

# The role of salesperson motivation in sales control systems — Intrinsic and extrinsic motivation revisited

C. Fred Miao<sup>a,\*</sup>, Kenneth R. Evans<sup>b</sup>, Shaoming Zou<sup>c,1</sup>

<sup>a</sup> 329B Bertrand H. Snell Hall, School of Business, Clarkson University, Potsdam, NY 13699–5765, United States

<sup>b</sup> University of Oklahoma, 307 W. Brooks, Room 207, Norman, OK 73019–4007, United States

<sup>c</sup> 335 Cornell Hall, College of Business, The University of Missouri-Columbia, United States

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## Abstract

Although the sales control literature acknowledges the importance of salesperson's intrinsic and extrinsic (I/E) motivation due to their correlations with sales control and sales performance, the global nature of salesperson's I/E motivation inhibits a thorough understanding of motivation in the sales control context. This study expands the literature of salesperson motivation by incorporating the cognitive and affective components of I/E motivation in the sales control context. Empirical results from a survey of salespeople support the hypotheses that the cognitive and affective components of I/E motivation have distinct antecedents and consequences that would not otherwise have been captured by the global motivation constructs. Theoretical and managerial implications are discussed.

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## 1. Introduction

The importance of salesperson motivation in sales management has long been acknowledged (e.g., Anderson and Oliver, 1987; Chowdhury, 1993; Dubinsky et al., 1994; Walker et al., 1977). In Churchill et al.'s (1985) meta-analysis of sales performance, motivation was found to be the third most effective predictor of sales performance after role perceptions and skills. In the sales control literature, salesperson's intrinsic motivation has been found to be positively associated with behavioral control when it (behavioral control) is used to monitor the salesperson's selling process, whereas extrinsic motivation has been found to be positively correlated with outcome control (Cravens et al., 1993; Oliver and Anderson, 1994). One important limitation of the extant salesperson motivation research, however, is that intrinsic and extrinsic (I/E) motivation have been treated as global constructs.

While it has been suggested that I/E motivation should have distinct antecedents (e.g., differential impact of sales control on intrinsic motivation, see Challagalla and Shervani, 1996) and consequences (e.g., distinct impact of I/E motivation on sales performance, see Weitz et al., 1986), empirical results using global I/E motivation have been inconclusive (e.g., Ingram et al., 1989; Leach et al., 2005; Tyagi, 1985). Research in social psychology has demonstrated that global I/E motivation is composed of cognitive and affective dimensions that have distinct antecedents and consequences (Amabile et al., 1994). Therefore, relying on global I/E motivation without incorporating a multi-dimensional perspective may have compromised marketing researchers' ability to uncover important relationships among Sales control–I/E motivation–Performance. For instance, if one type of behavioral control (e.g., activity control) primarily affects the cognitive dimension but not the affective dimension of intrinsic motivation, such a relationship may become elusive if global I/E motivation is employed. Since the use of global motivation constructs without attending to the salesperson's unique cognitive and affective motivational needs may compromise a sales manager's ability to design and implement

\* Corresponding author. Tel.: +1 616 634 3505.

E-mail addresses: [chenjie.miao@missouri.edu](mailto:chenjie.miao@missouri.edu) (C.F. Miao), [evans@missouri.edu](mailto:evans@missouri.edu) (K.R. Evans), [zou@missouri.edu](mailto:zou@missouri.edu) (Z. Shaoming).

<sup>1</sup> Tel.: +57 573 884 0920; fax: +57 573 884 0368.

effective control systems (Dubinsky et al., 1994), it is desirable to assess the role of I/E motivation in the sales control context using its first-order cognitive and affective components.

## 2. Background literature

### 2.1. Sales control systems

Anderson and Oliver (1987) conceptualized two types of sales control systems — outcome control and behavior control. Outcome control uses incentives to reward salespeople in direct proportion to their sales outcomes (e.g., sales volume), whereas behavioral control often entails intense management involvement in training, monitoring, evaluating, and compensating salespeople according to their selling behaviors rather than focusing on immediate sales outcomes. More recently, Challagalla and Shervani (1996) disaggregated behavioral control into activity control and capability control. Activity control refers to the specification of the activities a salesperson is expected to perform (e.g., call rate), whereas capability control emphasizes the improvement and applications of selling skills. In practice most sales organizations employ both behavioral and outcome control (Oliver and Anderson, 1994); hence, the study reported here considers sales control system as a combination of activity, capability, and outcome control.

Anderson and Oliver (1987) argued that salespeople under behavioral control should demonstrate a higher level of intrinsic motivation due to enhanced competence and lower pressure for immediate sales outcomes. In contrast, salespeople under outcome control tend to demonstrate a higher level of extrinsic motivation because their compensation is directly tied to sales outcomes. The preponderance of empirical evidence supports these contended relationships (e.g., Baldauf et al., 2001; Cravens et al., 1993; Oliver and Anderson, 1994). While I/E motivation has been shown to be correlated with sales control and sales performance, the sales control literature is unclear as to what extent I/E motivation mediates the impact of sales control on sales performance, the answer to which bears important managerial implications to the design and implementation of various sales control systems.

### 2.2. Salesperson motivation

Salesperson motivation has been examined as global I/E motivation in the sales literature (Anderson and Oliver, 1987; Ingram et al., 1989; Weitz et al., 1986). While earlier social psychology research subscribes to the view that I/E motivation is a stable trait (e.g., Amabile, 1988), more recent theory development in this domain suggests that motivation is changeable by the immediate work environment (Ryan and Deci, 2000).

I/E motivation has typically been treated as a global construct. However, it has been demonstrated that individuals differ in the cognitive and affective dimensions of their motivational needs (Amabile et al., 1994). Specifically, intrinsic motivation has been found to include challenge

seeking and task enjoyment, whereas extrinsic motivation has been found to include compensation seeking and recognition seeking, and these first-order motivation components are conceptually and empirically distinct (Amabile et al., 1994). Further, *Self-Determination Theory* (Ryan and Deci, 2000) contends that the increased cognitive capacity (e.g., challenge seeking) and elevated task enjoyment can accelerate the internalization of valued extrinsic rewards (e.g., compensation or recognition), suggesting potential causal relationships between certain I/E motivation components. At the aggregate level of I/E motivation, the complexity of the relationships among the cognitive and affective components of I/E motivation as well as their role within the sales control context would not be fully understood. This study, therefore, develops a theoretical framework that integrates these cognitive and affective motivation components within the sales control context (Fig. 1).

## 3. Hypotheses

### 3.1. Activity control and intrinsic motivation

Activity control imposes specific expectations on the activities salespeople are to perform (Ramaswami, 1996). While activity control need not inherently diminish a salesperson's task enjoyment (Amabile et al., 1994), Cognitive Evaluation Theory (Deci and Ryan, 1985) and SDT (Ryan and Deci, 2000) suggest that individuals have cognitive needs for meaningful and challenging tasks; hence, activity control's role in reducing role ambiguity would have a negative impact on a salesperson's perceptions of the challenging nature of the job (Jaworski and Kohli, 1991). This possible detrimental effect of activity control on salespeople's cognitive need for challenge seeking has also been demonstrated in new product development teams (Bonner, 2005). Hence, we hypothesize that:

**H1.** *Activity control negatively impacts salesperson's challenge seeking.*

### 3.2. Capability control and intrinsic motivation

Capability control is designed to develop and reward salespeople's selling skills and has been suggested to impact intrinsic motivation primarily by promoting an enjoyable task environment (Challagalla and Shervani, 1996). According to SDT (Ryan and Deci, 2000), a work environment that encourages employees to seek out novelty, learn and apply new skills, and place relatively low expectations on immediate outcomes, constitutes an important source of task enjoyment. Since capability control enhances salespeople's perceived competence (Challagalla and Shervani, 1996), allows salespeople to apply learned skills in a more autonomous fashion (Kohli et al., 1998), and builds a closer bond between managers and salespeople (Anderson and Oliver, 1987), SDT would predict that capability control should enhance salespeople's well-being and job-related enjoyment (Ryan and Deci, 2000). Therefore, we hypothesize that:

**H2.** *Capability control positively affects salesperson's task enjoyment.*

**3.3. Activity control and extrinsic motivation**

Activity control is a type of external regulation that elevates a salesperson's need for contingent self-esteem (e.g., recognition), especially in environments where senior salespeople serve as role models for the more junior sales staff (Kohli et al., 1998). In their seminal work on sales control, Anderson and Oliver (1987, p. 86) also argued that monitoring salespeople's behavior in the selling process tends to make salient the need for peer recognition. Since salespeople under activity control are usually compensated by fixed salaries (Anderson and Oliver, 1987), the relative salience of compensation becomes lower (due to lower income risk) than the positive appraisal from the immediate supervisor. Because activity rewards are usually fixed and are not directly tied to a specific sales outcome (e.g., sales volume), activity control is not expected to be significantly related to a salesperson's compensation seeking. Thus, we hypothesize that:

**H3.** *Activity control positively impacts salesperson's recognition seeking.*

**3.4. Capability control and extrinsic motivation**

The ultimate goal of capability control is to improve the salesperson's outcome performance. It is logical to presume that salespeople will seek external validation of the value of their improved capability. In other words, salespeople will gauge their own capabilities through external events that have

behaviorally relevant implications (e.g., improved sales performance, Anderson and Oliver, 1987). Because capability control rewards salespeople based on their skill levels, improved competence should result in increased compensation seeking. Thus, we hypothesize that:

**H4.** *Capability control positively affects salesperson's compensation seeking.*

**3.5. Outcome control and extrinsic motivation**

In outcome control the performance risk has been shifted from the management to the salesperson (Anderson and Oliver, 1987). Therefore, the need to demonstrate immediate performance becomes especially salient (Cron et al., 1988). Salespeople are often not closely monitored by their supervisors under outcome control (Anderson and Oliver, 1987). In other words, the performance evaluation under outcome control is not directly tied to the subjective assessment by the immediate supervisor (Kohli et al., 1998). Since there is neither *a priori* theoretical ground (Anderson and Oliver, 1987) nor empirical evidence (Cravens et al., 1993) supporting a positive relationship between outcome control and recognition seeking, outcome control is expected to be primarily related to compensation seeking but not recognition seeking. Thus, we hypothesize that:

**H5.** *Outcome control positively affects salesperson's compensation seeking.*

**3.6. I/E motivation and job performance**

Job performance has two dimensions — behavioral performance and outcome performance. Behavioral performance refers

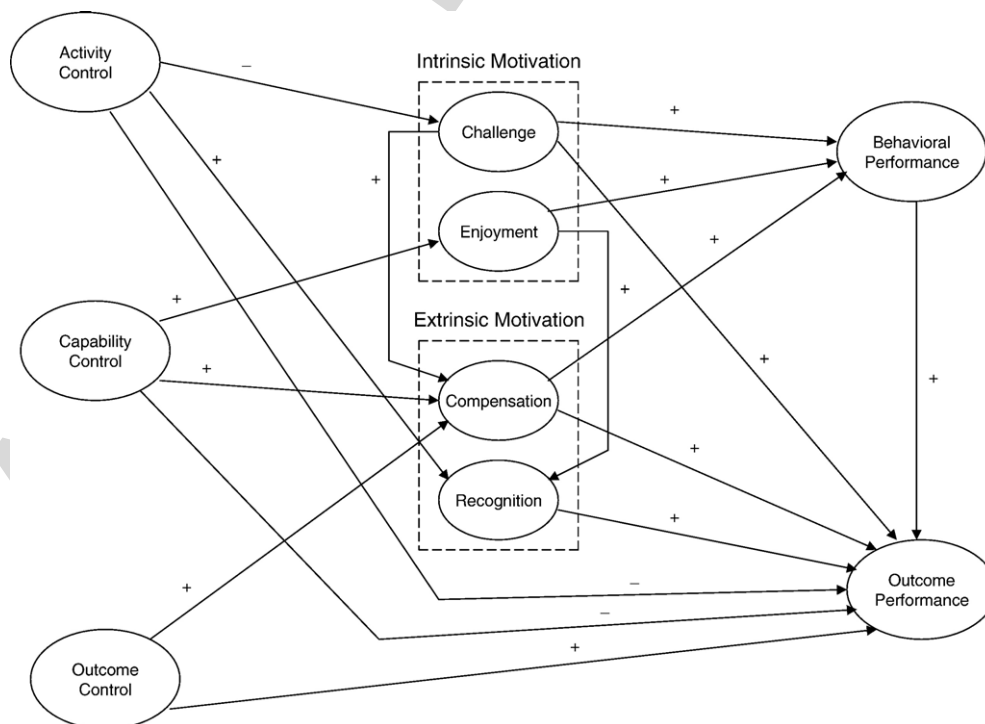


Fig. 1.

to the activities and strategies salespeople carry out in the selling process, whereas outcome performance represents the quantitative results of salespeople's efforts (Baldauf et al., 2005). The sales control literature suggests a positive causal relationship from behavioral performance to outcome performance (e.g., Cravens et al., 1993; Jaworski and Kohli, 1991). Thus, we replicate this hypothesis:

**H6.** *Salesperson's behavioral performance positively affects his/her outcome performance.*

Challenge seeking is the cognitive component of intrinsic motivation. In cognitive evaluation theory (Deci and Ryan, 1985), individuals who are challenge seeking tend to have an internal attribution basis for their behavior. Therefore, those who are challenge seeking are more likely to approach tasks by working smarter (Spiro and Weitz, 1990; Sujan et al., 1994). Moreover, challenge seeking has been found to be significantly correlated with both task creativity and the amount of time and effort devoted to task performance (Amabile et al., 1994). Therefore, challenge seeking is expected to have a positive impact on both behavioral and outcome performance. Thus, we hypothesize that:

**H7a.** *Challenge seeking positively affects salesperson's behavioral performance.*

**H7b.** *Challenge seeking positively affects salesperson's outcome performance.*

Task enjoyment is the affective component of intrinsic motivation. For people who enjoy the activities related to a task, the reward is the ongoing experience of performing the task (Deci and Ryan, 1985), which is independent of immediate outcome rewards. It has been suggested that those who have high levels of task enjoyment are more willing to accept failure as a learning experience because immediate outcome rewards become relatively less important (Weitz et al., 1986) due to an internal locus of control (Ryan and Deci, 2000). Therefore, it is anticipated that task enjoyment will positively impact behavioral performance, but not immediate outcome performance. Thus, we hypothesize that:

**H8.** *Task enjoyment positively affects behavioral performance.*

As a cognitive component of extrinsic motivation, compensation seeking does not necessarily indicate a lack of task interest or task involvement. In fact, when it reflects a consciously valued behavioral goal (Ryan and Deci, 2000), compensation seeking has been found to be positively correlated with both behavioral strategy and effort level (Amabile et al., 1994). Therefore, it is expected that salespeople who have a high need for compensation seeking will work harder and smarter. Recognition seeking tends to focus salespeople's attention on the required selling activity of the immediate supervisor (Kohli et al., 1998), thereby increasing salesperson's selling effort. Thus, we hypothesize that:

**H9a.** *Compensation seeking positively affects salesperson's behavioral performance.*

**H9b.** *Compensation seeking positively affects salesperson's outcome performance.*

**H10.** *Recognition seeking positively affects salesperson's outcome performance.*

### 3.7. Relationships among I/E motivation components

Although it has been suggested that intrinsic and extrinsic motivation have a mutual positive effect on performance (e.g., Thakor and Joshi, 2005), their relationships as first-order components remain unclear. *Self-Determination Theory* (Ryan and Deci, 2000) argues that with increased levels of cognitive capacity and task enjoyment people will embrace relevant extrinsic goals as valuable and personally important. Therefore, salespeople who are challenge seeking may subsequently integrate compensation as an important indicator of their relative capability and, thus, there may be a causal relationship from the former to the latter. Similarly, in the instance of high-level task enjoyment, *Self-Determination Theory* suggests that salespeople tend to be responsive to workplace relatedness (e.g., recognition) because it contributes to their overall psychological well-being. Thus, we hypothesize that:

**H11.** *Challenge seeking positively affects compensation seeking.*

**H12.** *Task enjoyment positively affects recognition seeking.*

### 3.8. Direct effects of sales control on outcome performance

Because the effects of sales control are more likely to be partially mediated (e.g., Challagalla and Shervani, 1996), the direct effects of sales control on outcome performance are also examined. Anderson and Oliver (1987) posited that activity control may negatively impact immediate outcome performance because salespeople are often required to perform tasks that are not directly related to selling (e.g., submitting customer call reports). Capability control has been found to have a negative direct impact on outcome performance because an increased emphasis on capability development may redirect salesperson's attention away from direct selling (Challagalla and Shervani, 1996). Control theory (Carver and Scheier, 1982) suggests that outcome control may increase the salesperson's awareness of discrepancies between outcome goals and current performance, thereby providing a reference point for salespeople to achieve immediate performance goals (Jaworski and Kohli, 1991). Thus, we hypothesize that:

**H13a.** *Activity control has a negative direct impact on outcome performance.*

**H13b.** *Capability control has a negative direct impact on outcome performance.*

**H13c.** *Outcome control has a positive direct impact on outcome performance.*

## 4. Research method

### 4.1. Sample and data collection

A cross-sectional mail survey of salespeople was used to test the proposed framework. Cover letters, along with sample questionnaires and return envelopes, were mailed to a randomly generated list of 600 sales managers in a major midwestern state obtained from a leading commercial list broker. Sales managers were told to pick salespeople of different sales experience in order to maximize performance variance. A total of 106 sales managers representing 97 companies provided 396 salespeople for this study. Two waves of mailing (three weeks apart) were administered. A total of 175 usable completed responses were received resulting in a response rate of 44.2%. The salespeople represent a wide variety of organizations across different industries (Table 1).

### 4.2. Measurement model

All constructs in this study were adapted from the literature using 7-point Likert scales (1 = strongly disagree, 7 = strongly agree). These items, along with their loadings and construct reliabilities, are presented in Appendix A.

Confirmatory factor analysis (CFA) was used to estimate the measurement model. The elliptical re-weighted least square (ERLS) estimates of the measurement model were obtained in EQS 6.1 (see Bentler, 1995). The CFA model indicated an acceptable fit ( $\chi^2_{(524)}=762.953$ ,  $p<0.01$ , CFI=0.967, RMSEA=0.047). Each *a priori* factor loading was positive and significant, and all coefficient alphas exceeded the recommended 0.70 criterion (Nunnally, 1978), thereby demonstrating convergent validity (Gerbing and Anderson, 1988). Next, a series of nested CFA models were compared for any two factors in the overall measurement model to assess their discriminant validity. All chi-square difference tests were significant, providing evidence of discriminant validity (Bagozzi et al., 1991).

### 4.3. Hypotheses testing

A structural path model in EQS 6.1 was used to test the hypotheses. The structural path model revealed a satisfactory fit to the data ( $\chi^2_{(16)}=34.296$ ,  $p<0.01$ , CFI=0.977, RMSEA=0.081), and the LM tests revealed that no additional paths were necessary. Tables 2 and 3 present descriptive statistics and the structural path model results.

Contrary to expectations, activity control was found to have a positive impact on challenge seeking (H1) (standardized path coefficient [SPC]=0.29,  $p<0.001$ ). H2 was supported as capability control positively influences task enjoyment (SPC=0.18,  $p<0.05$ ). The positive impact of activity control on recognition seeking was also confirmed (SPC=0.18,  $p<0.01$ ), in support of H3. H4 was supported since capability control was found to have a positive impact on compensation seeking (SPC=0.31,  $p<0.01$ ). However, H5 was not supported as outcome control did not significantly influence compensation seeking (SPC=-0.01,  $p>0.10$ ).

Table 1  
Sample characteristics (N=175)

Salespeople characteristics		Organizational characteristics	
Age (in years)	%	Industry	%
Less than 25	5.1	Automotive	11.3
26–39	34.7	Construction	7.7
40–55	51.1	Manufacturing	19.1
56 and over	9.1	Services	60.2
Gender		Other	1.7
Female	22.6		
Male	77.4	Number of employees	
Sales experience (in years)		1–20	6.9
1–5	28.9	21–50	33.3
6–10	16.8	51–100	28.3
11–15	13.9	101–250	11.9
16–20	15.6	251–500	7.6
>20	24.8	>500	12

H6 posits that behavioral performance has a positive impact on outcome performance. This hypothesis was supported (SPC=0.51,  $p<0.001$ ). H7a, which states that challenge seeking has a positive impact on behavioral performance, was supported (SPC=0.29,  $p<0.001$ ). Similarly, H7b was also supported as challenge seeking has a positive influence on outcome performance (SPC=0.28,  $p<0.001$ ). H8 was supported in that task enjoyment has a positive impact on behavioral performance (SPC=0.11,  $p<0.10$ ). Compensation seeking was found to have a positive impact on behavioral performance (SPC=0.35,  $p<0.001$ ), supporting H9a, but H9b was not supported as compensation seeking was not significantly related to outcome performance (SPC=0.01,  $p>0.10$ ). H10 was not supported because recognition seeking was not significantly related to outcome performance (SPC=0.003,  $p>0.10$ ). H11 states that challenge seeking has a positive relationship with compensation seeking. This hypothesis was supported (SPC=0.35,  $p<0.001$ ). Similarly, H12 was also supported as task enjoyment was found to have a positive impact on recognition seeking (SPC=0.37,  $p<0.001$ ).

H13a was not supported in that activity control did not have a significant direct impact on outcome performance (SPC=-0.04,  $p>0.10$ ). Capability control was found to have a negative direct impact on outcome performance (SPC=-0.27,  $p<0.01$ ), in support of H13b. Outcome control was found to have a positive impact on outcome performance (SPC=0.24,  $p<0.05$ ), thus H13c was supported.

### 4.4. A rival model

An alternative representation of salesperson motivation is that it is not influenced by the sales organization's behavioral and outcome controls. In other words, the rival model has *only* direct paths from sales control and I/E motivation to sales performance. The chi-square difference between these two nested models is 18.75 ( $df=2$ ), which is significant at  $p<0.001$ . Therefore, the proposed model is a superior representation of the data, suggesting that salesperson's I/E motivation partially mediates the effect of sales control on sales performance.

Table 2  
Descriptive statistics (N=175)

	Mean	1	2	3	4	5	6	7	8	9
1. CAPCNL	4.58	1.74								
2. ACTCNL	5.02	1.08	1.04							
3. OUTCNL	5.07	1.17	1.02	1.47						
4. BP	5.85	0.14	0.14	0.10	0.27					
5. OUP	5.36	0.04	0.12	0.13	0.23	0.53				
6. CH	5.31	0.25	0.28	0.22	0.22	0.34	0.90			
7. ENJ	5.38	0.20	0.16	0.13	0.12	0.05	0.15	0.68		
8. COMP	5.46	0.51	0.38	0.35	0.27	0.25	0.40	0.30	1.05	
9. RECOG	4.78	0.40	0.32	0.20	0.13	0.09	0.15	0.42	0.40	1.56

Covariance matrix. All constructs used 7-point Likert scales.

CAPCNL = capability control; ACTCNL = activity control; OUTCNL = outcome control; BP = behavioral performance; OUP = outcome performance; CH = challenge seeking; ENJ = task enjoyment; COMP = compensation seeking; RECOG = recognition seeking.

Measurement model fit indices: CFI=0.967, RMSEA=0.047.

#### 4.5. Post hoc analysis

The finding that activity control positively affects salesperson's challenge seeking was somewhat surprising. Dholakia and Bagozzi (2002) found that goals perceived to be desirable will enhance an individual's motivation to pursue and realize the assigned tasks. A two-group analysis using *goal desirability* as the moderator (high vs. low) revealed that the moderation effect was *marginally* significant (i.e.,  $p < 0.10$ ). Specifically, activity control positively affects challenge seeking when goal desirability is high (SPC=0.24,  $p < 0.05$ ) but has a negative (albeit non-significant) relationship with challenge seeking (SPC=-0.15,  $p > 0.10$ ) when goal desirability is low. No moderation effects were detected on the other control-motivation linkages.

Table 3  
Structural model results (N=175)

Hypothesis	Path	Standard path coefficient	t-Value
Hypothesis 1	Activity control → challenge seeking	0.29	3.97****
Hypothesis 2	Capability control → task enjoyment	0.18	2.45**
Hypothesis 3	Activity control → recognition seeking	0.18	2.62***
Hypothesis 4	Capability control → compensation seeking	0.31	3.21***
Hypothesis 5	Outcome control → compensation seeking	-0.01	-0.09
Hypothesis 6	Behavioral performance → outcome performance	0.51	7.71****
Hypothesis 7a	Challenge seeking → behavioral performance	0.29	4.11****
Hypothesis 7b	Challenge seeking → outcome performance	0.28	4.30****
Hypothesis 8	Task enjoyment → behavioral performance	0.11	1.76*
Hypothesis 9a	Compensation seeking → behavioral performance	0.35	5.03****
Hypothesis 9b	Compensation seeking → outcome performance	0.01	0.09
Hypothesis 10	Recognition seeking → outcome performance	0.003	0.05
Hypothesis 11	Challenge seeking → compensation seeking	0.35	5.24****
Hypothesis 12	Task enjoyment → recognition seeking	0.37	5.42****
Hypothesis 13a	Activity control → outcome performance	-0.04	-0.36
Hypothesis 13b	Capability control → outcome performance	-0.27	(-2.74)***
Hypothesis 13c	Outcome control → outcome performance	0.24	2.41**

\*Significant at  $p < 0.10$ .

\*\*Significant at  $p < 0.05$ .

\*\*\*Significant at  $p < 0.01$ .

\*\*\*\*Significant at  $p < 0.001$ .

Path model fit indices: CFI=0.977, RMSEA=0.081.

## 5. Discussion

This article illustrates the multi-dimensional nature of salesperson's I/E motivation whose complex ramifications cannot be otherwise uncovered by the global motivation constructs in the extant sales and marketing literature. We discuss theoretical and managerial implications in the following sections.

## 6. Theoretical implications

The results of this study indicate that the sales control system has distinct impact on salesperson's cognitive and affective dimensions of I/E motivation. Some researchers have suggested that activity control and capability control should have differential impacts on intrinsic motivation (Challagalla and Shervani, 1996), but empirical evidence is lacking. Through the disaggregation of the global intrinsic motivation construct, we found that activity control primarily impacts challenge seeking (the cognitive dimension of intrinsic motivation) and capability control mainly affects task enjoyment (the affective dimension of intrinsic motivation). If the global intrinsic motivation had been used, the distinct impact of activity/capability control on intrinsic motivation would have become elusive.

Another insight from this study is the "dual" impact of behavioral control (i.e., activity control and capability control) on both intrinsic and extrinsic motivation. Previous research found that behavioral control positively correlates with global intrinsic motivation but not global extrinsic motivation (e.g., Oliver and Anderson, 1994). Our results indicate that activity control actually has a positive impact on recognition seeking (the affective dimension of extrinsic motivation), whereas capability control has a positive relationship with compensation seeking (the cognitive dimension of extrinsic motivation).

Moreover, the use of cognitive and affective dimensions of I/E motivation sheds light on the relative impact of intrinsic versus extrinsic motivation on sales performance. Our results indicate that the positive impact of intrinsic motivation on performance primarily comes from its cognitive dimension — challenge seeking, whereas the main thrust of extrinsic motivation comes from compensation seeking — the cognitive dimension of extrinsic motivation. Using the global I/E motivation in the investigation of motivation–performance relationship may have contributed to the mixed findings reported in previous research (Ingram et al., 1989; Leach et al., 2005; Tyagi, 1985).

Overall, the results of this study suggest that salesperson's I/E motivation is multi-dimensional in nature whose complex ramifications in the sales control context can only be fully understood through its distinct cognitive and affective dimensions.

## 7. Managerial implications

In the endless pursuit of sales performance sales managers have relied extensively on sales control and the recruiting of highly skilled salespeople. The results of our study suggest that the deployment of sales control systems has significant consequences in shaping salespeople's cognitive and affective dimensions of I/E motivation, which subsequently direct their behaviors and sales performance.

Activity control was found to influence behavioral and outcome performance only through salesperson's challenge seeking dimension of intrinsic motivation. Sales managers who rely on activity control must ensure that the assigned activity goals are considered useful and challenging by the salespeople. For instance, excessive use of detailed call reports may be perceived as less consequential and challenging than such activities as number of new accounts visited.

Capability control (e.g., self-paced training modules, acquisition of customer information, etc.) enhances salesperson's perception of task enjoyment and compensation seeking, which contribute to sales performance *indirectly* through improved selling behavior during the selling process. Further, the need for job-related challenges was found to affect, positively, the need for compensation. It is the sales manager's responsibility to involve the salesperson in the goal setting process in order to determine the optimal level of goal difficulty considered to be challenging for that salesperson. Sales managers may consider increasing the percentage of fixed salaries for their salespeople who tackle more challenging tasks relative to their capabilities.

Interestingly outcome control did not influence I/E motivation or behavioral performance, but, rather, it directly influenced outcome performance. This finding has particularly important implications for sales managers suggesting that the general need/desire for job-related motivation is not influenced by outcome control, resulting in shorter- as opposed to longer-term influence on outcome performance due to little improvement in behavioral performance.

Finally, it is interesting to note that the impact of sales control on outcome performance as mediated by salespeople I/E

motivation, with the exception of challenge seeking, is entirely through behavioral performance. To a large extent sales control is discussed in the academic and practitioner literatures from the perspective of its influence on outcome performance. Sales managers, especially those who primarily rely on outcome control with their salesforce, need to rethink the merit of behavioral control in terms of enhanced salesforce motivation and behavioral improvement if long-term sustainability in salesforce performance is desired.

## 8. Limitations and future research directions

While this study offers several important contributions to the sales control literature, there are a few limitations due to the design of the study. First, due to the cross-sectional design, the causality between theoretical constructs should be interpreted with caution. Second, the sample of salespeople in this study came from one Midwestern state. Therefore, the generalizability of the results is limited. A third limitation is that all constructs were reported by salespeople's self-perceptions. A more robust method would require a multi-source data collection from both salespeople and their managers.

This study suggests a number of opportunities for future research. While the cognitive and affective dimensions of I/E motivation have been demonstrated to have distinct impact on sales performance, future research might measure motivation using both our conceptualization and the Vroom's approach (i.e., motivation as a multiplicative function of expectancies, instrumentalities, and valence for rewards) such that results can be compared and contrasted. Moreover, it has been suggested that different industries or job characteristics require different selling strategies (Moncrief, 1986). The extent to which different cognitive and affective dimensions of I/E motivation fit different industry/job characteristics offers an opportunity for future investigators. In addition, it should be noted that the focus of this study was on formal sales control systems. However, informal sales control (e.g., Jaworski and MacInnis's (1989) notion of professional and self control) under some circumstances may be equally or more effective, especially given that informal sales control is relatively understudied (Baldauf et al., 2005) and is often used in team sales contexts (Jones et al., 2005). Finally, research attention directed toward cross-national sales control is limited. International marketing researchers are encouraged to investigate the applicability of our results in their future research endeavors.

## Appendix A

### Study measures, loadings, and reliability

Activity control ( $\alpha=0.83$ )	Loadings
1. My manager informs me about the sales activities I am expected to perform	0.780
2. My manager monitors how I perform required sales activities	0.789
3. My manager informs me on whether I meet his/her expectations on sales activities	0.763

(continued on next page)

## Appendix A (continued)

Activity control ( $\alpha=0.83$ )	Loadings
4. My manager readjusts my sales activities when necessary	0.548
5. I would be recognized by my manager if I perform sales activities well	0.695
<b>Capability control (<math>\alpha=0.90</math>)</b>	
1. My manager periodically evaluates the selling skills I use to accomplish a task (e.g., how I negotiate)	0.792
2. My manager provides guidance on ways to improve my selling skills and abilities	0.873
3. My manager evaluates how I make sales presentations and communicate with customers	0.862
4. My manager assists me by illustrating why using a particular sales approach may be effective	0.851
5. I would be commended if I improve my selling skills	0.654
<b>Outcome control (<math>\alpha=0.92</math>)</b>	
1. My manager tells me about the expected level of achievement on sales volume or market share targets	0.851
2. My manager monitors my performance on achieving sales volume or market share targets	0.852
3. I receive frequent feedback on whether I am meeting expected achievement on sales volume or market share targets	0.906
4. My manager ensures that I am aware of the extent to which I attain sales volume or market share targets	0.928
5. I would be recognized by my manager if I perform well on sales volume or market share targets	0.649
<b>Challenge seeking (<math>\alpha=0.92</math>)</b>	
1. I enjoy tackling sales problems that are completely new to me	0.871
2. I enjoy trying to solve complex sales problems	0.922
3. The more difficult the sales problem, the more I enjoy trying to solve it	0.885
4. I want my work to provide me with opportunities for increasing my knowledge and skills*	N/A
<b>Task enjoyment (<math>\alpha=0.71</math>)</b>	
1. What matters most to me is enjoying what I do	0.725
2. It is important for me to have an outlet for self-expression through my job	0.571
3. No matter what the outcome of a sales task, I am satisfied if I feel I gained a new experience*	N/A
4. It is important for me to be able to do what I most enjoy	0.745
<b>Compensation seeking (<math>\alpha=0.73</math>)</b>	
1. I am strongly motivated by the money I can earn through my sales job	0.755
2. I am keenly aware of the promotion goals I have for myself	0.547
3. I seldom think about salary or promotions ( <i>r</i> )*	N/A
4. I am keenly aware of the income goals I have for myself	0.808
<b>Recognition seeking (<math>\alpha=0.74</math>)</b>	
1. I am strongly motivated by the recognition I can earn from other people	0.837
2. I want other people to find out how good I really can be at my work	0.834
3. To me, success means doing better than other people	0.475
4. I am concerned about how other people are going to react to my sales performance*	N/A
<b>Behavioral performance (<math>\alpha=0.74</math>)</b>	
1. I am very effective in maintaining good customer relations	0.708
2. I am very effective in providing accurate information to customers and other people in my company	0.656
3. I am very effective in providing accurate and complete paperwork	0.654
4. I am very effective in acquiring the necessary knowledge about my products, competitor's products, and my customers' needs	0.607
<b>Outcome performance (<math>\alpha=0.80</math>)</b>	
1. I am very effective in contributing to my firm's market share	0.656
2. I am very effective in generating a high level of dollar sales	0.750
3. I am very effective in selling to major accounts	0.700
4. I am very effective in exceeding annual sales targets and objectives	0.737

Note: \*Item dropped during model respecification.

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