Fostering Sales Leadership Effectiveness:
Complementary Effects of Sales Coaching and Leader-Member Exchange

By Claudio Pousa

Sales managers play a crucial role in developing and leading salespeople and helping them accomplish high levels of performance. Although scholars suggest that sales managers must use both sales coaching and leadership behaviors to achieve these goals, there are gaps concerning the alignment of sales coaching with appropriate leadership models. In this study we test a model with two leadership predictors – leader-member exchange and sales coaching – their effects on two relationship selling mediators – salesperson's adaptive selling and behavioral performance – and on sales performance. Results suggest that sales coaching has a direct effect on salesperson adaptive selling, and LMX has a direct effect on salesperson behavioral performance. Both mediating variables (adaptive selling and behavioral performance) affect sales performance. No cross-effects were found: leader-member exchange does not affect adaptive selling and sales coaching does not affect behavioral performance. These results suggest that, although LMX and sales coaching present a significant structural covariance, their effects on salesperson relationship behaviors are very different and should be considered as complementary sales manager relationship behaviors.

Sales managers play a crucial role in developing and leading the salesforce, and helping salespeople accomplish high levels of performance, critical to the long-term success of their organizations (Mallin, 2018; Powers, DeCarlo and Gupte, 2010). Recent studies on sales management identify sales coaching and general leadership as two critical activities that sales managers should carry out at different moments and with different frequencies (Mallin, 2018; Plank, Reid, Koppitsch and Meyer, 2018) to become effective managers.

Although most of these studies identify sales coaching and sales leadership as two separate managerial behaviors that must be incorporated by sales managers in their daily activity and be covered in their training and development (Badrinarayanan et al, 2018; Mallin, 2018; Powers et al, 2010; Powers, Jennings and DeCarlo, 2014) there are still important gaps in the literature, particularly concerning the alignment of sales coaching with specific leadership styles (Badrinarayanan et al, 2018). Previous studies point out that certain relational leadership styles (e.g. leader-member exchange, transformational, servant) improve salespeople performance, however the complementary

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influence between coaching and leadership still remains a topic to be studied (Badrinarayanan et al, 2018; Plank et al, 2018).

Sales coaching is a one-on-one exchange process between the sales manager and a salesperson, with the goal of helping the salesperson improve, grow and achieve higher levels of performance (Pousa and Mathieu, 2014). Based on mutual trust and respect (Rich, 1998) the sales manager uses active questioning to help the salesperson reflect on his/her performance problems and gain awareness about them, provide his/ her own ideas to solve the problem, evaluate the best alternative and commit to it (Pousa, Hardie and Zhang, 2018; Richardson, 2009). This way of addressing problems promotes the creation of a high quality relationship between the coach (i.e. sales manager) and the coachee (i.e. salesperson) which is governed by the exchange rules expressed in Social Exchange theory (Blau, 1964).

Social Exchange theory is also foundational to another leadership theory based on high quality exchanges: leader-member exchange. The Leader-Member Exchange (LMX) conception posits that the leader (i.e. sales manager) can develop high-quality relationships with the subordinate (i.e. salesperson) by relying on interpersonal exchanges rather than formal authority, and developing high degrees of mutual trust, respect and obligation between both parties. Subordinates

Table 1. Sales coaching versus Leader-member exchange

Characteristic	Sales coaching	Leader-member exchange
Definition/ Purpose	Definition: "A non-directive, goal-focused, and performance-driven intervention led by the sales manager" (Pousa and Mathieu, 2014a, p. 77) Purpose: "To equip salespeople or sales managers with knowledge, skills and abilities to achieve sales-related and organization-related goals and objectives" (Badrinarayanan et al, 2018, p. 1091)	Definition: "… leaders develop different types of exchange relationships with their followers and … the quality of these relationships affects important leader and member attitudes and behaviors…" (Ilies et al, 2007, p. 269). Purpose: The adoption of an initiating behavior by the sales manager generates a perceived obligation on the sales-person to reciprocate it, leading to mutual influence and obligation between the parties that has significant influence on salesperson in-role and extra-role behaviors (House and Aditya, 1997; Ilies et al, 2007)
Roles	Sales manager: Plays the role of coach. Initiates the coaching process and exchanges as part of his/her in-role behavior. Salesperson: Plays the role of coachee. Receives coaching, but plays an active role in the process as a knowledgeable collaborator who can identify problems, propose solutions and commit to a course of action (Hagen, 2012; Richardson, 2009)	Sales manager: As a leader, initiates high-quality exchanges by offering valuable resources to the salesperson. Salesperson: Reciprocates the leader's initiating behavior by showing more commitment and higher in-role and extra-role performance, leading to high-quality exchanges of mutual influence and obligation (House and Aditya, 1997; Paparoidamis & Guenzi, 2009)
Timeframe	Focus on short-term improvements that cumulate through time. Coaching interventions can be formal, structured and planned or informal, unstructured and unexpected when a learning opportunity arrives (Hagen, 2012; Richardson, 2009; Turner and McCarthy, 2015)	Medium- to long-term. High-quality relations between the manager and the salesperson build over time, based on mutual trust and obligation (Gerstner & Day, 1997; Graen & Uhl-Bien, 1995)
Nature of the process	Usually a structured or semi-structured process with developmental goal. Sometimes unstructured if a *coachable moment* arrives (Richardson, 2009; Turner and McCarthy, 2015)	Unstructured to semi-structured (Gerstner & Day, 1997; Graen & Uhl-Bien, 1995; House and Aditya, 1997)

reciprocate the manager's initiating behavior by taking additional responsibilities, developing ownership feelings toward the unit and its goals, providing more effort and commitment and going beyond the required in-role behavior more frequently (Graen and Uhl-Bien 1995; Gerstner and Day 1997; Ilies et al, 2007).

Sales coaching and leader-member exchange share common theoretical foundations, and impact similar salesperson outcomes (e.g. effort, commitment, job satisfaction and performance) but they are also different in several aspects (Table 1). There are still unanswered questions in the literature regarding what makes them different, or whether when the manager uses LMX as a leadership style is he/she – implicitly – coaching or not (Pousa and Mathieu, 2014a; Pousa et al., 2017). Following the call for research on the alignment of sales coaching with specific leadership styles (Badrinarayanan et al, 2018; Plank et al, 2018) and in particular with LMX (Pousa and Mathieu, 2014a; Pousa, Mathieu and Trépanier, 2017) the purpose of this paper is to study the simultaneous effects of LMX and sales coaching on salespeople behaviors and performance as well as to identify if there are specific paths through which each behavior affects salespeople performance.

THEORETICAL FRAMEWORK AND HYPOTHESES DEVELOPMENT

Social Exchange theory (Blau 1964) is one of the most influential frameworks in organizational behavior and it's probably the most relevant one to study the use of LMX and coaching in salesforce leadership. The strong explanatory power of Social Exchange theory (SET) lies on three foundational ideas: the rules and norms that govern the exchanges, the resources that are exchanged between parties, and the relationships that emerge from these exchanges (Cropanzano and Mitchell, 2005; Lambe, Wittmann, and Spekman 2001).

The rules and norms are governed by the concept of *reciprocity*. When one of the parties initiate the exchange (by offering valuable *currencies of exchange* like more information, support or assistance through LMX or sales coaching) the other party reciprocates (by offering, for example, more effort and commitment on the pursuit of larger mutual interests) and a *high quality exchange relationship* starts to form. Building on cycles

of high quality exchange, the relationship between the parties evolves over time, increasing mutual trust, loyalty and commitment.

Research on social psychology suggested that individuals vary in their exchange orientation. People high in exchange orientation will highly endorse the reciprocity concept by responding to the initiation behavior, thus developing high quality exchange relationships. Those low in exchange orientation will pay less attention to reciprocity and will not care as much if the exchanges are not reciprocated, thus leading to lower quality relationships (Clark and Mills 1979; Murstein, Cerreto and MacDonald 1977).

Sales coaching in the context of Social Exchange theory

Sales coaching is a one-on-one interaction between the sales manager and the salesperson. The goals of this interaction are: 1) to increase the salesperson's awareness of potential performance problems and areas of improvement; 2) to explore alternative courses of action to address these problems; and 3) to agree on a desired course of action to be implemented in the weeks following the coaching intervention (Pousa, Hardie and Zhang, 2018; Richardson, 2009). In a typical coaching intervention the sales manager uses questions to help the salesperson think through issues and propose alternative courses of action (instead of just telling what is happening and what the solution is), puts these issues in perspective and communicates their importance to the organization, agrees with the salesperson on specific courses of action to be implemented in future interactions with customers and provides resources to allow the salesperson perform the job more efficiently (Latham et al, 2005; Pousa, 2012; Pousa and Mathieu, 2014b). During the sales coaching intervention "… the manager abandons his/her directive role, adopts a more conversational style and shares the responsibility of finding a solution with the salesperson" (Pousa and Mathieu, 2014b, p. 65). The use of this relational approach to tackle performance problems also increases salesperson's relationship behaviors like customer orientation (Pousa and Mathieu, 2014b; Pousa, Hardie and Zhang, 2018) and conveys to the salesperson the idea that adapting the behavior to the particular situation is more effective than using always the same

approach (Pousa, Hardie and Zhang, 2018). Comer and Drollinger (1999) also propose that coaching can be used to develop active empathetic listening, which involves receiving and processing verbal and non-verbal cues from customers, and empathetically adapting their responses to them, and Pousa (2012) shows that coaching can increase salesperson adaptive selling behavior. Accordingly:

> H_1: Sales coaching is positively correlated with salesperson's adaptive selling behavior

LMX in the context of Social Exchange theory

Social Exchange Theory is also one of the foundational theories of leader-member exchange. LMX establishes that managers can initiate exchanges with subordinates by offering more interaction, information, support and assistance, more latitude to perform their jobs (thus, increasing job enrichment), influence on decision-making, open and honest communication as well as confidence and consideration (Dansereau et al, 1995; Graen and Uhl-Bien, 1995). These are valued currencies of exchange for subordinates (Cropanzano and Mitchell, 2005) and they tend to reciprocate by increasing their respect and obligation towards the manager, by taking additional responsibilities and developing ownership feelings towards the unit and its goals, by providing more effort and commitment on the pursuit of larger mutual interest, and by increasing their extra-role and other organizational citizenship behaviors (Gerstner and Day, 1997; House and Aditya, 1997; Ilies et al, 2007).

As the parties mutually reciprocate by exchanging valued currencies, a high quality exchange relationship starts to form. High-quality exchanges result in higher levels of team citizenship behaviors (Nohe and Michaelis, 2016) as well as task performance (Tsui et al, 1997). In sales contexts, two types of performance can be identified: behavioral performance and sales performance (Fang et al., 2004). Behavioral performance is "… an indicator of the quality and effectiveness of the selling process …" (Fang et al, 2004, p.193) and can consist of specific behaviors like assisting the supervisor in meeting his/her goals or maintaining good customer relations, while sales performance is related to the end results achieved by the salesperson, consisting in the achievement of

sales quotas and goals, selling to major accounts or generating a high level of sales. In a LMX setting, the high-quality relationship developed between the manager and the salesperson due to reciprocal exchanges promotes salesperson's behaviors aimed at helping the manager achieve his own goals as well as developing better customer relations (Deeter-Schmelz et al, 2002, 2006). Accordingly:

> H_2: LMX is positively correlated with salesperson's behavioral performance

The adaptive nature of selling includes collecting customer's information, developing and transmitting a customized message to the customer based on this information, evaluating the impact of the message and making the appropriate adjustments (Weitz, 1987). Salespeople who present this adaptive ability – or who develops it by receiving adequate coaching – can better seize the opportunity to tailor messages to each customer during the sales call, increase their satisfaction and maintain good customer relations. Higher levels of adaptive selling are associated with better customer relations (Park and Tran, 2018), customer satisfaction with the salesperson and the company (Roman and Martin, 2014) and salesperson performance (Kaynaka et al, 2016; Limbu et al, 2016; Roman and Iacobucci 2010; Sujan et al, 1994; Wong, Liu and Tjosvold, 2015). A salesperson showing high levels of adaptive selling behavior not only will offer solutions that are more adapted to the customer expectations (thus, improving the relationship with each customer) thus increasing customer satisfaction and customer willingness to buy from this salesperson, thus increasing sales performance. Accordingly,

> H_3: Salesperson's adaptive selling behavior is positively correlated with salesperson's behavioral performance

> H_4: Salesperson's adaptive selling behavior is positively correlated with salesperson's sales performance

At the same time, behavioral performance is an indicator of the quality and effectiveness of the sales process followed by the salesperson (Fang et al, 2004). A salesperson that after receiving coaching, improves

his/her adaptive selling behavior, responds better to customer needs, provides adapted solutions, and offers a globally better service and disposition to the customer, will likely see an increase in his sales performance (Fang et al, 2004). Higher behavioral performance positively impacts customer satisfaction with the salesperson and the sales process, making it more likely that they will buy from that individual and eventually increasing sales performance (Mallin, 2016; Pousa and Mathieu, 2015; Pousa et al, 2017, 2018). Accordingly,

H_5: Salesperson's behavioral performance is positively correlated with salesperson's sales performance

Implicit in the previous paragraphs is the fact that both adaptive selling and behavioral performance act as mediators – respectively – of the relationship between sales coaching and sales performance, and LMX and performance. Accordingly,

H_{3a}: Salesperson's adaptive selling behavior mediates the relationship between sales coaching and salesperson's behavioral performance

H_{4a}: Salesperson's adaptive selling behavior mediates the relationship between sales coaching and salesperson's sales performance

H_{5a}: Salesperson's behavioral performance mediates the relationship between adaptive selling behavior and sales performance

H_{5b}: Salesperson's behavioral performance mediates the relationship between LMX selling and sales performance

METHOD

Research design

The study uses a non-experimental, cross-sectional design. Sales coaching is a learned managerial behavior that takes years of training and practice (Grant 2010). For this reason scholars extensively use non-experimental research designs when studying coaching and its effects on other constructs (Agarwal et al. 2009; Onyemah 2009; Pousa and Mathieu, 2014a, 2014b, 2015; Pousa et al, 2017, 2018; Trépanier, 2010).

Instruments

The study uses the following scales (anchored at 1=completely disagree and 7= completely agree) taken from the literature in coaching, leadership and sales: Ellinger et al (2005) (coaching), LMX-7 (Graen et al. 1982), Sujan et al (1994) (adaptive selling), Fang et al (2004) (behavioral and sales performance). All scales are unidimensional and present good psychometric properties.

Data collection procedures

We invited 459 sales representatives, covering a wide range of industrial (e.g., Oil & Gas, Abrasives, Industrial Safety and Telecom) and service companies (e.g., Banking, Financial Services and Insurance) to participate in the study and answer a web-based survey during office time. The companies that agreed to participate consisted of Canadian organizations as well as regional branches of American manufacturers, and were all using managerial coaching (i.e. manager-as-coach) as a daily influence strategy to manage employees. From a cultural point of view these organizations were embedded in a North-American culture and, accordingly, this constitutes a limit of this research. Via a designated contact person in the HR department, these companies sent to the salesforce an initial invitation to answer the survey, followed by a reminder two weeks later, with a hyperlink to the survey.

ANALYSIS AND RESULTS

Sample

We received 174 complete, usable questionnaires for a 38% response rate, evenly distributed between male (49%) and female (51%) respondents. Data concerning participant's sales experience, tenure in the position and tenure with the company is presented in Table 2. These values indicate a great diversity and heterogeneity of salespeople, covering a broad range of experienced and inexperienced individuals, suggesting that the sample might adequately represent a general population of salespeople.

Table 2. Respondents' profile in term of sales experience and tenure

	Mean	Std. dev.	Max.	Min.
Sales experience	15.35	10.25	39	0
Tenure in the position	8.96	8.54	35	0
Tenure with the company	13.25	13.14	39	0
All values are expressed in years				

Psychometric properties of the measurement model

In order to evaluate the psychometric properties of the measures, we performed a confirmatory factor analysis by restricting each scale's item loading on its a priori specified factor and allowing free correlation among factors (Gerbing and Anderson, 1988). We refined the measures by eliminating those items with factor loadings lower than the accepted threshold of .70 and we retained seven items for Coaching, five for LMX, three for AS, and five for Sales performance (Table 3).

The measure of Behavioral performance, however, presented some additional challenges. Two items (item #1 – *I am very effective in assisting my supervisor in meeting his/her goals* – and item#2 – *I am very effective in maintaining good customer relations*) presented factor loadings of .906 and .877 respectively, but all the others were lower than .6 (the factor loading of the next highest item – item #5 – was .533). We followed Graham, Guthrie and Thomson (2003) to evaluate pattern and structure coefficients of the CFA (Table 4) and we realized that the pattern coefficient (factor loading) of item #5 was lower than its structural coefficients with other constructs – suggesting that the item was sharing more variance with other constructs than with the one that it was supposed to measure. Accordingly, we decided to drop item #5 and retain only

two items for behavioral performance. Although this is an acceptable solution (Franke, Rapp and Andzulis, 2013) we consider it as a potential limit of the research.

We assessed scales' reliability using Cronbach's alpha, corrected item-total correlations and composite reliability. All scales showed values higher than the accepted threshold that suggest good reliability (Bagozzi and Yi, 1988; Fornell and Larcker, 1981) (Tables 3 and 5).

The Average Variance Extracted (AVE) was higher than .5 for all the latent constructs, suggesting adequate convergent validity of the measures (Fornell and Larcker, 1981; Gerbing and Anderson, 1988). Discriminant validity of the measures was assessed by comparing the square root of the AVE values (AVE1/2) with the correlations between the factors. The results indicate that the square root of AVE for each factor is higher than any of its correlations with the other factors (Table 4), suggesting adequate discriminant validity (Fornell and Larcker, 1981).

Finally, the fit indexes ($\chi2$ = 323.453, p < .01; $\chi2$ / df = 1.702; CFI = .959; IFI = .960; TLI = .950; RMSEA = .063; HI90 RMSEA = .075) suggest that the measurement model adequately fit the data (Byrne 2010).

Table 3. Item-total correlations, patterns coefficients and structure coefficients of the CFA

	Item-total correlations	Pattern and structure coefficients of the CFA (Pattern coefficients in bold characters-structure ones in normal)				
		Coaching	**LMX**	**AS**	**BHV PERF**	**SALES PERF**
Coaching: My coach …						
… uses analogies, scenarios and examples to help me learn.	.787	**0.791**	0.557	0.344	0.161	0.147
…. encourages me to broaden my perspectives by helping me to see the big picture.	.753	**0.758**	0.533	0.330	0.154	0.141
…. provides me with constructive feedback.	.816	**0.867**	0.610	0.377	0.176	0.161
…. solicits feedback from me to ensure that his/her interactions are helpful to me.	.804	**0.831**	0.585	0.361	0.169	0.154
…. provides me with resources so I can perform my job more effectively.	.831	**0.858**	0.604	0.373	0.175	0.160
…. asks questions rather than provide solutions, to help me think through issues.	.760	**0.799**	0.562	0.348	0.163	0.148
…. sets expectations …. communicates the importance … to the organization	.685	**0.725**	0.510	0.315	0.148	0.135
LMX						
My supervisor understands my problems and needs	.885	0.641	**0.911**	0.319	0.295	0.217
My supervisor recognizes my potential	.850	0.600	**0.852**	0.298	0.276	0.203
My supervisor … would defend and justify my decisions if I were not present to do	.886	0.625	**0.888**	0.311	0.287	0.212
I usually know where I stand with my supervisor	.897	0.651	**0.925**	0.324	0.299	0.221
My working relationship with my supervisor is extremely effective	.910	0.666	**0.946**	0.331	0.306	0.226
Adaptive Selling						
I can change to other sales approaches when my present approach … not work	.609	0.308	0.248	**0.707**	0.177	0.242
I experiment with different sales approaches.	.819	0.415	0.334	**0.954**	0.239	0.326
I use a wide variety of selling approaches.	.650	0.326	0.262	**0.750**	0.188	0.256
Behavioral performance: I am very effective …						
…. in assisting my supervisor in meeting his/her goals.	.793	0.186	0.295	0.229	**0.913**	0.763
…. in maintaining good customer relations.	.793	0.177	0.281	0.217	**0.869**	0.726
Sales performance: I am very effective …						
… in generating a high level of dollar sales.	.751	0.157	0.202	0.289	0.707	**0.846**
…. in quickly generating sales of newly introduced products.	.639	0.130	0.167	0.239	0.585	**0.700**
…. in identifying major accounts in my territory.	.748	0.130	0.167	0.239	0.585	**0.700**
…. in selling to major accounts.	.771	0.137	0.175	0.251	0.615	**0.735**
…. in exceeding annual sales targets and objectives.	.687	0.146	0.187	0.268	0.656	**0.785**

Table 4. Correlations between the factors

	Mean (SD)	Cronbach Alpha	CR	AVE	1	2	3	4	5
1. Coaching	5.347 (1.209)	.930	.928	.649	**.806**				
2. LMX	5.339 (1.425)	.959	.958	.819	.645**	**.905**			
3. Adaptive selling	5.884 (.728)	.828	.850	.657	.435**	.366**	**.811**		
4. Behavior perf.	5.780 (.960)	.884	.885	.794	.170*	.275**	.228**	**.891**	
5. Sales performance	5.428 (.912)	.882	.868	.570	n.s.	.218**	.339**	.717**	**.755**

The square root of the Average Variance Extracted is presented in the main diagonal in bold characters
* correlations are significant at 0.05 level (2-tailed)
** correlations are significant at 0.01 level (2-tailed)

Table 5. Hypothesized main effects

|	Not controlling for Common Method Variance			Controlling for CMV	
Hypothesized path	Standard path coefficient	t-Value	Hypothesis	Standard path coefficient	t-Value
Coaching → Adaptive selling	.374	3.181	H$_1$ (Supported)	.373	2.959
LMX → Behavioral performance	.342	2.966	H$_2$ (Supported)	.376	3.454
Adaptive selling → Behavioral performance	.181	2.012	H$_3$ (Supported)	.287	3.017
Adaptive selling → Sales performance	.163	2.452	H$_4$ (Supported)	.144	2.167
Behavioral performance → Sales Performance	.823	9.898	H$_5$ (Supported)	.837	10.007
R^2 (Adaptive selling)	.193			.240	
R^2 (Behavioral performance)	.132			.225	
R^2 (Sales Performance)	.724			.753	

Structural model and tests of hypotheses

After the measurement model was deemed to be acceptable, we used the structural model to test the hypothesized relationships. The fit indexes for the structural model ($\chi2$ = 323.453, p < .01; $\chi2$ /df = 1.702; CFI = .959; IFI = .960; TLI = .950; RMSEA = .063; HI90 RMSEA = .075) suggest that it adequately fits the data (Byrne, 2010).

As hypothesized, sales coaching is positively correlated with salesperson's adaptive selling behavior (β_1 = .374, p < .01) in support of H_2; adaptive selling behavior with salesperson's behavioral performance (β_3 = .181, p < .05) as well as sales performance (β_4 = .163, p < .05), and behavioral performance with sales performance (β_5 = .823, p < .01) in support of H_3, H_4 and H_5. Also, as expected, support for the relationship between LMX and behavioral performance is found (β_2 = .342, p < .01) in support of H_2 (Figure 1).

Although not hypothesized, the covariance between LMX and sales coaching was also found significant (γ = .704, p<.01) and smaller than one, suggesting that, even though both constructs might share an important percentage of variance, they are still two different constructs, presenting differential effects on the mediating variables.

Figure 1
Results of the structural model
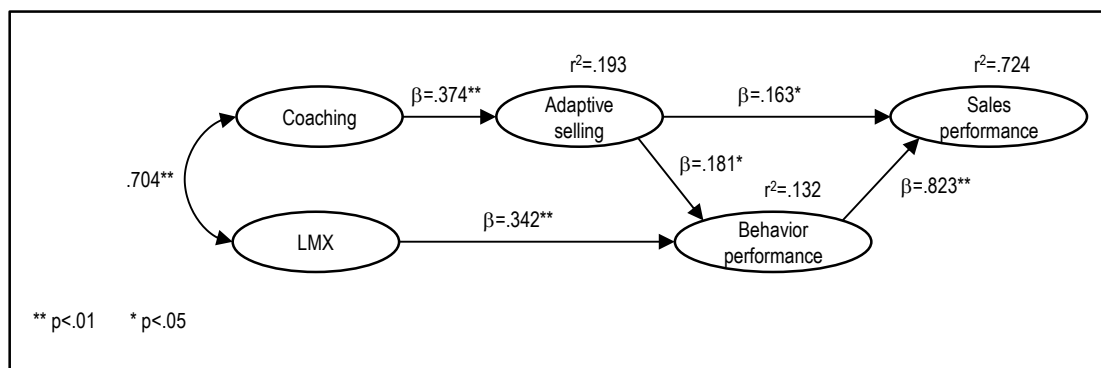
Alternative model: saturated model

In order to improve our understanding, we also tested some paths that were not hypothesized. For example, some scholars found a positive impact of coaching on sales performance but without identifying mediators in this relationship (Agarwal et al, 2009; Trépanier, 2010). Similarly, the literature in leadership found that LMX can increase employee performance (Gerstner and Day, 1997). Following these findings, as well as suggestions that comparing the hypothesized model against a rival one could help achieve more solid conclusions (Bagozzi and Yi, 1988), we decided to test the saturated model as an alternative model.

Results indicated that all the additional paths added in the saturated model (coaching-sales performance, coaching-behavioural performance, LMX-adaptive selling, and LMX-sales performance) were non-significant. These results suggest that the hypothesized model represents better the data, provides better explanations of the phenomenon under study, and is more parsimonious.

Assessment of common method variance

One potential bias of this study is that the data of both predictor and criterion variables was collected from the same respondent (salespeople). Respondents provided evaluations of the coaching and LMX received from their supervisors as well as their own perceptions of adaptive selling behavior and performance. This can potentially introduce artifactual

covariances between the variables, and thus, inflate or deflate the values of the correlations (Cote and Buckley 1987; Podsakoff et al, 2003).

In order to assess the potential impact of common method variance (CMV) we added a first-order factor and loaded the items into it as described in Podsakoff et al (2003), we re-estimated the hypothesized model and we compared the results obtained when not-controlling versus controlling for CMV (Table 5). The significance of the standardized regression weights of the model don't change when controlling for CMV, and their sign and magnitude are similar for both situations (when controlling versus not controlling for CMV), suggesting that, while it is possible that a small amount of CMV might exist, it doesn't affect the conclusions of the study.

Assessment of direct, indirect and total effects

In order to evaluate the mediation effects, we performed a bootstrap analysis, extracting 200 samples and calculated a 90% bias-corrected confidence interval for the mediating variables in the model. Results of direct, indirect and total effects are presented in Table 6.

The first mediation hypothesis – H_{3a}: AS mediates the relationship between coaching and behavioral performance – is not supported. We find that the 90% confidence interval for the effect of AS on behavioral performance contains zero, suggesting that the hypothesis stating that the link is different from zero should be rejected. Similarly, the third mediation hypothesis – H_{5a}: BP mediates the relationship between AS and sales performance – is not supported for the same reason. The other two mediation hypotheses – H_{4a}: AS mediates the relationship between coaching and sales performance, and H_{5b}: BP mediates the relationship between LMX and sales performance – are both supported.

DISCUSSION AND IMPLICATIONS

Building on the social exchange framework the paper studies the simultaneous effect of LMX and sales coaching on two salesperson relationship behaviors (adaptive selling and behavioral performance) and sales performance. The originality of the model is that it evaluates for the first time the simultaneous effect

of LMX and coaching, while previous research has considered these two constructs separately.

Results suggest that LMX and coaching affect the mediators through specific paths. Sales coaching has a direct effect on salesperson adaptive selling, and LMX has a direct effect on salesperson behavioral performance. Both mediating variables (adaptive selling and behavioral performance) affect sales performance. No cross-effects were found: LMX doesn't affect adaptive selling, and sales coaching doesn't affect behavioral performance, suggesting that both constructs are different, though complementary.

Scientific contributions

Marketing is increasingly understood from a relationship perspective that pervades all areas in business and sales areas are particularly relevant to the implementation of the relationship effort because of the important role that salespersons play in developing trustful long-term relationships with customers (Onyemah, 2009; Paparoidamis and Guenzi, 2009). This led to an effort to understand how specific management behaviors help implement relationship marketing and sales strategies at the customer interface (Pousa and Mathieu, 2014b). This study inserts in the relationship literature in sales contexts, provides initial evidence in response to the call of more research concerning the integration of sales coaching with specific leadership behaviors (Badrinarayanan et al, 2015; Pousa et al, 2018) and makes a contribution to this stream of the literature.

The central contribution of this paper is the evaluation of the simultaneous effects of two managerial behaviors – LMX and sales coaching – both congruent with a relationship view of salesforce management. Scholars have explored separately the effects of LMX and sales coaching on salespeople's behavior, attitudes and performance (Onyemah, 2009; Paparoidamis and Guenzi, 2009; Pousa and Mathieu, 2014a, 2014b, 2015; Pousa et al, 2017, 2018) but this is the first time that both constructs are integrated into the same model. We find that LMX and sales coaching present a significant Pearson's correlation (r = .645, p<.01) as well as a significant structural correlation (γ = .704, p<.01) but a relatively low collinearity (VIF = 1.712) and very different effects on salesperson behaviors.

Table 6. Direct, indirect and total effects

Adaptive Selling

	LMX			Coaching		
	Std. effect	Upper, Lower	p	Std. effect	Upper, Lower	p
Direct	.086	(.302, -.074)	.376 (n.s.)	.374	(.584,.140)	.020
Indirect	0	-	-	0	-	-
Total	.086	(.302, -.074)	.376 (n.s.)	.347	(.584,.140)	.020

Behavioral performance

	LMX			Coaching			Adaptive Selling		
	Std. effect	Upper, Lower	p	Std. effect	Upper, Lower	p	Std. effect	Upper, Lower	p
Direct	.342	(.480,.164)	.014	-.116	(.077, -.323)	.265 (n.s.)	.181	(.424, -.002)	.103 (n.s.)
Indirect	.016	(.107, -.007)	.309 (n.s.)	.068	(.187, -.006)	.126 (n.s.)	-	-	-
Total	.357	(.513, .177)	.012	-.048	(.169, -.266)	.692 (n.s.)	.181	(.424, -.002)	.103(n.s.)

Sales performance

	LMX			Coaching			Adaptive Selling			Behavioral Performance		
	Std. effect	Upper, Lower	p	Std. effect	Upper, Lower	p	Std. effect	Upper, Lower	p	Std. effect	Upper, Lower	p
Direct	-.094	(.037, -.324)	.216 (n.s.)	.014	(.231,-.107)	.729 (n.s.)	.163	(.299,.016)	.066	.823	(.911,.725)	.008
Indirect	.308	(.464,.171)	.005	.022	(.201, -.162)	.953 (n.s.)	.149	(.350, -.003)	.109 (n.s.)	-	-	-
Total	.214	(.407, -.019)	.153 (n.s.)	.036	(.265, -.168)	.750 (n.s.)	.312	(.508,.123)	.013 (n.s.)	.823	(.911,.725)	.008

LMX, as a managerial behavior aimed at developing trustful reciprocal relationships with the subordinates, has direct effect on salesperson behavioral performance. Behavioral performance is related to the process that salespeople follow to achieve performance (e.g. *"I am very effective in maintaining good customer relations"*) (Fang et al, 2004) and is characterized by the salesperson's will to reciprocate sales manager relationship behaviors (e.g. *"I am very effective in assisting my supervisor in meeting his/her goals"*). These findings are aligned with – and supported by – Social Exchange theory, the framework that underlies our understanding of LMX, and the concept of reciprocity in social exchanges. The sales manager initiates the exchange by offering *exchange currencies* (Cropanzano and Mitchel, 2005) that are valuable for the sales person, who – in turn – reciprocates the manager's behavior by offering currencies that are important for the manager (like increased commitment to the unit and its goals, as well as assistance to meet the manager's goals). Furthermore, building on Social Cognitive theory (Bandura, 1986) scholars suggest that the salesperson adopts similar behaviors – leading to high-quality exchanges – and uses them in his/her interactions with customers, leading to good customer relations (Pousa and Mathieu, 2014b).

Coaching, as a goal-focused, performance-driven intervention aimed at developing salespeople and improving their performance, has a direct effect on salesperson adaptive selling. Adaptive selling implies "engaging … in a wide range of selling behaviors … and altering [them] on the basis of situational considerations" (Sujan et al, 1994, p. 41). A rationale for this effect can be found by analyzing the process of sales coaching. Before the coaching conversation, the sales manager usually accompanies the salesperson in several sales calls to observe his/her behavior (Pousa, 2012) and make an evaluation of the aspects – or aspect, as experienced coaches suggest focusing only on one (Pousa and Mathieu, 2015) – that will be addressed during the coaching intervention. During the intervention, the sales manager is in a unique position to provide positive feedback if the salesperson adapted the behavior in the sales call (item #3: *My coach provides me with constructive feedback*) or draw his/her attention – through focused questioning – to the

fact that he did not (item #6: *My coach asks questions rather than provide solutions to help me think through issues*). The sales manager can focus his/her efforts in developing specific skills – like adaptive selling in this case, customer orientation (Pousa and Mathieu, 2014b; Pousa et al, 2018) or others (Pousa and Mathieu 2015) – or providing particular resources (item #1: *my coach uses analogies, scenarios and examples to help me learn*, item #5: *my coach provides me with resources so I can perform my job more effectively*). After the coaching intervention, the salesperson is more committed to apply this new skill and has a better understanding of what he will do when faced with similar situations in the future (Pousa and Mathieu, 2015).

The fact that LMX and coaching affect sales performance *through specific effects using different mediators* suggest that both managerial behaviors cannot be considered separately in salesforce leadership. They are rather complementary and should both be considered as contributing differently to the implementation of the organization relationship effort.

Managerial implications

In terms of managerial implications, this paper makes two contributions concerning the role that these two managerial behaviors – LMX and sales coaching – play in promoting relationship behaviors of salespeople. The first contribution concerns how they affect the implementation of relationship strategies. The second contribution concerns the complementary nature of LMX and sales coaching as part of a set of relationship leadership behaviors.

The new mantra in the present business environment is to develop successful relationships with customers and to move to customer-centric relationship strategies. A relationship strategy is particularly useful for employees working in marketing and sales areas because it provides a framework to guide actions and decisions when interacting with customers, and it clarifies what are the behaviors that should be encouraged and rewarded when dealing with customers.

However, the adoption of a relationship strategy per se doesn't automatically guarantee its successful application at the customer interface, because the behavior of salespeople and sales managers is

instrumental for a successful implementation. Similarly to other initiatives (e.g. the adoption of ethical norms of behavior in the company) the adoption of these behaviors by top- and middle-management is critical to influence their adoption by employees. Managers who adopt and incorporate the basic concepts of a relationship strategy in their daily behaviors – for example through the daily use of LMX and sales coaching – will establish a basis of mutual trust and respect with their employees, and will initiate and reciprocate quality exchanges with them. Social Cognitive Theory (Bandura, 1986) suggests that the employees will identify these leaders as role models and will imitate and adopt similar behaviors in their daily interactions – with their managers and other people within the company as well as with customers and people external to the company. Our experience with companies that use coaching as a regular intervention is that salespeople tend to incorporate the steps and process that their managers use with them when doing coaching, and use it in some customer interactions particularly when they have to solve problems or problematic situations.

In a sense, the relationship strategy moves inside the company from the boardroom, through the sales managers who adopt relationship behaviors and serve as role models, towards the salespeople until it eventually reaches the customer interface. For that reason, the adoption of relationship leadership behaviors (like LMX and sales coaching) by the sales managers is a central piece in the implementation of a relationship strategy, and a critical one to promote relationship behaviors at the salesperson level.

Concerning the second contribution this paper suggests that, in an effort to implement a relationship strategy, sales managers must adopt *both* LMX *and* sales coaching because they affect different relationship salesperson behaviors. The implication is that both leadership behaviors address *different dimensions* in the interaction between sales managers and salespeople and that one cannot be independently used without the other.

On one hand, LMX is a relationship managerial behavior that promotes open communication, employee empowerment, reciprocity and good working relationships between the sales manager and the salesperson, thus generating a good work environment where the sales manager can count with the support and collaboration of the salesperson. On the other hand, sales coaching is also a managerial behavior that relies on relationship exchanges but its focus is much more operational. As a goal-focused, performance-driven intervention it addresses specific performance problems and it affects specific salesperson's behaviors (like adaptive selling or customer orientation) that lead directly to better customer relationships. Although some people might perceive coaching as a soft approach to deal with performance problems, it is harder than it seems, because it contributes directly to task improvement.

These two aspects support the concept of complementarity. Both behaviors (LMX and sales coaching) affect different variables because they focus on different dimensions of the working exchanges (LMX on the relationship between manager and employee, and coaching on operational aspects) but without being completely independent. For example, mutual trust and respect are key antecedents of coaching, but they are consequences of a high quality working relationship develop through high LMX. In that sense, a high-quality LMX relationship generates the required level of common trust and respect necessary to obtain good-quality coaching exchanges and, thus, the influence flows from LMX to coaching. Reciprocally, by receiving valuable coaching, the salesperson grows, develops new skills and competences and achieves higher performance. All this makes him/her value the manager's contribution and augment the quality of this relationship in his/her eyes, thus making him/her more willing to reciprocate with actions that are important to the manager and making his/her own contribution to the quality of LMX. In this case, the influence flows from sales coaching to LMX.

These examples suggest that the presence of one managerial behavior favors the conditions for the improvement of the other one, and reciprocally. It is clear that sales managers play an important role in the implementation of a relationship strategy at the salesperson level and that their behaviors affect how salespeople relate to customers. To maximize the impact of their influence, sales managers must incorporate leadership behaviors that combine the development of high-quality, reciprocal

relationships with salespeople *and* the development of specific relationship behaviors that can create value and long-term relationships with customers.

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