

WHY SALES MANAGERS SHOULD PROVIDE MORE LEADERSHIP: THE RELATIONSHIP BETWEEN LEVELS OF LEADERSHIP AND SALESPERSON PERFORMANCE

By John Wilkinson

Leadership of the salesforce is important since it often has a substantial effect on both salesforce performance and organizational outcomes. Findings are presented from an exploratory study of the relationship between the extent or level of leadership provided to salespeople and behavior-based salesperson performance. Significant positive relationships were found between two components of leadership ('general leadership' and 'monitoring and control') and salesperson performance. The findings indicate the possibility that higher levels of leadership result in higher levels of salesperson performance, suggesting that sales managers should ensure they provide high levels of leadership. Given the importance of the sales function, the findings warrant attention from human resource management and senior sales management. Further research is recommended to establish whether these exploratory findings reflect the situation within a range of countries and industries, and to extend the analysis to relationships between leadership, salesperson attributes and salesperson performance.

BACKGROUND

Personal selling constitutes the major marketing cost in many business-to-business marketing firms (Piercy, Cravens and Morgan, 1997; Zoltners and Sinha, 2005). Business-to-business sales managers are responsible for a key resource, namely, the salesforce, which has the potential "to influence a variety of organizational outcomes" (Deeter-Schmelz, Kennedy and Goebel, 2002, p. 617). That resource needs direction, feedback and other forms of leadership from sales management (Judson, Schoenbachler, Gordon, Ridnour and Weilbaker, 2006). Also, "salesperson performance, satisfaction, and commitment" often constitute a "crucial" element of company performance (Yilmaz, 2002, p. 1389). Finally, increasing complexity facing salesforces (Jones, Dixon, Chonko and Cannon, 2005; Trailer and Dickie, 2006) heightens the need for effective leadership from sales managers (Ingram, LaForge, Locander, MacKenzie and Podsakoff, 2005).

Clearly, salesperson performance and the management of the salesforce are important issues for firms, especially those with business-to-business marketing operations, suggesting that the understanding of factors affecting those issues is also important to firms.

Relatively little research relating to salesperson performance has focused on sales leadership as a determinant. Indeed, based on a meta-analysis conducted by Churchill, Ford, Hartley and Walker (1985), only five of 116 studies undertaken prior to the mid-1980s regarding determinants of salesperson performance included factors such as sales leadership or other organizational variables. Much excellent research has been undertaken regarding personal selling and sales management. However, prior research specifically relating to the influence of sales leadership on salesperson performance has considered only some components of sales leadership. Much research in the area has considered just the effects of sales management control (for example, Babakus, Cravens, Grant, Ingram and LaForge, 1996; Baldauf, Cravens and

Grant, 2002; Jaworski and Kohli, 1991; Piercy, Cravens and Lane, 2009; Walker, Churchill and Ford, 1979). Other studies have considered just control and/or empowerment of selling teams (Lambe, Webb and Ishida, 2009; Rapp, Ahearne, Mathieu and Rapp, 2010), leadership empowerment behavior (Ahearne, Mathieu and Rapp, 2005), leadership style (Martin and Bush, 2006; Mulki, Jaramillo and Locander, 2009; Pinczolits, 2007), role modeling (Rich, 1997), and feedback, moderated by the use of adaptive selling behavior for role modeling purposes (Chakrabarty, Oubre and Brown, 2008). One study has included 'sales management direction' as the only leadership item within a bank of 21 questionnaire items (Barker, 1997).

Other research regarding the influence of sales leadership (or, usually, just a component of sales leadership) has covered only some aspects of salesperson behavior, such as salesperson loyalty, role stress and satisfaction (Russ, McNeilly and Comer, 1996), rather than overall behavior- or outcomes-based salesperson performance.

Not surprisingly, various researchers have suggested that further research relating to sales leadership is required. The following comments provide an indication of the breadth of those suggestions.

"We need to better understand the relative importance of sales manager monitoring, directing, evaluating, and rewarding activities. ... We need to know if performing more of certain activities or less of others will lead to ... higher behavioral performance. The conventional wisdom is that managers' coaching activities are very important. Empirical support for this premise would be of value to both managers and researchers." (Babakus *et al.*, 1996, p. 358)

"Although sales managers influence a variety of sales force outcomes critically important in the

dynamic business environment of the 21st Century, research examining sales manager effectiveness is limited." (Deeter-Schmelz *et al.*, 2002, p. 617)

This exploratory study constitutes an initial step toward addressing the gap in research regarding the effects of leadership on salesperson performance.

Related research findings suggest that some salespeople experience gaps in leadership support (Wilkinson, 2009a). Other research findings indicate that many sales managers receive low levels of management training (Anderson, Mehta and Strong, 1997; Shepherd and Ridnour, 1995; Wilkinson, 2005). Therefore, confirmation of a positive relationship between levels of leadership and salesperson performance would reinforce the need for company management to review sales management and management training practices within their firms.

LEADERSHIP AND SALESPERSON PERFORMANCE

Leadership involves the direction, support, evaluation and control of employees, and requires a balance between achieving the task, building and developing the team, and being concerned for the individual (Szilagyi and Wallace, 1990). Effective leadership requires role clarity, performance orientation (positive and timely feedback about performance, and access to required resources), action orientation (making necessary decisions instead of leaving issues unresolved, even if appropriate decisions are unpalatable), and responsiveness to the concerns of staff so that work-related uncertainty is reduced (Viljoen and Dann, 2003). Motivation can comprise both extrinsic and intrinsic factors, and both financial and non-financial rewards (Patrickson, 2001).

Consistent with the above definitions, *sales* leadership includes three interrelated activities: (1) formulation, (2) implementation, and (3) evaluation and control (Churchill, Ford,

Walker, Johnston and Tanner, 2000). It includes clarification of the strategic role of the sales force, development and direction of salespeople, and evaluation of salespeople's

effectiveness and performance (Ingram, LaForge and Schwepker, 1997). With respect to evaluation and control, emphasis on behavior-based *and* outcome-based sales

Table 1
Leadership activities
Source: Wilkinson (2009b, p. 81)

Type of leadership activity	Related activities or specific elements of leadership activity	Identifying sources
Planning	Decision-making	Bartol and Martin (1991); Churchill <i>et al.</i> (2000); Szilagyi and Wallace (1990); Viljoen and Dann (2003)
Direction	Establishment of standards Goal-setting Instruction Role clarification Style of leadership behavior	Brown and Barker (2001) Cummings and Worley (1993) Ingram <i>et al.</i> (1997) Slater and Olson (2000) Brown and Barker (2001)
Facilitation	Coordination or provision of infrastructure, information, procedures, and facilities or staff	Jackson and Hisrich (1996); Pettinger (2000); Viljoen and Dann (2003)
Support	Customer service support Team-building Joint selling	Szilagyi and Wallace (1990); Wood, Wallace, Zeffane, Schermerhorn, Hunt and Osborn (2001) Churchill <i>et al.</i> (2000)
Training	Coaching Mentoring	Holmes and Srivastava (2002) Ingram <i>et al.</i> (1997); Jackson and Hisrich (1996); Patrickson (2001); Szilagyi and Wallace (1990)
Delegation	Empowerment	Brown and Barker (2001); Wood <i>et al.</i> (2001)
Motivation	Challenge Compensation Recognition Vision	Churchill <i>et al.</i> (2000) Pettinger (2000) Drucker (1977) Patrickson (2001); Pettinger (2000)
Supervision	See direction, advice and guidance, monitoring, and control	
Advice and guidance	Feedback Mentoring Responsiveness to concerns	Szilagyi and Wallace (1990) Viljoen and Dann (2003) Bartol and Martin (1991)
Monitoring	Performance measurement	Churchill <i>et al.</i> (2000); Ingram <i>et al.</i> (1997); Slater and Olson (2000); Szilagyi and Wallace (1990)
Evaluation	Appraisal Review	Cummings and Worley (1993) Anderson and Oliver (1987); Szilagyi and Wallace (1990)
Control	Corrective action Punishment Reward	Bartol and Martin (1991) Churchill <i>et al.</i> (2000) Cummings and Worley (1993); Patrickson (2001); Szilagyi and Wallace (1990)

performance factors is recommended by various writers (Brown and Peterson, 1996; Grant and Cravens, 1999; Piercy, Cravens and Morgan, 1998). Since professional selling requires a range of skills, sales managers must develop their salespeople to ensure they have those skills (Holmes and Srivastava, 2002). Sales leadership has additional challenges since “a significant number of salespeople operate in social, psychological, and physical isolation from other company employees” (Ingram *et al.*, 2005, p. 138).

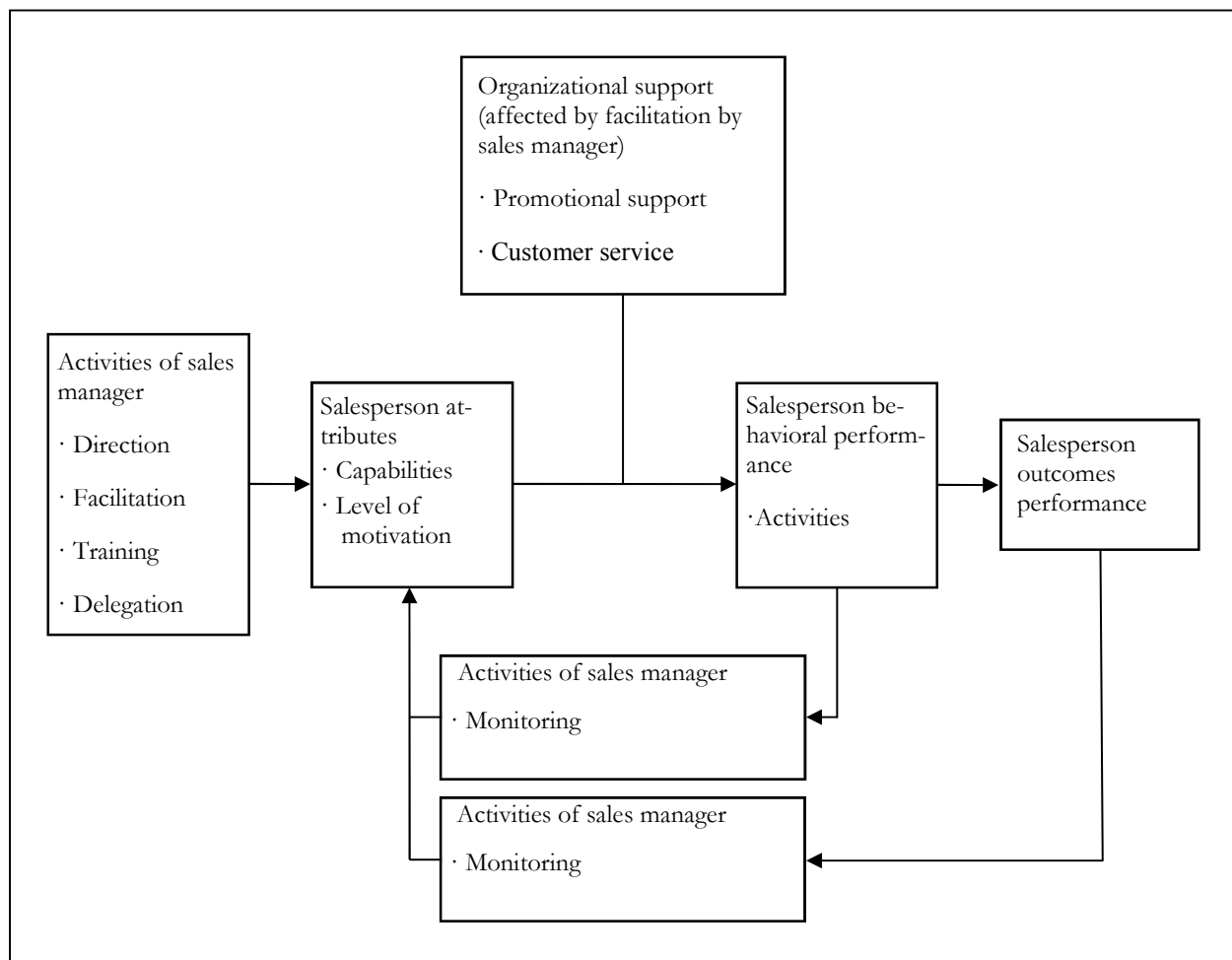
A catalog of leadership activities is provided in Table 1, derived from a review of the

literature. Based on that catalog, leadership is considered within this study to comprise direction, facilitation, training, delegation, motivation, advice and guidance, provision of organizational support, monitoring, evaluation, and behavior- and outcome-based control. The construct domain and context are indicated in Figure 1. As illustrated in Figure 1, it is proposed that leadership influences salesperson attributes, namely, capabilities or expertise, motivation levels, and role clarity, while salesperson attributes influence behavioral performance which, in turn, affects outcome performance. This study focuses on

Figure 1

Framework of sales leadership

Source: Adapted from Wilkinson (2009b, p. 90).



the indirect relationship between leadership and salesperson behavioral performance.

Various researchers and other writers have provided support for the proposition that leadership influences salesperson performance (for example, Anderson, Dubinsky and Mehta, 1999; Harmon, Brown, Widing and Hammond, 2002; Jaramillo, Mulki and Marshall, 2005; Yammarino, 1997). Indeed, the framework illustrated in Figure 1 is partly derived from a framework of Baldauf *et al.* (2002, p. 580), linking behavior-based sales management control (one component of leadership), salesperson characteristics, salesperson behavior performance and salesperson outcome performance.

Given findings of related research, this study was aimed at testing the proposition that salespeople receiving higher levels of leadership achieved higher levels of (behavioral) performance.

RESEARCH METHODS

This study was part of a larger project, one component of which was reported in an article in a previous issue of this journal (Wilkinson, 2009a). The study included a survey of salespeople about the (perceived) levels of leadership they received, and a related survey of sales managers about the (perceived) levels of behavior-based performance of those salespeople.

Measures

As described in the earlier article, draft measurement scales and questionnaire items were developed from a review of existing scales, cross-referencing of the leadership and selling activities identified in an existing catalog of leadership activities (Table 1), and a review of models of personal selling and sales management (such as those from which Figure 1 is derived).

The scales were refined during separate semi-structured interviews with academics and sales practitioners. Both questionnaires were reviewed by senior sales managers from three firms that participated in the study. One questionnaire was pre-tested with six

salespeople from the two larger participating firms (those participants being excluded from the final study). Scales are identified in Tables 2-6.

Behavior-based measures of salesperson performance were used due to the absence of reliable outcome-based performance data in two participating firms (such as sales revenues within sales territories or supply shares at major accounts over a reasonable period of time) and senior management concern about confidentiality within all three firms.

There are potential problems associated with approaches requiring “judgment about the performance level of another person” (Farrell and Hakstian, 2001, p. 286). However, other researchers have argued in favor of the use of behavioral measures of salesperson performance (most notably, perhaps, Anderson and Oliver, 1987). Importantly, there is a wide range of research findings indicating that there are no significant differences in results from management ratings of performance and outcome-based measures (Bommer, Johnson, Rich, Podsakoff and MacKenzie, 1995). Behavioral factors have been included as measures of salesperson performance by various researchers (such as Atuahene-Gima and Micheal, 1998; Babakus *et al.*, 1996; Jaworski and Kohli, 1991). In addition, Atuahene-Gima and Micheal (1998) have found a positive relationship between salesperson effort and performance in a study related to the selling of new products, although they note that the relationship is complex, with external factors also influencing outcomes. More generally, Piercy, Cravens and Morgan (1999) have found a direct relationship between levels of salesforce *behavioral* performance and salesforce *outcome* performance. Similarly, based on their studies, Baldauf *et al.* (2002, p. 600) have found evidence that behavior-based performance is “a strong antecedent” of outcome-based performance.

Such opinions, practices and findings of prior researchers reinforce the legitimacy of using behavior-based salesperson performance measures in this study.

Data Collection

Three firms participated in the exploratory study¹. Data regarding perceptions of levels of leadership were obtained from salespeople and data regarding behavior-based salesperson performance were obtained from sales managers within the three firms. Data were collected in a manner enabling each sales manager—salesperson dyad to be identified (if both relevant persons responded). The use of salespeople to identify levels of leadership was based on suggestions that managers are ineffective at evaluating themselves objectively (Atwater, Ostroff, Yammarino and Fleenor, 1993), while subordinates' perceptions are considered more accurate than self-perception or the perceptions of colleagues or senior managers (Zigarmi and Zigarmi, cited in Avery, 2001). Similar approaches have been used in prior studies of leadership behavior (Tirmizi, 2002).

Following management approval, relevant questionnaires were mailed to all 30 sales managers and 215 salespeople in the three firms (excluding salespeople who had participated in pre-testing). Each participating sales manager completed one questionnaire regarding behavior-based sales performance for each salesperson reporting to him or her. Each participating salesperson completed one questionnaire regarding leadership received from their sales manager.

Senior management and potential participants were offered summary reports of the findings, but no other inducements. Potential participants were advised that management would not be provided details of individual responses or of which sales managers or salespeople had (or had not) participated in the study. Completed survey forms were returned directly to the researcher.

Data Analysis

Initially, standard tests were undertaken to assess respondent bias, internal reliability and normality with respect to both surveys. Results are discussed below.

Existence of a relationship between levels of leadership and salesperson performance was tested in the following manner. Firstly, responding salespeople were categorized on the basis of their sales managers' perceptions of their performance². Cluster analysis procedures were utilized for this purpose. Secondly, differences in levels of performance between groups (clusters) of salespeople were tested for significance to confirm that the categorization was meaningful. Thirdly, using that categorization, levels of leadership received by each group of salespeople were calculated, and differences between groups were tested for significance. Given small sample sizes and non-normal data distribution, the Jonckheere-Terpstra test was used for significance testing. This test is designed to confirm whether there is a particular order to the medians of groups being compared, and whether that order is meaningful (Field, 2005).

Cluster analysis was considered more rigorous than simpler approaches involving a *subjective* decision about the number of groups and the use of on an *overall* scale mean. Prior researchers have used cluster analysis in marketing research (Homburg, Jensen and Krohmer, 2008; Saunders, 1980), some in personal selling or sales management studies (Barker, 1999, 2001; Cannon and Perreault, 1999; Homburg, Workman and Jensen, 2002). Results can be influenced by the clustering method, but that risk can be reduced by comparing different solutions (Saunders, 1980). Therefore, in this study, solutions from hierarchical, two-step and K-means clustering procedures were compared.

RESULTS

For the leadership survey, usable responses were received from 144 of the 215 salespeople in the three firms. Responses related to all 30 sales managers in those firms. For salesperson performance, 141 usable responses (each relating to a different salesperson) were received from 17 of the 30 sales managers.

Comparisons of mean scores and standard

deviations between early and late responses indicated an absence of respondent bias in each survey (Saunders, 1980). Gender comparisons between the sampling frame and respondent sample of each firm indicated an absence of gender bias in both surveys. The response rates (67% for salespeople and 57% for sales managers) are favorably placed within the range of response rates achieved in related studies, such as Atuahene-Gima and Micheal (1998), with a response rate of 14%; Babakus, Cravens, Johnston and Moncrief (1999), with a response rate of 58%; and Rich (1997), with a response rate of 75%. However, the low *number* of responding sales managers limits the appropriateness of generalization about findings. Cronbach's alpha was found to be 0.96 for the salesperson performance scale (shown in Table 2) and in the range of 0.88-0.91 for the four leadership scales (identified in Tables 3-6). Based on Kendall's tau-b and Spearman's rho values, all but ten of the bivariate correlations were found to be significant at the 95% or 99% confidence level for the five scales. Based on factor loadings, each scale appeared to comprise just one factor. (For general leadership, sales leadership and resourcing support, two factors were extracted, but all items loaded on the first factor, and the absolute values of all loadings on that factor were higher than those of the corresponding loadings on the other factor. For monitoring and control, factor analysis extracted just one factor. For sales performance, factor analysis extracted five factors, but all items again loaded on the first factor and the absolute values of all loadings on that factor were higher than those of the corresponding loadings on the other factors.) Items were found to have reasonably high communalities, with almost all values being above 0.45 for the four leadership scales and all being above 0.55 for the performance scale.

Based on these results, the five scales were considered to be internally reliable (Bryman and Bell, 2007; Field, 2005). However, based on Kolmogorov-Smirnov and Shapiro-Wilk tests of normality, distributions of all items within each leadership and performance scale were found to

be non-normal, with a significance level of 0.00 for all items for both tests. No conversion of the data appeared to overcome this distribution problem. Therefore, further statistical procedures were limited to (1) non-parametric techniques — specifically, the Jonckheere-Terpstra test (Field, 2005); and (2) cluster analysis, for which “requirements of normality” have “little bearing” (Hair, Anderson, Tatham and Black, 1998, p. 490).

Salesperson Performance

Cluster analysis of salespeople, based on their sales managers' perceptions of their behavioral performance, involved use of the battery of 26 items identified in Table 2. After removing seven outliers (Homburg, Jensen and Krohmer, 2008), the ratio of responses (effectively, 137) to variables is above the minimum level of 5:1 suggested by Hair *et al.* (1998). Based on hierarchical cluster analysis, two-step cluster analysis and K-means cluster analysis, a three-cluster solution was identified to be most appropriate. The solution is summarized in Table 2. Substantial differences in levels of salesperson performance are evident within Table 2, based on item means for the three clusters. Results of Jonckheere-Terpstra tests (Field, 2005) indicate that the trends in scores across the three clusters (C2, C3, C1) are significant for all items at the 99% confidence level. *These results confirm that the three clusters comprise salespeople with significantly different levels of behavior-based sales performance.*

Leadership

With respect to *general leadership*, mean scores of the battery of 10 items are summarized in Table 3. For all items, differences in means between the three clusters are consistent in direction with those relating to salesperson performance (shown in Table 2). Based on the Jonckheere-Terpstra test, seven of the ten trends in medians across the clusters were found to be significant at the 95% or 99% confidence level. *These results confirm that responding salespeople receiving higher levels of general leadership were achieving higher levels of performance.*

Table 2: Perceived levels of behavior-based salesperson performance in different clusters*			
Questionnaire item	Cluster mean score		
	Cluster C2 (n=17)	Cluster C3 (n=69)	Cluster C1 (n=51)
How many prospects does the salesperson identify?	2.4	3.3	4.1
How well does s/he pre-qualify prospects or new customers before her/his first sales call on them?	2.3	3.2	4.0
How many prospects or new customers does the salesperson contact?	2.6	3.3	4.1
How well does s/he approach/qualify customers (that is, how well does s/he set goals for the first contact and identify customer needs)?	2.6	3.5	4.1
How effectively does the salesperson assess needs of customer organizations and key customer personnel?	2.6	3.5	4.3
How well does s/he appear to identify <i>all</i> key customer information?	2.5	3.2	4.1
How well does the salesperson appear to match customer needs with appropriate products/service?	2.7	3.4	4.3
How many relevant referrals does the salesperson obtain from existing customers?	2.5	3.3	3.8
How well does the salesperson analyze viability of <i>future</i> relationships and, if relevant, plan <i>future</i> contact with 'lost' customers and with prospects at which a prior attempt to obtain business was unsuccessful?	2.4	3.3	4.0
How many relevant <i>new</i> opportunities does the salesperson identify at <i>existing</i> customers?	2.5	3.4	4.2
How well does the salesperson appear to analyze/understand reasons for <i>failure</i> to retain customers or win business from prospects?	2.5	3.3	3.9
How well does s/he appear to learn from the analysis and to modify future approaches accordingly?	2.6	3.4	3.9
How many presentations does the salesperson make?	2.7	3.4	4.1
How well does s/he appear to conduct or participate in presentations?	2.6	3.4	4.2
What proportion of presentations (eventually) result in sales?	2.6	3.3	4.0
How well does the salesperson undertake or participate in negotiations?	2.7	3.3	4.1
How often does the salesperson obtain agreement from customers or prospects to undertake further discussions or presentations?	2.5	3.3	4.1
How well does the salesperson appear to attempt trial closes?	2.4	3.3	3.8
What proportion of identified sales opportunities does the salesperson close (with or without management support)?	2.6	3.1	3.9
How well does the salesperson liaise with company personnel to ensure that customer expectations are fully understood?	2.4	3.2	4.1
How well does s/he appear to provide feedback to customers regarding the supply situation?	2.7	3.3	4.1
What level of technical knowledge (regarding company products and their application) does this salesperson display?	2.7	3.4	4.3
How many sales calls does this salesperson make?	2.5	3.4	3.9
How well does this salesperson undertake market intelligence and other sales-related reporting activities?	2.5	3.5	4.3
What is this salesperson's level of work effort or <i>willingness</i> to perform?	2.6	3.7	4.4
How well does this salesperson keep within her/his expense budget?	2.9	3.1	3.8
Cluster center mean	2.6	3.3	4.1
* Based on sales managers' perceptions of behavior-based salesperson performance. Scale: 1 = Well <i>below</i> average to 5 = Well <i>above</i> average.			

Table 3: Perceived levels of general leadership provided to salespeople in different clusters*

Questionnaire item	Item mean for cluster			Std J-T statistic**
	Cluster C2 (n=8)	Cluster C3 (n=50)	Cluster C1 (n=36)	
Generally, does your manager make necessary decisions — even if unpalatable — instead of leaving issues unresolved?	3.0	3.9	4.0	1.70
Do you believe you know exactly what your job comprises and what performance levels your manager expects of you?	3.8	4.2	4.3	1.43
Does your manager explain relevant corporate or divisional goals when negotiating/setting your performance criteria?	3.0	3.6	3.8	1.60
Generally, is your manager responsive to your concerns, so that your work-related uncertainty is minimized?	3.1	3.5	4.1	3.01
Does your manager provide support?	3.4	3.7	4.3	2.92
Does your manager set a positive example through his/her own behavior and serve as an appropriate role model to his/her staff?	3.3	3.5	4.2	2.88
Do you feel empowered to take necessary actions with respect to your customers and prospects?	3.4	3.9	4.4	3.35
Does your manager delegate relevant authority/responsibility to you?	3.5	3.7	4.4	3.55
Does your manager provide appropriate rewards in relation to good performance?	2.7	3.0	3.6	2.47
Does your manager monitor your performance?	3.4	3.7	3.9	1.62
Cluster center mean	3.3	3.7	4.1	N/A
<p>* Based on clusters defined by sales managers' perceptions of behavior-based salesperson performance. Smaller cluster sizes than those shown in Table 2 are due to missing matches in some sales manager—salesperson dyads.</p> <p>** Based on Jonckheere-Terpstra test. Shading indicates significant positive trend in medians across clusters (C2, C3, C1) at 95% or 99% confidence level, corresponding to standardized J-T statistic value of 1.65 or greater, or 2.33 or greater, respectively.</p> <p>Scale: 1 = 'Disagree strongly' to 5 = 'Agree strongly'.</p>				

Table 4: Perceived levels of sales leadership provided to salespeople in different clusters*

Questionnaire item	Item mean for cluster			Std J-T statistic**
	Cluster C2 (n=8)	Cluster C3 (n=50)	Cluster C1 (n=36)	
Does your manager provide support if you find prospecting ‘tough’?	3.4	3.1	3.3	0.33
Does your manager help to obtain initial appointments with prospects if/when you find this difficult?	2.3	2.4	2.7	1.15
Does your manager or any technical specialist help you to assess needs of prospects or <i>additional</i> needs of existing customers, if necessary?	2.5	3.2	3.1	0.49
Does your manager or any technical specialist help you identify the most appropriate ‘solutions’ for customers or prospects, if/when necessary?	3.4	3.4	3.4	-0.25
Does your manager or technical specialist help you in analyzing reasons for failure to obtain business from prospects or for the loss of customers?	3.0	2.9	3.1	0.49
Does your manager make regular joint sales calls with you?	2.6	2.5	2.8	1.24
Do your manager, other management staff or technical specialists assist you in sales presentations, if necessary?	3.3	3.6	3.9	1.34
Does your manager or other management staff assist you in negotiations, if necessary?	3.3	3.5	3.8	1.27
Does your manager or other management staff assist you in closing, if necessary?	3.1	3.0	3.4	1.02
Do your manager and/or other company managers/specialists assist in your account management activities at your larger customers/prospects?	2.9	3.2	3.7	2.13
Do your manager, other management staff, or specialists from technical or production areas of your firm assist you to undertake follow-up and relationship-building activities, if/when necessary?	2.7	3.4	3.4	0.87
Do your manager, other management staff, or specialists from technical or production areas of your firm assist you to evaluate your firm’s supply performance and to provide feedback to operations areas if necessary?	2.9	2.9	3.1	0.97
Do your manager or technical specialists help you to analyze reasons for failure to obtain <i>additional</i> business from existing customers?	2.8	2.9	3.2	1.59
Cluster center mean	2.9	3.1	3.3	N/A

* Based on clusters defined by sales managers’ perceptions of behavior-based salesperson performance.

** Based on Jonckheere-Terpstra test. Shading indicates significant trend in medians across clusters (C2,C3, C1) at 95% confidence level, corresponding to standardized J-T statistic value of 1.65 or greater.

Scale: 1 = ‘Disagree strongly’ to 5 = ‘Agree strongly’.

With respect to *sales leadership*, mean scores of the battery of 13 items are shown in Table 4. All but three differences in means between the three clusters are consistent in direction to those relating to salesperson performance. However, only one trend in medians across the clusters is sig-

nificant at the 95% confidence level, based on the Jonckheere-Terpstra test. *Therefore, these results do not provide support that is statistically significant.*

Table 5: Perceived levels of resourcing support in different clusters*

Questionnaire item	Item mean for cluster			Std J-T statistic**
	Cluster C2 (n=8)	Cluster C3 (n=50)	Cluster C1 (n=36)	
Generally, does your manager provide you with, or facilitate your access to, required information and other resources?	3.6	3.7	4.0	1.58
Generally, do you receive adequate personal communication, facilitation and support from your manager?	3.3	3.7	3.8	1.27
Do you obtain adequate/appropriate organizational support to assist you to effectively perform your role?	3.5	3.7	3.6	0.28
When performance standards are not met, does your manager appear to take appropriate/corrective action within the salesforce, or to influence other parts of the company to take appropriate/corrective action?	2.8	3.4	3.6	2.32
Are you provided with access to relevant sales information (including information about customer contacts and sales results) — enabling you to analyze the effectiveness of past actions?	2.5	3.1	2.7	-0.08
Does your company have effective internal communication, enabling coordination of sales-related activities or collaboration with customers (and helping establish/maintain customer relationships)?	2.9	3.3	3.4	0.97
Does your manager ensure that you obtain adequate commitment/support from a ‘selling support team’?	3.0	3.3	3.6	1.33
Does your manager assist you to obtain necessary resources and/or support from within your company (such as head office marketing, other sales offices, logistics, manufacturing, and information technology)?	3.0	3.5	3.7	1.45
Is your prospecting assisted by database facilities in your company?	3.3	3.5	2.9	-1.64
Does your firm have effective customer service staff to assist you to coordinate product and service delivery to your customers?	3.1	3.7	3.4	-0.80
Does your firm have effective customer service staff to assist you to undertake follow-up and relationship-building activities?	2.8	3.4	3.3	-0.05
Cluster center mean	3.1	3.5	3.5	N/A
<p>* Based on clusters defined by sales managers’ perceptions of behavior-based salesperson performance.</p> <p>** Based on Jonckheere-Terpstra test. Shading indicates significant trend in median across clusters (C2, C3, C1) at 95% or 99% confidence level, corresponding to standardized J-T statistic value of 1.65 or greater.</p> <p>Scale: 1 = ‘Disagree strongly’ to 5 = ‘Agree strongly’.</p>				

With respect to *resourcing support*, mean scores of the battery of 11 items are summarized in Table 5. For six items, differences in means between the three clusters are consistent in direction with those for salesperson performance. Based on the Jonckheere-Terpstra test, one of the trends in medians across the clusters is significant at the 95% confidence level. Five other items have partial inconsistencies in trends of mean scores. Four of those have trends in medians that are

opposite in direction to that of salesperson performance, although none are significant at the 95% confidence level. *Therefore, these results are inconclusive..*

Finally, with respect to *monitoring and control*, mean scores of the battery of nine items are summarized in Table 6. Differences in means are consistent in direction with those for salesperson performance for all items. Based on the

Table 6: Perceived levels of monitoring and control of salespeople in different clusters*

Questionnaire item	Item mean for cluster			Std J-T statistic**
	Cluster C2 (n=8)	Cluster C3 (n=50)	Cluster C1 (n=36)	
Does your manager monitor your day-to-day <i>effort</i> (as distinct from your sales results)?	2.9	2.9	3.3	1.40
Does your manager appear to recognize your <i>individual</i> attributes and to accurately assess your <i>individual</i> performance (rather than stereotyping)?	3.4	3.6	4.3	2.74
Does your manager review or critique your performance with you and provide adequate feedback?	3.1	3.3	3.7	1.90
Generally, does your manager provide constructive and timely feedback about your performance?	3.3	3.3	3.8	1.68
Does your manager provide useful feedback about your sales activities?	2.9	3.2	3.8	2.88
Does your manager provide useful feedback about your sales outcomes/ results?	2.9	3.3	3.9	2.80
Does your manager provide you with guidance?	3.4	3.4	3.9	2.03
Do you receive adequate/appropriate <i>financial</i> rewards in recognition of your performance?	2.4	2.7	3.0	1.26
Do you receive adequate/appropriate <i>non-financial</i> rewards in recognition of your performance?	2.5	2.9	3.3	1.99
Cluster center mean	3.0	3.2	3.7	N/A

* Based on clusters defined by sales managers' perceptions of behavior-based salesperson performance.

** Based on Jonckheere-Terpstra test. Shading indicates significant trend in medians across clusters (C2, C3, C1) at 95% or 99% confidence level, corresponding to standardized J-T statistic value of 1.65 or greater, or 2.33 or greater, respectively. Scale: 1 = 'Disagree strongly' to 5 = 'Agree strongly'.

Jonckheere-Terpstra test, seven trends in medians are significant at the 95% or 99% confidence level. *Overall, these results confirm that responding salespeople receiving higher levels of monitoring and control were achieving higher levels of performance.*

DISCUSSION AND RECOMMENDATIONS

Results from this study indicate that responding salespeople whose behavior-based performance was significantly higher than that of other salespeople had been receiving significantly higher levels of general leadership, and monitoring and control. However, results relating to resourcing support and sales leadership are inconclusive or not significant, respectively. *Overall, the results do provide support for a proposition that salespeople receiving higher levels of leadership appear to achieve higher levels of performance.*

Although this study is exploratory in nature, results of this and a related study, regarding *gaps* in leadership, support an argument for company management to review sales management practices within their firms. Taken together, the findings suggest that some salespeople experience gaps in the leadership they receive and, consequently, are likely to perform at levels less than their potential. Especially in competitive environments, it would seem essential for firms to identify and correct such situations.

In addition, given prior research findings regarding gaps in the management training of many sales managers, company management should ensure that sales managers receive adequate management training so that they understand the full range of appropriate leadership tasks.

Conversely, sales managers could take the initiative to identify gaps in their leadership expertise and convince their management to provide the necessary management training to address those deficiencies. Obtaining advice from human resource specialists also would be appropriate.

Results of this study are consistent with those obtained in a prior study within the United Kingdom regarding behavior-based management activities and salesforce performance at the level of the 'sales unit' or sales office (Piercy *et al.*, 1998). Among other factors, that study found that the levels of leadership (monitoring and direction of salesforce activities, and salesforce coaching and communication) were significantly higher in high-performing than low-performing sales offices. The consistency of these two sets of results within different countries — although focusing on different levels of analysis, namely, individual salesperson and sales organization — strengthens the argument regarding the need for company management to review sales management practices within their firms.

From a research perspective, it appears warranted to verify the findings through a larger-scale study covering a wider range of industries, perhaps in several countries. If results of further studies confirm that relationships between (1) resourcing support and sales leadership and (2) behavior-based salesperson performance are inconclusive or non-significant, it would be important to investigate reasons for this, especially given the nature of the second factor. Perhaps more ambitiously, future studies could investigate relationships between leadership activities, salesperson attributes and salesperson behavioral performance — testing the linkages illustrated in Figure 1. Findings would assist in providing improved understanding of those linkages and enable more dependable and specific advice to be provided to sales managers

regarding leadership priorities.

CONTRIBUTIONS AND LIMITATIONS

Findings of this study constitute a step toward developing a better understanding of the influence of leadership on salesperson performance. Specifically, findings provide company management with preliminary evidence about the positive relationship between levels of leadership and salesperson performance. Based on this evidence, management should recognize the importance of ensuring sales managers understand the importance of leadership. In turn, this requires management to review recruitment, selection and management training practices.

Findings also provide justification for larger-scale studies to clarify or confirm the linkage between levels of leadership and salesperson performance. Until that additional research is undertaken, these initial findings need to be treated with some degree of caution given the small sample sizes and the narrow range of firms participating in the study.

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FOOTNOTES

1. Firms were recruited through convenience sampling and on the basis of their market leadership in three major Australian industries in which business-to-business selling comprised the main component of marketing communication. Confidentiality agreements preclude identification of firms or industries.
2. Cluster membership was checked to confirm that categorization did not merely reflect company affiliation.

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