

The Role of Sales Force and Their Incentives in Engaging Private Medical Providers for Public Health Outcomes

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Abstract

We examine whether the model of employing field salespeople enhances public health outcomes. We also examine the role of sales incentives in a nonprofit setting. These are timely as multilateral organizations (e.g., WHO) and donors are starting to recognize the importance of engaging the private sector to achieve public health goals and strengthen health delivery systems. Given the increased interest in employing field sales forces in nonprofit settings, it is timely that the effectiveness of such models is empirically examined before more substantial investments are made. We find that the public-private model utilizing field officers improves public health outcomes. We observe that both fixed and group compensation plans are equally effective at the time of territory entry and are more effective than an individual compensation plan. However, once a territory is established, switching to an individual incentive plan from a group incentive plan positively impacts performance.

Subject Areas: *Public Policy, Sales Force*

Track: Sales Management and Personal Selling