Research centers, business schools, and the world of sales

Michael Ahearne¹

Published online: 3 May 2017
© Academy of Marketing Science 2017

In V. Kumar's editorial, "The Role of University Research Centers in Promoting Research" (Kumar, 2017), he describes the anatomy of an effective university research center. He particularly stresses the critical value of conducting evidence-based research, such as the customer and brand value research he oversees at Georgia State's Center for Excellence in Brand and Customer Management (CEBCM). Kumar also stresses the importance of deep integration with practitioners. I strongly support both of these contentions and agree that in order for a research center to be effective it must maintain, as Kumar says, "contributions in research, teaching, and service to both the academic and the business communities." And nowhere has this proven truer than in the area of sales and sales management.

Meaningful research strengthens the link between academia and business

For decades, business schools have conducted research and taught students the lessons of business through organizational snapshots (particularly in the areas of marketing and finance). But as Kumar (2017) rightly points out, the value of this material is limited. Without evidence-based research, it is difficult to help students *apply* the lessons of these anecdotal case studies to the real world. Seasoned managers—who have the ability to apply the lessons of this type of research—often find it too contemplative and theoretical.

Conversely, academic disciplines such as medicine, geoscience, or engineering generate a substantial amount of research that can be easily converted into tangible applications. This type of research *directly* influences both public and private investment and as well as decision making with substantial policy implications. Research centers within these fields commonly solve real world problems such as disease, economic policy, or climate change. A 2014 *Harvard Business Review* article (Wetherbe and Eckhardt 2014) suggests that many business schools conduct an abundance of *scholarly* research, which generates plenty of interest in the *academic* community—but less so in the business world. This misses the critical opportunity that practical, "translational" research (as leveraged in the medical sciences) takes advantage of. Translational research extends the value of traditional scientific research by taking the theoretical findings one step further, converting theoretical findings into a form that can be utilized by practitioners (Wetherbe and Eckhardt 2014). If academics can provide more useful, applicable, research findings, organizations will be interested. And more to the point, they will make sure these studies are well funded.

Business institutes thrive through a focus on applied research and solving real-world problems

One of the best (and earliest) examples of a business institute conducting actionable, industry-driven, research is Penn State's Institute for the Study of Business Markets (ISBM). Co-founder Gary Lilien (2017) points out that the ISBM, focused on advancing the theory and practice of business-to-business (industrial) marketing, has found success by serving the needs of its stakeholders within both the business and academic communities. Lilien states

✉ Michael Ahearne
mahearn.uh@gmail.com

¹ Bauer College of Business, 4750 Calhoun Road, Room 334,
Houston, TX 77204-6021, USA

that to teach and learn effectively, academics need real-world problems to attack, domain expertise, access to data, and of course, resources to get started. Businesses on the other hand, need answers to their important problems and often, training in specific skills. Lilien attests that this symbiosis has served the ISBM and its corporate partners well for 34 years.

Palmatier (2017) also comments on Kumar's article (2017), stating that Georgia State's CEBCM has raised marketing research centers to a higher level. From his vantage point at the University of Washington's Center for Sales and Marketing Strategy, he underscores that an ongoing, robust connection with working managers, their problems, and their data is paramount to a center's productivity. He attests that when business executives help direct the research agenda, sales and marketing knowledge develops and spreads more quickly. As a result of this business-driven research, centers like CEBCM, ISBM, and the Center for Sales and Marketing Strategy are making substantial academic contributions to the body of knowledge within their field and sparking demand for more research of a similar nature.

Sales research centers takes hold

Despite the major gains being made in marketing research in the last few decades, training and research in sales has until recently been meager. So why is this?

Sales has historically carried a stigma. Sales executives have questioned what impact sales research could have. Academics have questioned the theoretical merits and marketing relevance of sales research. Conducting high quality, publishable sales research—meaningful to both academics and managers—was considered a tough challenge. Yet despite this skepticism, the field of sales had no lack of important questions that well-designed research could answer. For researchers who could identify problems that were meaningful to both academics and managers (and articulate the value of their findings) the demand for research was always there.

While conducting high quality, publishable research in sales has always been considered a challenge, it is becoming increasingly feasible for many researchers to produce work that is publishable in the highest tiers of academic journals. The need to gain access to high quality data from firms, and in a related sense, the need to identify problems that are meaningful to both academics and managers commonly represent substantial barriers to entry for many sales researchers. In addition, the expectation that state of the art research methods and statistical techniques will be employed adds another potential hurdle to overcome. Lowering these types of barriers to entry is one function that a sales research center can perform

through its development of strong industry ties and its emphasis on bringing together researchers with diverse skill sets, but common interests (just to name a few benefits). In the present, sales research is not only being published in top journals at a significantly increased rate, but the information contained within these articles is often being transferred to textbooks and trade publications.

The University of Houston's Sales Excellence Institute (UH SEI) is a major contributor of industry-driven sales research. Starting out 20 years ago as a job training and placement program, UH SEI has elevated its mission to include the contribution of research to both corporate partners and the academic field of sales, as well as executive education for senior leaders in sales. In short, we have aimed to do for sales research what ISBM and CEBCM have done for other areas within marketing research.

The history of SEI and the development of a three-legged stool model for the institute

UH SEI began with a focus on educating students in sales and placing them in sales positions within organizations. The initial function of UH SEI enabled the development of strong relationships with organizations, but these relationships were primarily limited to managers within the human resources function. We needed to deepen our reach and relationships with our corporate partners in order to expand into a full-fledged institute with a research mission. Fortunately, UH SEI's human resources contacts provided many further introductions to sales and marketing executives. Even more fortunately, we found these executives had a remarkable interest in researching sales questions that could have substantial implications for both theory and practice.

After full expansion from a job placement program into a research institution, UH SEI formed into what can be referred to as a three-legged stool model including teaching/education, research, and partnership. Palmatier (2017) comments that successful research centers are driven by five key factors: strong leadership, production of relevant research, strong links to working managers (and their problems and data), a diverse and well-coordinated team of students/researchers/scholars/professors, and a relational community of academics. UH SEI's three-legged stool model effectively captures all of these factors. In the following sections, we will look at each facet of UH SEI's three-legged stool model.

A teaching/education mission

Research conducted by our university early on discovered that a significant proportion of the university's business school students were going into sales positions with up to

70% of marketing majors starting a career in sales. This spoke to the educational demand for the sales program. To keep up with the needs of our stakeholders, we have over time broadened our education program to include a graduate-level specialization and a continuing education program. Distinct from other undergraduate sales programs, UH SEI's undergraduate program goes well beyond theory. To this end, no one finishes the program without actually selling things.

Research mission

One of the Achilles' heels of sales research has been the difficulty in translating the material published in academic journals into intuitive, actionable sales initiatives. At UH SEI we knew that in order for organizations to value our research, they needed to have a key role in shaping it. We needed to confront real problems sales organizations were currently facing.

An example of this can be seen in the case of a large industrial products organization selling to restaurants and hospitals. Initially, the firm was just interested in job placement. When UH SEI began probing them about their challenges and problems, the company realized they needed the answer to a simple question: what makes an effective sales manager? Not only did UH SEI do a major research study, we also created a management training program to put the lessons of these findings into action.

Expanded partnerships/sponsorships

With our expanded corporate partnerships, increased job placement and sponsorships have followed. When our center's mission was primarily student education, 10 to 15 firms underwrote the program and students were placed into jobs for those companies. Sponsorships ranged from \$5–10 K. Since becoming an Institute—with an elevated mission of executive training and research—the size of sponsorships has increased ten-fold. The boost in the size of these sponsorships evidences the increased value that UH SEI's research and collaboration provides its partners.

Interdependence in the model increases value

Each facet (or “leg”) of UH SEI's model is strengthened by the presence of the others. The synergies between these facets enable UH SEI to deliver value above what other organizations and institutions that only focus on one or two of these components can deliver. Another important consideration is the interdependent nature of the facets of the UH SEI's three-legged stool model. As we have mentioned previously, efforts and outcomes produced from one facet can become an integral part of the development and growth of another facet.

A major financial services company is a partner that exemplifies the value UH SEI's interdependent, three-legged stool offers. When questions about sales incentives came up, alumni of UH SEI's program employed at the firm encouraged the firm to engage with UH SEI for deeper research into the topic. In addition to the firm getting evidence-based findings for new corporate initiatives, the lessons from the research were used as the basis for several journal articles. The related research findings have also since been incorporated into the UH SEI academic curriculum.

Sales research centers: Looking forward

When UH SEI began, there were a total of only two other sales programs in the United States. As of 2016, the Sales Education Foundation has identified 109 US-based sales programs.¹ With the proven impact of sales research, education, and training in sales will continue to advance. To keep up with the increasingly rapid pace of change in sales and marketing, companies will continue to rely on important research findings from those sources that they perceive to be the most credible and relevant. This will spur the growth of more corporate partnerships with both sales and marketing research centers.

It is increasingly evident that sales is now a serious academic research concern with far-reaching impact on the practice of sales worldwide. However, I still believe there is much work to be done. We must further reduce the stigma of sales, pushing past stereotypes and other surface-level conceptions. To achieve this, we must foster a greater appreciation for sales education and research, encouraging its inclusion within the curriculum of top universities. In this regard, a few specific suggestions include: offering a foundational selling course and making it a requirement for all undergraduate business students and integrating sales management into the curriculum offered to MBA students. The skills and knowledge developed in sales courses can be applied to great effect in most non-sales roles. For graduate students who aspire to become senior-level managers, at least a general knowledge of sales and sales management becomes increasingly valuable for discussions and decisions made at the top echelons of their respective organizations. In addition, enabling the dispersion of researchers who specialize in sales research throughout a wider span of top universities should enrich the depth and breadth of the research being produced at those institutions and within the field in general. Increasing the number of sales research centers within top universities is another area that offers

¹ Sales Education Foundation, “Sales Education Annual 2016,” [accessed April 5, 2017], available at <http://www.salesfoundation.org/SEFAnnual/>.

tremendous promise for the field through improvements in both the quality and output of research produced, the educational opportunities and outcomes offered to students, and both the partnerships developed and value created for businesses. As more sales programs and centers evolve to incorporate research into their mission we expect that we will see an increase in the frequency of high quality sales research, capable of being published in top academic journals. In this respect, we hope that UH SEI and its three-legged model can serve as a guiding example for the development of successful future research centers.

References

- Kumar, V. (2017). The role of university research centers in promoting research. *Journal of the Academy of Marketing Science*, 45(4). doi: [10.1007/s11747-016-0496-3](https://doi.org/10.1007/s11747-016-0496-3).
- Lilien, G. (2017). Perspectives on university research centers: Lessons from the ISBM. *Journal of the Academy of Marketing Science*, 45(4). doi: [10.1007/s11747-017-0537-6](https://doi.org/10.1007/s11747-017-0537-6).
- Palmatier, R. (2017). Marketing research centers: Community, productivity and relevance. *Journal of the Academy of Marketing Science*, 45(4). doi: [10.1007/s11747-017-0538-5](https://doi.org/10.1007/s11747-017-0538-5).
- Wetherbe, J. & Eckhardt, J. (2014). Making business school research more relevant. *Harvard Business Review*. <https://hbr.org/2014/12/making-business-school-research-more-relevant>.