

## **Impact of the Personal and Organizational Factors on Distribution Agents Related to Supply Chain (Applied Study on Industrial Companies at Sahab Industrial City)**

**Dr. Marzouq Ayed Al Qeed**

The World Islamic Sciences & Education University (W.I.S.E)  
Faculty of Finance and Business  
P.O.Box 1101 Postal code: 11947  
Amman-Jordan

**Dr. Moayyad A. Al-Fawaeer**

The World Islamic Sciences & Education University (W. I.S.E)  
Faculty of Finance and Business  
Amman-Jordan

**Dr. Tareq N. Hashem**

Philadelphia University  
Amman- Jordan

### **Abstract**

*Lot of researchers concentrate on the most important factors related to supply chains that are efficient capable to contribute in improving organization performance and enhancing the level of customers. This study concentrate on distribution agents who represent major partners in supply process as detected due to personal and organizational factors that have to available on selecting distribution agents related to supply process. A study has been carried out by the factories at Sahab city in Jordan. 300 questionnaires forms were analyzed at a rate of 83% in study population. The study revealed that there is positive effect for the supply personal factors of the distribution agent, such as experience and academic qualification plus organizational factors of the agent (such as volume, geographical, spread, storing locations, when selecting distribution and supply agents as viewed by factories managers reflected by the study.*

**Keywords:** marketing, marketing management, supply chain management , Jordan.

### **Introduction**

Concentration now is focused on forming supply integrated chains which requires integrate performance by the staff within supply chain and internal and external integration as well so as to attain a capable and efficient chain that load to improve organization performance and increasing customers satisfaction. However, supply chain is define as a sequence of business processes through information communicated good and services offered by the suppliers through the market. the manufacturers to the distributors up to final consumers, so understanding supply different activities requires study and analyzing of all information communicated goods, services provided from the suppliers to distribution agents to see how far processes are linked with other ones so as to determine activity set required to accomplish development process and measures that identify level of performance and how to improve it through supply group so as to be suited with all involved.

Supply channel is considered integrate system as a set of independent organizations or competing ones with each other so that before launching production the market, the marketing management has to determine the routes that may be used dependently in way that makes the product available in the market as this function requires strategic distribution process plus material distribution function required for the product and compatible with it to reach the market (Al D'mour, 1993).

### **2- Study methodology**

#### **\*Research significance:**

Study significance related to:

- 1- Talking about one of basic partners in supply chain.

- 2- Low attention to this subject taking about way of choosing agents and impact of personal and organizational factors in this respect.
- 3- Drawing attentions of manufactures and authors to its significance, personally and organizationally in selecting distribution agents.
- 4- Contributing in collecting information and data for supply companies about importance of selecting persons enjoying good characteristics and credited by manufacturers in business field.

### **3-Research objectives**

#### **\*It aims to:**

- 1- Identify expertise and academic qualifications and distributor and his personal characters especially in Sahab industrial area.
- 2- To know how far organizational factors impact selecting agents.
- 3- To pinpoint results and recommendations of benefit for Jordan's companies.

### **4-Research problems**

Access to different activities integration of supply chain requires studying and analyzing all partners in supply chain including distribution agents as importance of distributors selection emerged in the prospect of challenge rising and competition for enhancing performance and how to improve it through supply chain related to operations coordination with all partners. Due to that this study seeks to know how far personal and organizational factors impact in selecting distribution choice by Jordanian companies at Sahab industrial city through answers to the following two questions:

- 1) Does experience and academic qualification of agent impact selection of agent and how far Jordanian companies care of personal factors particularly in Sahab industrial city?
- 2) How far organizational factors impact selection of agents (company size, company experience)?

### **5-Research hypothesis**

#### **\*The study tries to test the following hypothesize:**

1. Ho. There is no impact of statistical significance about the academic qualifications of distribution agent when he is selected by industrial companies at Sahab industrial city.  
Ha. There is impact of statistical significance of the academic qualifications of distribution agent when selected by industrial companies in industrial city of Sahab.
2. Ho. There is no impact of statistical significance for distribution agent experience when selected by industrial companies in Sahab industrial city.  
Ha. There is impact of statistical significance for distribution agent experience when selected by industrial companies in Sahab industrial city.
3. Ho. There is no impact of statistical significance of personality characteristics when selecting distribution agents by industrial city in Sahab Company.  
Ha. There is impact of statistical significance of personality characteristics when selecting distribution agents by industrial city in Sahab Company.
4. Ho. There is no impact of statistical significance for organizational factors on selecting distribution agents by industrial companies in Sahab industrial city.  
Ha. There is impact of statistical significance for the organizational factors on selecting distribution agents by industrial companies in Sahab industrial city.

### **6-Definition of variables**

#### **\*Agents:**

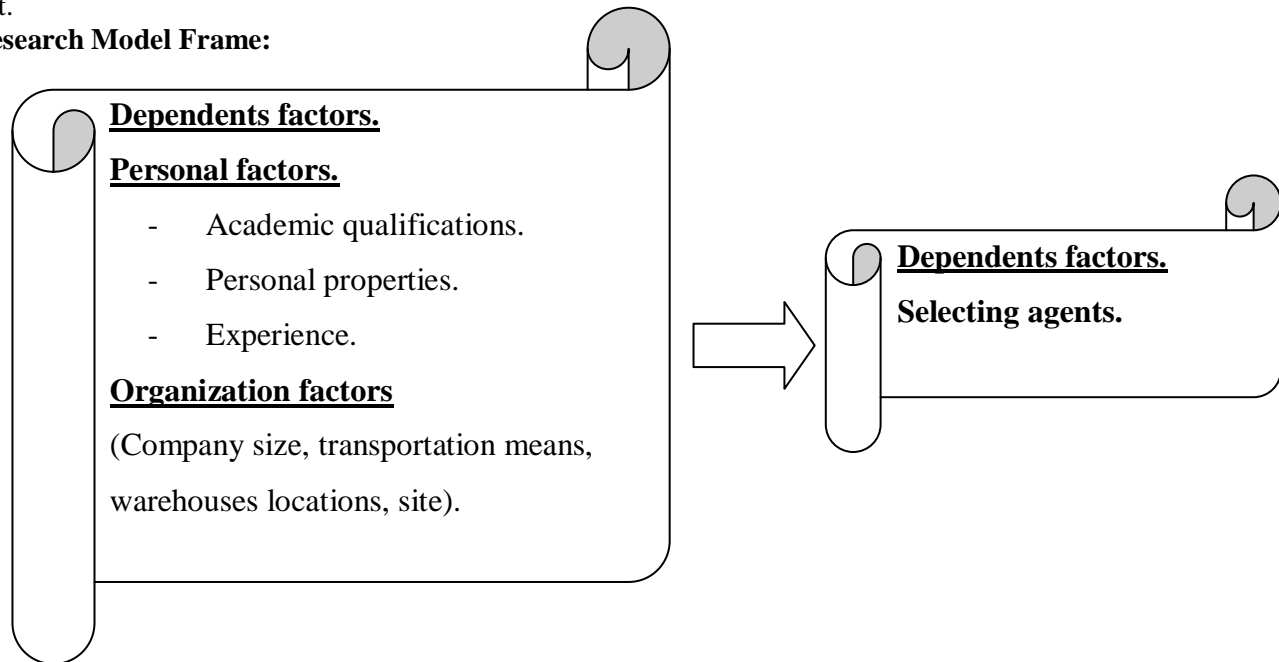
The entities selected by the profit seekers to help them to deliver goods (products) to them in good shape and services they themselves can't deliver for organizational considerations, artistic or market-wise due to agents experience, adaptability or specially (AlSumaidai, and Al Allaq, 2006).

#### **\*Personal factors:**

The experience of and academic qualifications by people working in marketing field which are of the most important mainstays for company success, performance and communications with the external and internal customers.

**7-Organizational factors:**

Company size and its capability to extend to geographical and marketing areas for which the factory likes to reach out.

**Research Model Frame:****8-Theatrical Frame work and previous literatures:****\*Management channels of marketing:**

Lot of contemporary organizations don't sell or distribute their products by themselves but use external sources to do the job (Jandahi, 2011). Before the product is ready for launching in the targeted market, the marketing administration determines the ways and routes that may be used and dependable including distribution coverage and distribution jobs required for the proposed item with necessary release until it reaches the market (Al D'mour 1993), and distribution channel as a coordinated system, while in other cases we may consider as a set of dependant organizations or competitive with each other. Arman Dain sees that, distribution is a chain of activities that start actually from the moment of storing the product in the warehouse owned by the producer or the last manger up to the moment when the consumer or utilizes receives it (AlSumaidai and others, 2006).

McCarthy defines distribution as a process, through which the commodity becomes available in the suitable place and quantity in access to consumes i.e., distribution is a process of transferring the commodity from production site to the final user (Azzam & others, 2009).

**1-Broker's role:**

- Brokers in trading field are a sort of independent in between companies play the role of distribution channels through which the product passes from the manufacturer down to the final user.
- Brokers are of different types like whole sale and retail traders.
- Brokers play important role in the field of business that benefit final users and the manufacturing companies as well.
- Commodities are produced in large quantities, generally at few central sites in expansion geographical areas.
- wherefrom they are transfers and delivered to retail agents at the time they wish support by brokers and manufactures for distributing products economically and quickly.

**2-Importance of distribution channels:**

In today's business world, concentrations is focused on developing long term cooperative relations with the suppliers companies and organization mangers focused on limiting display basic (rule) and increasing purchase volume with the rest of suppliers.

McCarthy stated that marketing process is rendered difficulty particularly if there is a big gap between the product and the consumer as the consumer is in a fixed place and seller should reach him out.

### **3-The factors affecting distribution strategy**

Producer on selecting a distribution strategy depends on several factors related to his human, financial, trading, environmental, capabilities and his special aims and also he may depend on these elements on selecting distribution strategy related to distributor taking in consideration some of other factors related to the distributor.

### **4-Selecting distribution strategy by the producer**

Selection of distribution strategy includes not only on selecting one route or several routes or channels for distributions by the producer but he takes in consideration a set of interactions of the decision taken at this level and a batch of strategic decisions for the company, i.e., the producer develops a distribution strategy related more than selecting a channel or sale outlet (Al Omar, 2003).

### **5-Distribution strategic objectives**

Before developing distribution strategy, company has to fit the targets related to distribution as these targets are just micro one in comparison ones of the company and base on professional bases and company's messages as every company formulates its distribution strategy in a different strategy than others (Kotler, and Keller, 2006).

### **6-Producer or manufacturer's environment:**

Distribution strategy depends on selection on some factors that suit the company's status and its environment, top of which are:

- A. the products of its products either industrial, services or consumption items that forms the first element in selecting distribution strategy for industrial marketing, however many products require a certain style for it.
- B. Company's Nature: company's potentialities either financial, techno or human forms significant factor in selecting distribution strategy.
- C. Type of customers as well, affect distribution strategy selection customers financial position and their techno expertise and distributional one and the services they expect to receive are considered significant determinants for company's distribution policy.
- D. Distribution specifications play important role as well. The companies that distribute same products in several countries need different distribution styles because Circuits and Canaux, rings and channels and distribution outlets differ according to countries. (AlOmar, 2003).

### **9-Previous studies**

**Study of (Jandni G., 2011)**, discussed a framework for selection of intermediary in marketing channel. This study aimed to test how far the companies are capable to select the best intermediaries for marketing by using the best characteristics that identify them, the study identified four qualities in selection namely: payment, market coverage, negotiations customers support. The study focused on the most important advantages the intermediaries attain specially those increase their capability to carry out major and basic jobs required, then applying the study on food industry companies In Iran, the outcome was a model through which the companies can determine the best intermediaries in trading which can by their characteristics duty wise able to perform the basic functions in serving the companies emplaning them.

#### **As for study (S, Tamer and Cavusgil, 1995)**

It showed out that the decision of selecting local distributor is the best the multinational company may take as this distributor helps parent company in marketing its product and offering required services to customers, so this study sought to set up a computerized system to select the best ones as distributors based on their characteristics best on the opinions of experts in international business.

#### **Study of (Zhonghai, Zou, et al., 2011):**

This study has confirmed the importance of the distributor in supply chain to address competition growing in international business.

The study explored the professional characteristics of the distributor in modern literature and came out of a set of qualities that have to be in the distributor to be able to contribute in improving supply chain in companies.

**Study of(S, Chopra, 2003).**

This study sought to provide a theatrical framework to design distribution a networks for supply chain taking as consideration the most important network for distribution, namely, Response, time, product variety product availability, customer experience order, visibility, retain ability. It showed as well that the distribution network design affects supply chain. Wastes through cost elements namely inventories, transportation, facilities, handling and information.

**Study (M., Sreenivas and T, Srinivas, 2008).**

Confirmed that the best factors that affect competence of supply chain is the capability of distributors net work on supply chain cost in selling products at a suitable price to the company and that efficiency of distribution of the network in measured by its ability to attract customers.

**10- Community and the sample**

Factories in Sahab industrial city considered as a study community because research focuses on way of selecting agents related to personality and system wise as work managers view, so it focused on the number of factories, main and sub main ones in Sahab industrial city, number was (362) questionnaire form was distributed on study population, 304 forms were collected. i.e. 83% good ratio for applied researches specially for social sciences generally, 4 forms dropped as incomplete, remained (300), rate 82% upon which agents selection was made.

**11-Study tool**

Study tool design was of two parts: one for personal data, the other one was of (19) items, comeback coefficient was extracted to make sure of items reliability with an internal coordination coefficient (61%) acceptable for study purposes.

**12-Results related to personality variables of sample individual:**

**- Distribution of sample individuals per gender:**

**Table 1: Distribution of sample individuals per gender.**

Gender	Frequency	Ratio (percentage)
Male	222	74.0
Female	78	26.0
Total	300	% 100

Per table (1), male were 222, ratio 74%. Female were 78, ratio 26%.

**- Distribution by age:**

**Table 2: Distribution of sample by age**

Age	Frequency	Ratio (percentage)
25 years and down	69	23
26-35 years and down	129	43
16-45 years and down	72	24
Over 45 years	30	10
Total	300	100%

Table (2): Shows the highest percentage was (43%) for age, group (26-35 years and down) while lower ratio was 10% for age group over 45 years.

**- Distribution by Academic Qualifications:**

**Table 3: Distribution per academic qualifications**

Academic Qualifications	Frequency	Ratio (percentage)
Diploma and below	117	39
B.A.	96	32
Master degree	45	15
Doctoral degree	6	2
Others	36	12
Total	300	100%

Per table (3), highest percentage of the sample was 39%, Academic certificate (Diploma & lower), while for doctoral degree it was 2%.

**- Distribution by experience in work:**

**Table 4**

Experience in work	Frequency	Ratio (percentage)
Less than one year	60	20
1 – 5 years	171	57
6 – 10 years	48	16
More than 15 year	21	7
Total	300	100%

Table (4): Shows that the highest percentage was (57%) for experience in work field for (1-5) years, and 7% for experience in work field (more than 15) years, group (26-35 years and down) while lower ratio was 10% for age group over 45 years.

**Statistical Results of the form items:**

**Results related to study hypothesis:**

**First hypothesis:**

There is impact of the statistical significance at the level of ( $\alpha = 0.05$ ) of the personal factors of the agent in agents selection process. to realize the first hypothesis then the average means calculation, SD, and the total of all field items related to agent's Academic Qualifications in selecting agents process, also applying test (one, sample T-test) on the total field. Tables (5,6) show that:

**Table 5: Arithmetic means & Standard Deviation, total for all items of academic qualification impact on selection process of agents test wise.**

No.	item	Arithmeti c. means	SD	Rank	Evaluation degree
1	University degree of distribution agent	4.04	1.08	1	High
2	Agents mastering more languages	3.99	0.84	2	High
	Field in total	4.02	0.77	-	High

Table (5) as appears, shows impact of the highest arithmetical means for the field of academic qualifications of agent selection process.

**Table 6: Distribution of sample by academic qualifications.**

field	Arith. mean	SD	T	grade	statistical significance
Effect of Academic	4.0	0.77	22.0	299	0.00
Qualifications on agents selection	2	-	71	-	-

Table (6): shows that (t) impact of the academic qualifications on agents selection process (22.71) which is of significant statistically at level) ( $\alpha = 0.05$ ) for the 5 stages gradation and the (SD) grade (3) whereas Arithmetic. Mean of field (4.02) with a high evaluation degree which indicates the existence of statistical significance at the level of ( $\alpha = 0.05$ ) of the academic qualifications of agents selection and acceptance of the first hypothesis & rejection of alternative.

**Second hypothesis**

There is impact of the statistical significance at the level of ( $\alpha = 0.05$ ) of the personal factors of the agent in agents selection process. to realize the second hypothesis then the average means calculation, SD, and the total if all field items related to agent's personality in selecting agents process, also applying test (one, sample T-test) on the total field. Tables (6,7) show that:

**Table 7: Arithmetic means & Standard Deviation, total for all items of academic qualification effect on selection process of agents test wise.**

No.	item	Arithmetic means	SD	Rank	Evaluation degree
1	Agent being male or female affects on selection by company	3.37	0.87	4	High
2	Focus on agent at market	3.87	0.88	2	High
3	Focus on agent to have enough time to run the work	3.77	0.94	3	High
4	Focus on agent age to select him from the company	3.88	0.97	1	High
	Whole field	3.81	0.57		High

Table (7) shows that highest A.M. for field (personal & academic factor for selecting agents). For item (4) it was 3.88. focus goes on agents age on selection by company, lowest A. M. was 3.77 for item (1), which states that (agent being male or female affects his selection). Whole field was 3.81 & SD was 0.57.

**Table 8: Results of test (one sample T-test) for the whole field / impact of personal factors of agent on agents selection.**

field	Arithmet ic. means	SD	T	Liberty degree	Statistical significance
Effect of personal factor on selection agent	3.81	0.57	24.53	299	0.00

Table (8) shows that (t) value, and personal factors of agents was 24.53 which is of statistical significance at ( $\alpha = 0.05$ ) for quadruple gradation an SD mark (3) whereas the A. M. of the field 3.81 at a high evaluation grade which means that there statistical significance at the level of ( $\alpha = 0.05$ ) effect of agent personal factors on selecting agents and so accepting the second hypothesis & rejecting the alternative one.

**Third Hypotheses:**

There is effect of the statistical significance at the level of ( $\alpha = 0.05$ ) about agents experience on selecting agents.

To make sure of the third hypothesis, arithmetic. means & SD, and whole total for all field items (about the agents experience in selecting agents) also applying test (one, sample T-test) on the total field. Tables (9,10) explain that:

**Table 9: Arithmetic means & Standard Deviation, total for all items of about the agent experience in selecting agents.**

No.	item	Arithmet ic. means	SD	Rank	Evaluation degree
1	Focus goes for his experience in advertising & promotion	3.81	0.99	1	High
2	Agents experience in & out of country on being selected by company	3.79	0.83	2	High
3	Focus goes for agents experience in the market	3.75	0.81	3	High
4	Number of company branches affects on selecting suitable agent	3.74	1.00	4	High
	Whole field	3.77	0.52		High

Table (9) shows that highest A.M. for field (experience in advertising & promotion factor for selecting agents). For item (1) it was 3.81. focus goes on agents age on selection by company, lowest A. M. was 3.74 for item (4), which states that (Number of company branches affects on selecting suitable agent). Whole field was 3.81 & SD was 0.57.

**Table 10: Results of test (one sample T-test) for the whole field // impact of Agents experience factors on agents selection.**

field	Arithmet ic. means	SD	T	Liberty degree	Statistical significance
Effect of Agents experience factor on selection agent	3.77	0.52	25.58	299.0	0.00

Table (10) shows that (t) value, and Agents experience factors of agents was 25.58 which is of statistical significance at ( $\alpha = 0.05$ ) for quadruple gradation an SD mark (3) whereas the A. M. of the field 3.77 at a high evaluation grade which means that there statistical significance at the level of ( $\alpha = 0.05$ ) impact of Agents experience factors on selecting agents and so accepting the third hypothesis & rejecting the alternative one.

**Fourth Hypotheses**

There is impact of the statistical significance at the level of ( $\alpha = 0.05$ ) the effect of the organizational factor in selecting agents. To make sure of the fourth hypothesis, arithmetic. means & SD, and whole total for all field items (about the organizational factor in selecting agents) also applying test (one, sample T-test) on the total field. Tables (11,12) explain that:

**Table 11: Arithmetic means & Standard Deviation, total for all items of about the organizational factor in selecting agents.**

No.	item	Arithmetic. means	SD	Rank	Evaluation degree
1	Agents should have suitable transportation means to deliver good	3.89	0.87	2	High
2	Warehouses should be inspected for goods	3.87	0.80	3	High
3	Area to be used by the agent for the branch is important	3.87	0.89	3	High
4	Focus goes on the area of the customers he plan to do work in it	3.83	0.76	4	High
5	The amount of good affects company in selecting the agent	4.11	0.94	1	High
	Whole field	3.91	0.42		High

Table (11) shows that highest A.M. for field on selecting agents was 4.11 For item (5). lowest A. M. was 3.83 for item (4), which states that (focus on type of area customers where in the plans to work). Whole field was 3.91 & SD was 0.42.

**Table 12**

Results of test (one sample T-test) for the whole field // impact of organizational factors on agents selection. field	Arithme tic. means	SD	t	Liberty degree	Statistical significance
Effect of organizational factors in selection agents	3.91	0.42	38.8	299.0	0.00

Table (12) shows that (t) value, impact of organizational factors of agents was 25.58 which is of statistical significance at ( $\alpha = 0.05$ ) for quadruple gradation an SD mark (3) whereas the A. M. of the field 3.77 at a high evaluation grade which means that there statistical significance at the level of ( $\alpha = 0.05$ ) impact of organizational factors on selecting agents

"Putting the fourth hypothesis & rejecting the alternative one.

**Hypotheses test**

Based on the given Hypotheses the following has been confirmed the references either books or previous studies have proved that selection of agent based on academic qualifications experience and company size & experience is the major factor for its success as the distribution of the quailed stuff either in or out of the company reinforced company work with high efficiency plus its WellChoice to pick up the best staff i.e. To select right person in the right place and company suit with the agents number progressively based on that the Hypotheses proved that:



- 1) There is impact of the agents experience on agents selection process.
- 2) There is impact of the academic qualifications of the agents on agents selection process.
- 3) There is impact on company size on selecting agents.
- 4) There is impact of company experience on agents selection.

### **13-Conclusion:**

- 1) As for first Hypotheses it has been found out that there is statistical significance impact at the level of ( $\alpha = 0.05$ ) for academic qualification on agents selection process.
- 2) As for the second Hypotheses it has been found out that there is a statistical significance impact at the level of ( $\alpha = 0.05$ ) for personality on agents selection process.
- 3) As for the third Hypotheses there is as we found statistical significance on agents selection process.
- 4) As for the fourth Hypotheses it has been found out that there is a statistical significance impact at the level of ( $\alpha = 0.05$ ) for agents experience on agents selection process. As for the fourth Hypotheses it has been found out that there is a statistical significance impact at the level of ( $\alpha = 0.05$ ) for the organizational factors on agents selections.

### **14-Recommendations:**

- 1) Agent's cultural level has been taken consideration in selection process.
- 2) Special care for warehouses requires high level to be observed by agents for goods storing has been taken in consideration.
- 3) Provision by agents of all suitable transportation to deliver goods ordered.
- 4) Marketing experience by agents before selection process
- 5) . Have the agent enough time to manage the work.
- 6) Training courses attended by agent plus his mastering more than one language.
- 7) Carrying out similar studies on more samples covering most of Jordanian company's with the view of identifying the effect of personal and organizational factors that help selection of quality agents.

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