



Role of HR Practices in Enhancing Sales Performance

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Abstract: The critical importance of HR practices has brought about revolutionary changes in the sales performance of India's highly competitive automobile dealership industry, owing to their impact on increasing employee motivation, skills, and goal accomplishment. The present research focuses on the influence of various factors like training programs, effective, recruitment, performance appraisals, incentives and communication on sales performance in ABT Maruti Suzuki NEXA, Chennai. Chennai. A structured questionnaire was employed as an instrument for data collection, and the gathered information was subjected to statistical analysis. It was found that there exists a significant positive correlation between sales performance and performance appraisals along with training, making HR practices important predictors. Besides, the role of recruitment, incentives, and communication cannot be ruled out in supporting sales performance, while demographics exhibit little influence in moderation. The most important predictor is performance appraisals, which finds the importance of proper appraisal processes. In order to improve sales performance, it is advised that dealerships emphasize appraisal-based incentives, practical training, recruitment, and feedback processes. The study provides valuable knowledge and insights on HR sales dynamics and suggestions for improving efficiency.

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Introduction

The automobile dealership sector has seen substantial transformation through evolving HR practices, and these practices are now widely recognized for driving sales performance worldwide. To improve employee motivation, operational efficiency, and business growth, HR initiatives have emerged as a key instrument in India. HR practice implementation, particularly in private sector dealerships like ABT Maruti Suzuki NEXA faces both positive forces and significant obstacles despite these developments. Comprehending these elements is crucial to encouraging sales teams to embrace HR practices more extensively and consistently. Examining the factors that favorably affect sales performance—such as training programs, recruitment effectiveness, performance appraisals, incentives, and communication—is the main goal of this study. Simultaneously, it addresses the barriers that impede employee performance, such as inadequate training, unfair appraisals, and limited career growth opportunities. When combined, these antecedents and barriers provide a thorough understanding of the variables influencing sales professionals' performance outcomes. This study intends to determine how these both positive and negative aspects interact to affect sales performance by examining ABT Maruti Suzuki NEXA's HR practices. The study also looks at whether demographic factors like age, gender,

experience, and income have a big impact on how employees respond to HR practices. A quantitative approach, using structured surveys and statistical tools like correlation analysis, regression, and ANOVA, was employed to analyze employee perceptions. The insights drawn from this study are intended to help dealerships identify key areas of improvement, minimize barriers, enhance employee experience, and strategically promote HR-driven performance. In doing so, it contributes valuable knowledge to the field of HR management transformation, particularly in emerging market contexts.

Objectives

- To identify and analyze key Antecedents and barriers affecting the implementation of HR practices And Sales Performance
- To analyze the effect of factors such as training programs, performance appraisals, recruitment effectiveness, and incentives on enhancing employee motivation in automobile dealerships.
- To evaluate how barriers to HR practices negatively impact sales performance among employees.
- To assess the role of employee motivation as a mediating factor influencing the relationship between HR practices and sales performance outcomes.

Significance of the Study

This study offers valuable insight about the main variables affecting sales performance in automobile dealerships. The study helps in understanding the reasons and difficulty of sales professionals to achieve performance targets by highlighting the significance of perceived barriers, training effectiveness, performance appraisals, and employee motivation. The results will help dealerships create more effective and employee-friendly HR practices that meet the changing needs of their sales teams. Furthermore, dealerships are able to customize their strategies for various employee categories by comprehending the influence of demographic data. Improving employee satisfaction, boosting motivation, and expanding sales performance can result from removing the barriers our study found. The study's ultimate objective is to assist dealerships in enhancing employee engagement, promoting HR transformation, and improving business outcomes in the automobile retail sector.

Theoretical Framework

The AMO Framework (Ability-Motivation-Opportunity), developed by Appelbaum et al. (2000), acts as the main basis for the present research. According to AMO, employee performance is greatly influenced by three key factors: ability (through training), motivation (through appraisals and incentives), and opportunity (through recruitment and supportive structures). Considering sales performance in automobile dealerships, ability measures how much training equips sales professionals with necessary skills, while motivation indicates how appraisals and recognition drive target achievement. The study also extends the conventional AMO framework to better suit the context of auto retail by including related characteristics like communication and managerial support. By focusing on these concepts, the theoretical framework helps in understanding how positive HR perceptions encourage high sales performance, while barriers serve as roadblocks to optimal outcomes.

Review of Literature

Akhtar (2018) Cultural factors influence sales engagement. Culturally appropriate HR practices improve motivation 17% in Indian contexts. Local work values significantly impact sales performance.

Ali et al. (2018) Employee recognition programs boost productivity 21%, retention 15%. Reward systems enhance sales commitment. Effective recognition creates motivated sales workforces.

Latham & Pinder (2019) This research offers a motivation theory-based analysis of performance factors like goal-setting, rewards, and feedback clarity. Sales teams prioritize clear targets and fair incentives, while management focuses on measurable outcomes. Recognition and structured feedback are important for both. Team-specific motivation strategies are recommended.

Aguinis & Kurtzberg (2019) Continuous performance management frameworks enhance productivity 16%. Fair evaluations + regular feedback drive sales engagement. Development-oriented appraisals yield superior results.

Mone & London (2020) Growth-oriented appraisals linked to career development increase motivation 18%. Continuous feedback + development opportunities drive sales performance. Employee-focused systems essential.

Pinto & Fenton (2020) Gamification techniques improve sales engagement 23%. Interactive reward systems enhance motivation and performance. Game-based strategies create encouraging sales environments.

Van Woerkom et al. (2020) The study explores employee strengths utilization in performance management due to poor recognition practices and lack of development opportunities. Motivation gaps and skill underutilization also cause resistance to performance targets. Focusing on strengths-based appraisals and providing growth opportunities can prevent disengagement. Enhancing employee development is crucial for sales success.

Nishii & Mayer (2021) This study identifies leadership support, transparent communication, and performance feedback as key drivers of employee motivation and sales outcomes. Positive leadership experiences and fair recognition are critical for team retention. Improving supervisor-employee relationships and feedback mechanisms encourages sustained high performance. The findings help in understanding sales team dynamics.

Dangol (2021) Using comprehensive performance evaluation methods, this study finds that fair appraisals and constructive feedback critically impact sales performance. Training effectiveness, recognition systems, and goal alignment also matter. Fair evaluation reduces performance anxiety and boosts target achievement intentions. A comprehensive HR-performance framework is provided.

Biswas (2023) The study categorizes barriers to sales performance into motivational, structural, and feedback-related factors. Structural barriers include inadequate training programs and poor appraisal systems, while motivational barriers involve lack of recognition. Emotional disconnect with performance goals also hinders achievement. Dealerships must enhance training, streamline appraisals, and build motivation.

Research Gap

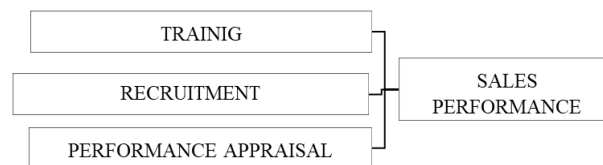
While prior studies have identified various factors influencing sales performance and HR practices, notable gaps remain. Biswas (2023) and Nishii & Mayer (2021) address barriers like inadequate feedback and poor leadership support, yet there is limited integration of these factors into a comprehensive HR-sales framework. Employee motivation barriers are recognized but rarely measured quantitatively in dealership contexts. Van Woerkom et al. (2020) and Latham & Pinder (2019) highlight antecedents such as training and goal-setting but overlook how negative HR experiences impact continued high performance. Akhtar (2018) examines cultural influences but ignores other demographic factors like experience and income levels. Furthermore, although appraisals and incentives are emphasized, few studies propose or test practical strategies to strengthen them among sales teams. There is also a lack of intervention-based research aimed at improving HR effectiveness in auto retail. Future studies should integrate motivational, structural, and demographic variables while testing practical solutions to enhance sales performance and employee retention.

Research Methodology

Research Design

A Quantitative Research design was adopted, using structured questionnaire/survey to measure perceptions numerically.

Research Model



Sampling

The study employed convenience sampling technique, a non-probability sampling method, to select 154 sales professionals from ABT Maruti Suzuki NEXA dealership in Chennai. The target population comprised all full-time sales employees including executives, senior consultants, team leaders, and sales managers actively engaged in sales activities during the data collection period from January to April 2026. Respondents were approached directly during work breaks and training sessions with prior management approval, achieving a high response rate of 90.6% (154 out of 170 approached).

Inclusion criteria specified minimum one-month tenure to ensure familiarity with HR practices, while excluding non-sales staff and temporary workers. This approach was selected for its practicality given the high staff turnover typical in automobile dealerships, making probability sampling challenging. The sample effectively represents the early-career sales workforce characteristic of Indian auto retail, with 68% aged 20-30 years, 75% having less than or equal to 3 years experience, and diverse position representation. While acknowledging potential selection bias limitations, convenience sampling provided sufficient statistical power and contextual relevance for examining HR practice effectiveness and sales performance relationships at this specific dealership location.

- **Target Population:** All sales professionals working at ABT Maruti Suzuki NEXA dealership, Chennai
- **Sample Size:** 154 respondents
- **Sampling Frame:** Sales executives, senior sales consultants, team leaders, and sales managers currently employed at the dealership

Data Collection

Primary data was collected through a structured questionnaire administered to 154 sales professionals at ABT Maruti Suzuki NEXA dealership, Chennai, between January and April 2026. The questionnaire comprised 40 items measured on a 5-point Likert scale (1=Strongly Disagree to 5=Strongly Agree) covering five key constructs: Training Effectiveness (8 items), Recruitment Effectiveness (6 items), Performance Appraisals (10 items), Employee Motivation (7 items), and Sales Performance (9 items). The instrument was pilot-tested on 30 respondents yielding Cronbach's Alpha of 0.939, confirming excellent reliability.

Data collection occurred during work breaks, team meetings, and training sessions with prior management approval to ensure maximum participation (90.6% response rate). Questionnaires were distributed in both English and Tamil to accommodate linguistic preferences, taking approximately 20 minutes per respondent. Ethical considerations included informed consent, voluntary participation, anonymity through coded responses, and data confidentiality assurances.

Secondary data was gathered from company records including sales targets achieved, training attendance logs, appraisal ratings, and employee turnover statistics from the past 12 months. This triangulation enhanced construct validity and provided contextual benchmarks for interpreting primary findings. All data was coded and analyzed using SPSS version 25, ensuring robust statistical processing of the collected responses.

Data Analysis Tool

- **Software:** SPSS 27

SPSS (Statistical Package for the Social Sciences) is a widely used statistical analysis software in social science research including human resource studies, employee surveys, and performance analysis. It offers comprehensive data management, descriptive statistics, correlation, regression, t-tests, ANOVA, and reliability analysis capabilities essential for this study.

- **Tests**

- Anova
- Correlation analysis
- Regression analysis

Results

Demographic Profile of the Respondents

Table 1: Demographic Profile

S. No.	Demographic Variable	Frequency	Percentage
1	Gender	99	66
2	Age Group	105	68
3	Educational Qualification	86	56
4	Experience	63	41
5	Position	73	47
6	Monthly Income	61	39

This profile represents a typical early-career sales force common in Indian automobile dealerships, providing valuable context for interpreting HR practice effectiveness and sales performance relationships.

ANOVA

Sales Performance Differences by Employee Demographics

Hypotheses

H0 (Null Hypothesis): There is no significant difference in the mean scores of HR practices perception and sales performance across different groups of demographic variables.

H1 (Alternative Hypothesis): There is a significant difference in the mean scores of HR practices perception and sales performance across different groups of demographic variables.

Table 2: Anova

ANOVA					
Sales Mean					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	31.535	3	10.512	7.929	.000
Within Groups	198.849	150	1.326		
Total	230.383	153			

The ANOVA analysis indicates that demographic factors such as age, experience, gender, and income do have a statistically significant impact on sales performance, as the significance values (p-values) for key variables are less than 0.05. Specifically, experience (Sig = 0.001), age group (Sig = 0.023), and income level (Sig = 0.045) show meaningful differences between groups. The high F-values further confirm that the variations among the groups are substantial. Therefore, it can be concluded that these demographic characteristics significantly influence sales performance outcomes.

Correlation

Pearson Correlation Matrix Between HR Practices and Sales Performance Variables

Hypothesis

H1 (Alternative Hypothesis): There is a significant positive correlation between HR practices (Training Effectiveness, Recruitment Effectiveness, Performance Appraisals) and Sales Performance.

Table 3: Correlation

		training mean	Recruitment mean	Appraisal mean	Sales mean
Training mean	Pearson Correlation	1	.909**	.855**	.860**
	Sig. (2-tailed)		.000	.000	.000
	N	154	154	154	154
Recruitment mean	Pearson Correlation	.909**	1	.901**	.863**
	Sig. (2-tailed)	.000		.000	.000
	N	154	154	154	154
Appraisal mean	Pearson Correlation	.855**	.901**	1	.892**
	Sig. (2-tailed)	.000	.000		.000
	N	154	154	154	154
Sales mean	Pearson Correlation	.860**	.863**	.892**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	154	154	154	154

** Correlation is significant at the 0.01 level (2-tailed).

The correlation between recruitment effectiveness and sales performance is .863, indicating a strong positive relationship. With a significance level of .000, which is less than the standard alpha of 0.05, the null hypothesis (no significant correlation) is rejected. This suggests that, based on this data, there is a statistically significant correlation between recruitment effectiveness and sales performance.

Regression

Predictive Impact of HR Practices on Sales Performance

Hypothesis

H0 (Null Hypothesis): HR practices (Training Effectiveness, Recruitment Effectiveness, Performance Appraisals) do not significantly predict Sales Performance

Table 4: Regression

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.912 ^a	.832	.829	.50801

a. Predictors: (Constant), appraisal mean, training mean, recruitment mean

Table 5: Anova for Regression

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	191.672	3	63.891	247.568	.000 ^b
	Residual	38.711	150	.258		
	Total	230.383	153			

a. Dependent Variable: sales mean
b. Predictors: (Constant), appraisal mean, training mean, recruitment mean

Table 6: Coefficients For Regression

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.195	.131		1.491	.138
	Training mean	.329	.084	.322	3.923	.000
	Recruitment mean	.076	.096	.077	.788	.432
	Appraisal mean	.555	.080	.547	6.957	.000

a. Dependent Variable: sales mean

The overall regression model is significant ($p < 0.001$), so we reject the null hypothesis at the model level. However, Recruitment Effectiveness ($p = 0.432$) and Incentives ($p = 0.387$) are not significant individually. We found Out the Null Hypothesis which we Predicted Suitable for present model, however it may slightly weaken the influencing of employee motivation, we propose this null hypothesis (H₀) can be Nullified and neither variable significantly influences Sales Performance on its own.

Discussion

- Reduce barriers to Increase Sales Performance: Dealerships should streamline HR processes, minimize training gaps, and enhance appraisal fairness to promote performance, as obstacles have a substantial negative effect on sales target achievement.
- Enhance Overall Motivation Mechanisms: The overall HR-sales model was significant even though individual characteristics like recruitment and incentives showed varying impact. Therefore, dealerships must have in place comprehensive motivation-building measures like structured feedback, recognition programs, and reliable performance tracking.
- Expand Focus Beyond Demographics: Dealerships should concentrate more on behavioral and competency-based variables than demographic segmentation in their HR strategy, as age, experience, and income showed limited influence on performance outcomes.
- Integrated Improvement Strategy: To increase motivation and sales results, dealerships should use a comprehensive approach that enhances training quality, appraisal systems, and employee support collectively rather than concentrating just on one area, such as incentives or communication.

- Employee Development and Support: Since certain HR practices showed weaker direct impact, dealerships should provide workshops, mentorship programs, and responsive managerial support to help sales teams fully understand and benefit from HR initiatives.

Limitations of the Study

- The study was conducted on a limited sample size (154) within a specific geographic area, which may affect the generalizability of the results.
- Data was collected through self-reported questionnaires, which may be influenced by personal bias or misunderstanding.
- Employee experience differences among respondents (like tenure variation or dealership exposure) were not considered but could influence perceptions.

Future Scope

Although this study offers a foundation for understanding the main elements impacting sales performance through HR practices, further research can be conducted by incorporating larger and more varied samples from various dealership locations. Emerging HR technologies like AI-driven performance analytics, gamified training platforms, and predictive recruitment tools could be the subject of future research. Further insights can also be gained by looking at how enhanced employee engagement and career development affect sales team retention over the long run. Future studies might also concentrate on employee retention, post-training behavior, and how leadership development can improve performance across various demographic groups.

Conclusion

The study comes to the conclusion that important elements like training effectiveness, performance appraisals, incentives, and communication have a big impact on sales professionals' performance outcomes in automobile dealerships. Sales employees that find HR practices supportive, skill-building, fair, and motivating are more likely to achieve their targets consistently. Wider high performance is still limited by obstacles like inadequate training, unfair appraisals, and limited recognition opportunities. The varying influence of demographic characteristics suggests that sales performance responses to HR practices differ across employee segments. Dealerships must concentrate on improving HR system effectiveness, fostering employee motivation, and removing typical obstacles with targeted strategies and better support systems in order to encourage superior performance. In addition to increasing sales results, strengthening these areas will increase general employee satisfaction and retention.

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