0	29.8	17.6	15.2	.0
over 25	25.0	21.4	11.8	9.1	33.4
Totals	100.0	100.0	100.0	100.0	100.0
Average no. of years taken	20.0	19.1	17.3	14.1	19.1

TABLE LIX

THE OCCUPATIONS OF RESPONDENTS' FATHERS CLASSIFIED
BY RESPONDENTS FIRST JOBS

FATHERS' OCCUPATION	RESPONDENTS' FIRST JOB (percentage response)					
	Worker	Salesman	Foreman	Engineer	Professional	Other
Government	10.7	.0	.0	25.0	.0	10.3
Farmer	10.7	7.7	.0	.0	33.3	4.4
Professional	7.1	15.4	.0	50.0	.0	5.9
Owner of Business	10.7	38.4	100.0	.0	33.3	22.1
Major Executive	1.8	7.7	.0	.0	.0	4.4
Minor Executive	12.6	7.7	.0	.0	.0	14.7
Salesman	7.1	7.7	.0	.0	33.3	5.9
Blue Collar	35.7	7.7	.0	25.0	.0	2.9
Totals	100.0	100.0	100.0	100.0	100.0	100.0

TABLE LX

NUMBER OF YEARS REQUIRED TO REACH PRESENT POSITION
 CLASSIFIED BY RESPONDENTS' FATHERS' OCCUPATIONS
 (PERCENTAGE RESPONSE)

YEARS REQUIRED	AVERAGE	RESPONDENTS' FATHERS' OCCUPATIONS							
		Government	Farmer	Professional	Business Owner	Business Executive	Salesman	Blue Collar	Other
Less than 10	13.4	15.4	9.1	18.2	17.9	18.2	10.0	9.8	.0
10 - 15	19.7	30.8	9.1	27.3	28.6	22.7	20.0	9.8	16.7
16 - 19	23.9	7.6	27.3	27.3	17.9	13.6	20.0	36.6	33.3
20 - 25	23.9	23.1	27.3	18.2	21.4	27.3	20.0	26.8	16.7
26 and over	19.0	23.1	27.3	9.1	14.3	18.2	30.0	17.0	33.3
Totals	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Average years required	18.4	19.2	22.0	16.3	17.4	18.6	21.5	20.1	23.3

TABLE LXI

NUMBER OF YEARS REQUIRED TO REACH PRESENT POSITION
 CLASSIFIED BY SIZE OF RESPONDENTS' BIRTHPLACE
 (PERCENTAGE RESPONSE)

YEARS REQUIRED	AVERAGE	SIZE OF RESPONDENTS' BIRTHPLACE				
		Rural	5000 - 24,999	25,000 - 99,999	100,000 - 199,999	200,000 and over
Less than 10	13.4	15.8	14.3	12.5	.0	15.0
10 - 15	19.7	18.4	66.7	12.5	11.8	22.5
16 - 20	23.9	15.8	28.6	25.0	41.2	22.5
21 - 25	23.9	23.7	14.3	25.0	41.2	20.0
26 and over	19.0	26.3	6.1	25.0	5.8	20.0
Totals	100.0	100.0	100.0	100.0	100.0	100.0
Average no. of years	18.4	20.4	16.4	20.9	20.0	18.0

TABLE LXII
 RESPONDENTS' PROMOTION EXPECTATIONS BY TITLE
 CLASSIFIED BY COMPANY TYPE

EXPECTED PROMOTION	TOTAL RESPONSE		TYPE OF COMPANY (percentage response)			
	#	%	Consumer	Industrial	Combination	Service
Vice President, General Manager	27	18.5	27.1	18.6	12.2	7.1
General Sales Manager, Marketing Manager	14	9.6	10.4	4.7	17.1	.0
National Sales Manager	10	6.8	8.3	2.3	7.3	14.3
Regional Sales Manager	17	11.6	6.3	18.6	14.6	.0
District Sales Manager	3	2.1	.0	4.7	.0	7.1
Same Position - Larger Territory	14	9.6	8.3	11.6	9.8	7.1
Other	27	18.5	18.8	20.9	14.6	14.3
Retirement	9	6.2	4.2	4.6	7.3	14.3
Not Known	25	17.1	16.6	14.0	17.1	35.8

APPENDIX C
INCOME TABLES

TABLE LXIII

PERCENTAGE DISTRIBUTION OF RESPONDENTS' TOTAL ANNUAL INCOME
CLASSIFIED BY COMPANY TYPE

TOTAL ANNUAL INCOME \$	COMPANY TYPE			
	Consumer %	Industrial %	Combination %	Service %
Under 8,000	0.0	4.7	2.4	0.0
8,000 - 11,999	33.3	16.3	29.8	14.3
12,000 - 17,999	45.8	65.1	46.3	64.3
18,000 - 24,999	12.5	7.0	4.7	2.3
25,000 - 29,000	2.1	4.7	2.4	7.1
30,000 and over	4.2	2.3	.0	.0
No reply	2.1	.0	2.4	.0
Totals	100.0	100.0	100.0	100.0
*Average Annual Income	\$14,950	\$15,175	\$12,260	\$16,150

*These averages will be very approximate due to the large size of income range and the open ended classes.

TABLE LXIV
FORM OF COMPENSATION CLASSIFIED BY COMPANY TYPE

FORM OF COMPENSATION	TOTAL RESPONSE		COMPANY TYPE (percentage response)			
	#	%	Consumer	Industrial	Combination	Service
Salary	102	69.9	58.3	74.4	75.6	78.6
Salary and Commission	38	26.0	31.3	25.6	22.0	21.4
Commission only	5	3.4	10.4	.0	.0	.0
No reply	1	.7	.0	.0	2.4	.0
Totals	146	100.0	100.0	100.0	100.0	100.0

TABLE LXV

EXTENT OF COMMISSION INCENTIVES IN TOTAL ANNUAL INCOME
 CLASSIFIED BY COMPANY TYPE
 (COMBINATION SALARY AND COMMISSION RESPONDENTS ONLY*)

EXTENT OF COMMISSION INCENTIVES	TOTAL RESPONSE		COMPANY TYPE (percentage response)			
	#	%	Consumer	Industrial	Combination	Service
Less than 5%	1	2.6	6.7	.0	.0	.0
5 - 14%	5	13.2	13.3	.0	33.3	.0
15 - 24%	10	26.3	13.3	36.4	44.4	.0
25 - 34%	5	13.2	6.7	27.3	.0	33.3
35 - 49%	2	5.2	.0	9.0	11.1	.0
50 - 74%	8	21.1	13.3	27.3	11.1	67.7
75% and over	7	18.4	46.7	.0	.0	.0
Totals	38	100.0	100.0	100.0	100.0	100.0

*This table does not include the respondents who were compensated on the basis of commission only.

TABLE LXVI

EXTENT TO WHICH BONUSES FORM A PART OF RESPONDENTS' TOTAL
ANNUAL INCOME CLASSIFIED BY COMPANY TYPE

BONUS INCENTIVES	TOTAL RESPONSE		COMPANY TYPE (percentage response)			
	#	%	Consumer	Industrial	Combination	Service
Received bonus	60	41.1	43.8	46.5	31.7	42.8
Did not receive bonus	84	57.5	54.1	53.5	65.9	57.2
No reply	2	1.4	2.1	.0	2.4	.0
Totals	146	100.0	100.0	100.0	100.0	100.0
BONUS AS A PERCENTAGE OF INCOME						
Less than 5%	11	7.5	6.3	7.0	7.3	14.3
5 - 14%	27	18.5	25.0	18.6	14.6	7.1
15 - 24%	15	10.3	4.2	16.3	7.3	21.4
25% or more	7	4.8	8.3	4.7	2.4	.0
Totals	60	41.1	43.8	46.5	31.7	42.8

TABLE LXVII

PERCENTAGE DISTRIBUTION OF INCOME LEVELS CLASSIFIED BY
NUMBER OF YEARS WITH PRESENT COMPANY.

INCOME RANGE \$	NUMBER OF YEARS WITH PRESENT COMPANY					
	Less than 5 %	5 - 9 %	10 - 14 %	15 - 19 %	20 - 24 %	25 or more %
Less than 8,000	5.6	.0	.0	.0	.0	4.2
8,000 - 11,999	11.0	53.0	28.2	25.0	27.7	16.7
12,000 - 17,999	66.6	41.2	51.3	50.0	66.7	50.0
18,000 - 24,999	5.6	5.9	12.8	25.0	5.6	20.8
25,000 - 29,999	5.6	.0	5.1	.0	.0	4.2
Over 30,000	5.6	.0	2.6	.0	.0	4.2
Totals	100.0	100.0	100.0	100.0	100.0	100.0

TABLE LXVIII
 PERCENTAGE DISTRIBUTION OF INCOME LEVELS CLASSIFIED BY
 NUMBER OF YEARS IN PRESENT POSITION

INCOME RANGE \$	NUMBER OF YEARS IN PRESENT POSITION			
	Less than 4 %	4 - 6 %	7 - 9 %	10 or more %
Less than 8,000	1.6	0.0	0.0	4.4
8,000 - 11,999	29.5	28.6	27.7	13.1
12,000 - 17,999	59.0	45.7	66.7	47.8
18,000 - 24,999	6.6	20.0	5.6	21.7
25,000 - 29,999	2.3	2.8	.0	4.3
Over 30,000	.0	2.8	.0	8.7
Totals	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

TABLE LXIX
 PERCENTAGE DISTRIBUTION OF INCOME LEVELS CLASSIFIED BY
 NUMBER OF POSITIONS HELD IN ALL COMPANIES

INCOME RANGE \$	NUMBER OF POSITIONS HELD IN ALL COMPANIES			
	Less than 4 %	4 - 6 %	7 - 9 %	10 or more %
Less than 8,000	.0	1.6	1.6	.0
8,000 - 11,999	20.0	27.4	26.5	25.0
12,000 - 17,999	40.0	51.6	57.8	50.0
18,000 - 24,999	40.0	14.5	9.4	12.5
25,000 - 29,999	.0	3.3	3.1	.0
Over 30,000	.0	1.6	1.6	12.5
Totals	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

TABLE LXX

PERCENTAGE DISTRIBUTION OF INCOME LEVELS CLASSIFIED BY NUMBER
OF POSITIONS HELD IN PRESENT COMPANY

INCOME RANGE \$	NUMBER OF POSITIONS IN PRESENT COMPANY		
	Less than 4 %	4 - 6 %	7 or more %
Less than 8,000	2.5	.0	.0
8,000 - 11,999	26.2	31.2	9.1
12,000 - 17,999	50.0	56.3	72.7
18,000 - 24,999	13.7	10.4	18.2
25,000 - 29,999	3.8	2.1	.0
Over 30,000	3.8	.0	.0
Totals	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

TABLE LXXI
 PERCENTAGE DISTRIBUTION OF INCOME LEVELS CLASSIFIED BY
 NUMBER OF COMPANIES WORKED FOR

INCOME LEVEL \$	NUMBER OF COMPANIES WORKED FOR			
	Less than 4 %	4 - 6 %	7 - 9 %	10 or more %
Less than 8,000	2.4	.0	11.1	.0
8,000 - 11,999	27.1	32.0	.0	24.0
12,000 - 17,999	51.8	52.0	77.8	56.0
18,000 - 24,999	14.1	4.0	11.1	.0
Over 30,000	1.1	8.0	.0	.0
Totals	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

TABLE LXXII
 PERCENTAGE DISTRIBUTION OF INCOME LEVELS CLASSIFIED
 BY AMOUNT OF TRAVEL TIME

INCOME LEVELS	AMOUNT OF TRAVEL TIME			
	Less than 10%	10 - 24%	25 - 50%	over 50%
Less than 8,000	5.4	1.4	.0	.0
8,000 - 11,999	35.1	25.7	16.7	.0
12,000 - 17,999	40.6	56.8	63.3	66.7
18,000 - 24,999	13.5	10.8	13.3	33.3
25,000 - 29,999	5.4	1.3	6.7	.0
Over 30,000	.0	4.0	.0	.0
Totals	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

TABLE LXXIII
 PERCENTAGE DISTRIBUTION OF INCOME LEVELS CLASSIFIED
 BY TOTAL COMPANY SALES

INCOME LEVELS \$	SIZE OF COMPANY				
	Less than \$1,000,000 %	\$1,000,000 4,999,999 %	\$5,000,000 14,999,999 %	\$15,000,000 49,999,999 %	\$50,000,000 and over %
Less than 8,000	.0	5.3	6.0	.0	.0
8,000 - 11,999	50.0	31.6	27.3	17.2	26.0
12,000 - 17,999	50.0	42.1	57.7	57.1	54.0
18,000 - 24,999	.0	15.8	3.0	20.0	14.0
25,000 - 29,999	.0	.0	3.0	5.7	4.0
Over 30,000	.0	5.3	3.0	.0	2.0
Totals	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>