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Sales Staff Performance in Commercial Banks in Hanoi

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Abstract

Apart from management outcomes, individual performance and the analysis of the functioning of the staff are also key. A supremely self-functioning individual not only boosts the firm's performance but also reduces the risks of employee retrenchment (Ambrose *et al.*, 2008) ^[1] and self-fulfillment (Tsai & Huang, 2008) ^[16]. Employee performance is one of the topics that receives a lot of attention from researchers, managers, and employees. With the goal of evaluating, measuring, and analyzing the sales staff's performance in the banking industry, the study surveyed 300 sales staff who were working at five commercial banks in Hanoi during the year 2022. The content of sales staff performance in

commercial banks in Hanoi is divided into five core observed variables inherited from previous research results and expert opinions. Besides qualitative research methods, quantitative research methods with the support of SPSS software are also used by the authors. The results show that the sales staff's performance in commercial banks in Hanoi is rated at a good level. There are no differences in the performance of different sales staff in commercial banks in terms of gender. There are differences in the performance of different sales staff in commercial banks in terms of age. The study proposes some solutions to improve the sales staff's performance at commercial banks in Hanoi.

Keywords: Employee Performance, Sales Staff, Sales Staff Performance, Commercial Banks, Hanoi, Human Resources

JEL Classifications: M31, L20, O15, M54, E64

1. Introduction

The quality of human resources is one of the decisive factors in the competitiveness of a country's economy. For any economic organization, the quality of labor will determine the success or failure and performance of that organization.

Apart from management outcomes, individual performance and the analysis of the functioning of the staff are also key. A supremely self-functioning individual not only boosts the firm's performance but also reduces the risks of employee retrenchment (Ambrose *et al.*, 2008) ^[1] and self-fulfillment (Tsai & Huang, 2008) ^[16]. Assessing individual performance is intended to incentivize the staff to release the required data that is used in the decision-making process (Orpen, 1995) ^[9].

In fact, finance and banking are specific industries in the economy. For any country, the operation of the banking system is always the lifeblood of the economy, and the stability and soundness of the banking system play an important role in the stability and development of the economy. At present, the basic bank restructuring has completed the arrangement. Improve the management and administration capabilities of commercial banks to ensure the safety of the system and form a system of commercial banks with real financial strength, risk management and control capabilities, and good governance. In order to succeed in this next phase of acceleration, banks must be able to effectively manage their operations, especially in terms of human resource management and human resource performance evaluation, which include sales personnel.

The achievements of the economy in the last few decades are due to the contribution of banking human resources. Banker performance is one of the indicators that has a great impact on quality banking manpower. As a result, the performance of bankers in banking should be scrutinized in the circumstances of Vietnam.

2. Literature Review

Employee performance is an important factor in the success of an organization and is approached from many different angles, depending on the researcher's point of view. According to Simanjuntak (2011) ^[13], employee performance is the state of completing a particular task. Employee performance can include the quality and quantity of work that an individual achieves when completing a particular task (Schermerhorn, 1991) ^[12]. Meanwhile, Santis *et al.* (2018) ^[11] define employee performance as the level of task completion related to an individual's ability to perform activities that contribute to the development of the organization. However, employee performance is not only related to an individual's achievement in that job but also includes

the performance process (Rivai *et al.*, 2008) [10]. Job performance, or employee performance, is an important concept related to work and organizational psychology. For a long time, many studies have spent a lot of effort classifying and expanding the concept of employee performance (Campbell, 1990) [4]. According to the definition of Brumbrach (1988 referred to in Armstrong, 2006) [2], employee performance is defined as behaviors performed by individuals that bring about specific results. According to Hunter and Hunter (1984) [8], factors like prior work performance, job knowledge, mental activity-related skills, cognitive skills, social skills, and work-related attitudes can all be used to predict future job performance. Employee performance is viewed as their labor productivity relative to their peers, which is reflected in a variety of work-related behaviors and outcomes, according to Babin & Boles (1998) [3]. Later, numerous scholars in several domains adopted and developed this strategy. An individual's performance must be classified into two aspects: the behavioral aspect and the action outcome aspect (Campbell, 1990) [4]. The behavioral aspect refers to the things individuals perform in their jobs, such as assembling car engines, selling goods, performing medical procedures, etc. Here, only actions related to organizational goals are considered (Sonnetag, 2001) [14]. Furthermore, only actions that can be measured should be considered performance outcomes (Campbell *et al.*, 1993) [5]. The outcome aspect refers to the results of an individual's actions. The action will lead to results like the examples above; the results here are the number of assembled engines, the reading proficiency of the students, the number of PCs sold, or the number of successful heart surgeries. These two aspects are related but not overlapping (Sonnetag, 2001) [14]. Campbell (1990) [4] proposed eight components of results, of which five are related to individual employee performance: (i) professional proficiency related to the job; (ii) ability outside of expertise to respond to tasks; (iii) ability to communicate and write; (iv) ability to supervise, in the case of performance appraisals of supervisors or leaders; (v) problem-solving or administrative ability. Thus, employee performance is the output or the result of the act of doing the work. This behavior is performed by each individual individually, resulting from being assigned responsibility for implementation from the organization. Measurable employee performance, which is predictive or key criteria defined within a framework, is a tool for evaluating the performance of individuals, groups, and organizations.

Table 1: Scale of the sales staff's performance in commercial banks in Hanoi

Code	Scale	Sources
The sales staff's performance in commercial banks in Hanoi (KQ)		
KQ1	He or she has very well fulfilled the sales target set by the bank.	Tamkin (2005) [15], qualitative research results, and adjust to suit the research context
KQ2	He or she increases the number of new customers for the bank.	
KQ3	He or she increases the number of old customers returning to use the bank's products.	
KQ4	He or she is trained and has developed many skills.	
KQ5	He or she makes customers happy with the value of the products or services they use.	

3. Methodology
Research Context

In recent years, the banking industry has grown rapidly in both quantity and size of assets in the period 2011–2021. According to the assessment of the World Bank, in Vietnam in the past 10 years, there have been too many small-scale banks, starting with rural commercial banks but expanding to operate in urban areas. Asset growth and loan portfolios overheated. In commercial banks, salespeople are employees who deal directly with clients and interact with them in order to promote the bank's goods and services, such as deposits, credits, and services. Due to the fact that this force directly contributes to commercial banks' bottom lines, banks view it as a fundamental force that requires special consideration and investments in both quantity and quality. Normally, the sales personnel of commercial banks include but are not limited to titles such as Branch Manager, Deputy Branch Manager in charge of business, Head of Transaction Department, Head or Deputy of Sales Department, Head of Sales Department, or Vice President of Sales. This group of personnel is usually the work force at the branches because these are the units with the direct function of serving customers. The sales team holds positions at different levels in the bank, with senior management titles such as Branch Manager and middle management titles such as Deputy Branch Manager and Head of Transaction Department, as well as expert level titles such as Head or Deputy Head of Sales Department, Sales Team Leader, and Sales Staff. Sales staff are the people who directly bring in revenue and profit for the firm; this is the team that plays an important role in the business activities of each bank. In addition, sales staff also act as effective public relations people; they help convey to customers the messages and values of the firm. At the same time, sales staff are also the ones who receive customer feedback on product quality, service, and customer expectations for the product. Therefore, if there is a dynamic, efficient, and stable sales force, it will help firms compete in the market.

Measurement Tool Development

The study uses structured questions to survey individual opinions. The questions are based on previous studies. The study used interviews with six experts to adjust the wording of the questionnaire before the official survey. The survey was conducted from April to July 2022. The 5-point Likert scale was selected to evaluate the observed variables, with 1 being completely disagreeing and 5 being completely agreeing.

Quantitative Research Methods

The study uses quantitative methods and primary data collected through a survey of 300 sales staff, sales team leaders, and sales managers working at a number of commercial banks in the region. Hanoi table. Survey form to collect information about employee performance. The survey is designed and asked online on Google Docs and then sent by the research team via channels such as email, online, or in person. After sending the questionnaire to the respondents, the author team made contact to remind individuals who had accepted to participate in the survey to help answer the questionnaire. Due to difficulties in accessing a complete list of survey subjects, the authors used convenience sampling through the acquaintance relationship of the authors and the snowball method.

The research team sent or distributed questionnaires to 300 employees working for five commercial banks in Hanoi and collected 227 responses. The group eliminated 27 invalid answer sheets, leaving 200 valid votes for data entry and next steps for survey data analysis.

4. Research Results

4.1 Cronbach ' Alpha

The sales staff's performance in commercial banks in Hanoi (KQ) has been measured by Cronbach's alpha. The results of testing Cronbach's alpha for attributes are presented in Table 2 below. The results also show that the dependent variables have Cronbach's alpha coefficients that are greater than 0.6, and the attributes of the dependent variables have Cronbach's alpha coefficients that are greater than 0.6 or approximately 0.6, and the correlation coefficients of all attributes are greater than 0.3. So, all the attributes of the dependent variables are statistically significant (Hoang & Chu, 2008; Hair *et al.*, 2010) [7, 6].

Table 2: Results of Cronbach's Alpha

Code	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
<i>The sales staff's performance in commercial banks in Hanoi (KQ) (α = .670)</i>				
KQ1	13.64	8.544	.321	.661
KQ2	13.83	7.954	.496	.592
KQ3	13.70	7.296	.489	.587
KQ4	14.55	7.516	.345	.664
KQ5	14.38	7.472	4.99	.584

4.2 Exploratory Factor Analysis (EFA)

The EFA results show that there is one factor extracted from five observed variables, measuring the sales staff's performance, with an extracted variance of 44.181% (Table 3). The factor weights of the observed variables are

satisfactory (greater than 0.5). Thus, the sales staff's performance in the bank is assessed through the business performance of the bank, the job satisfaction of the bank sales staff, the customer's satisfaction with the added value that sales staff bring to the products that customers use, and the results are also evaluated through their contribution to improving the processes and procedures in the supply of products and services in the bank (Hoang & Chu, 2008; Hair *et al.*, 2010) [7, 6].

Table 3: Synthetic results of exploratory factor analysis

Variables	Factor
	1
KQ1	.547
KQ2	.732
KQ3	.728
KQ4	.566
KQ5	.724
Sig.	.000
KMO	.756
Eigenvalue	2.209
% of variance	44.181

4.3 Independent T- Test

Differences in the sales staff's performance in commercial banks in Hanoi (KQ) by genders

A comparison of the sales staff's performance in commercial banks in Hanoi (KQ) with participants of different genders (male and female) can be seen in Table 4. According to the results shown in Table 4, sig Levene's test is 0.890, which is more than 0.05. The variance between males and females is not different. Moreover, sig value t-test = 0.677, which is more than 0.05, which means that there is no statistically significant difference in the level of the sales staff's performance in commercial banks in Hanoi (KQ) between these different genders (Hoang & Chu, 2008; Hair *et al.*, 2010) [7, 6].

Table 4: Differences in the sales staff's performance in commercial banks in Hanoi (KQ) with participants of different genders - Independent Test

		Levene's Test for Equality of Variances		T-test for Equality of Means						
		F	Sig.	T	Df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
KQ	Equal variances assumed	.019	.890	.417	198	.677	.02762	.06624	-.10287	.15810
	Equal variances not assumed			.417	192.429	.677	.02762	0.6619	-.10281	.15805

4.4 ANOVA

An ANOVA test was needed to make a comparison of the results of the sales staff's performance in commercial banks in Hanoi (KQ) between the four subjects, including participants who were from 30 to 40 years old, participants who were less than 30 years old, participants who were from 40 to 50 years old, and participants who were older than 50 years old. Table 5 shows that the Sig Levene statistic of 0.362 is greater than 0.05, which means that the hypothesis of homogeneity variance among the variable value groups (different ages) has not been violated. Table 6 shows that Sig. = 0.000 is less than 0.05, which indicates that there is a statistically significant difference in the level of the sales staff's performance in commercial banks in Hanoi (KQ)

between the mentioned three groups of age (Hoang & Chu, 2008; Hair *et al.*, 2010) [7, 6].

Table 5: Test of Homogeneity of Variances

Levene Statistic	df1	df2	Sig.
1.053	3	197	.370

Table 6: ANOVA

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	7.343	3	2.448	10.580	.000
Within Groups	54.834	197	.231		
Total	62.177	200			

5. Discussion and Implications

The sales staff's performance is evaluated according to the objective management method with four goals towards the work of the banking sales staff: (i) meeting the requirements for business performance and corporate finance, such as achieving sales, increasing the number of new customers, and increasing the number of returning old customers; (ii) the ability to contribute to the improvement of business processes; (iii) job satisfaction of the sales staff; and (iv) customer satisfaction.

Sales staff are people who have direct contact with customers to introduce, advise, and offer the products and services of the bank. Therefore, to meet the job requirements, they must be agile, grasp the problem quickly, and have the ability to negotiate and persuade. Besides, in order to work effectively, sales staff must always build and maintain close relationships with existing customers to have accurate and timely information about them in order to serve them and support the bank's business strategies. Moreover, in today's competitive environment, a good salesperson must also know how to expand relationships with new customers and at the same time maintain relationships with old customers to maintain and create a source of potential customers for the bank.

In the internal environment, sales staff requires a good relationship with colleagues, support departments, and related stages to ensure that products and services are completely provided to customers. Sales staff are the people who directly generate revenue for the bank, so one of the important criteria to evaluate the level of job completion is the rate at which they complete the revenue target. In today's situation of flat information and fierce competition, the pressure to complete the target requires sales staff to make great efforts to be able to meet the requirements. If they exceed the assigned quota, they will be rewarded for their efforts through income, but if they do not, their income level is just the basic salary.

In order to fulfill the sales targets for the bank's products and services, sales staff will have to make calls to customers to convince them to choose to use the services provided by the bank. The job of a bank salesman includes: (i) developing effective customer marketing strategies. Conduct promotional programs for products and services provided by the bank. (ii) consulting and guiding customers to use financial packages suitable to their conditions and needs; (iii) carrying out customer care activities, gratitude, and customer care programs according to the standards set by the bank; (iv) managing the number of transactions at the customer's bank to ensure that the set targets are met; (v) evaluating loan documents and plans and conducting an appraisal of the customer's collateral before proceeding with loan procedures; (vi) responsible for encouraging customers to pay interest on time and handling customer debt-related issues; and (vii) In addition, they will undertake other tasks as directed by their superiors.

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