Account Managers Creation of Social Capital: Communal and Instrumental Investments and Performance Implications

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Account Managers Creation of Social Capital: Communal and Instrumental Investments and Performance Implications[1]

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Abstract

Account managers invest in two distinct, compensatory social ties to achieve social capital, namely peripheral knowledge ties and implementation support ties. The first ties require communal investments, which consist of organizational citizenship behaviors and peripheral information sharing. The second ties require instrumental investments that encompass reciprocity norms and strategic information sharing. Hypotheses are tested on a sample of 164 account managers who sell financial products/services to large customers. The findings show that account managers invest in both ties to attain peripheral knowledge accretion and implementation support which in turn result in improved performance.

Keywords:

account management, social capital, organizational citizenship behaviors, reciprocity

Introduction

Successful account management depends on two different sorts of roles or tasks. First, based upon their observation and assessment of customer needs, account managers sketch a frame or vision for products that matches customer needs; second, they need to implement this vision such that a final quality product arrives in time at the customer's premises. These two tasks are known, respectively, as product strategy formation and strategy implementation, and they are thought to require different resources and skills (Mittall, Ross, and Tsiros 2002). These tasks or roles are for (some) account managers not easy to blend or harmonize (Bonoma 1985). For the product strategy development part, such analysis and planning steps as understanding customer needs and translating them into product solutions are key, whereas for implementation, premium is placed upon enactment of practical details and getting the job done on time (Bonoma 1985; Noble and Mokwa 1999). Within organizations, account managers need to gain the support of their firm's employees, but they do not have the authority to direct the employee's activities (Weitz and Bradford 1999, p. 250), and consequently they need social capital, if they want to reach their performance goals. Social capital (Adler & Kwon 2002) is the actual and potential resources embedded within, available through, and derived from relationships possessed by an individual within his/her organization (see also Nahapiet and Ghoshal 1999, p. 120). Little is known on how account managers achieve social capital (e.g., Rindfleisch and Moorman 2001). The goal of this paper is to investigate how account managers gain social capital within their organization.

To carry out these queries, we build on the extant social capital literature (e.g., Bourdieu 1980; Coleman 1988). First, we distinguish between two different dimensions of social capital, namely peripheral knowledge accretion versus implementation support. Second, we explore the antecedents of social capital, specifically the motivated investments people make in colleagues to attain their resources. Third and finally, we also explore whether possession of social capital has consequences: we explore the performance of the account manager.

Account managers' role within firms

Account managers operate as boundary spanners within their organization. They also play a key role in the creation of value for the customer that takes place at the periphery of the company (Weitz and Bradford 1999; Sawhney and Parikh 2001). Value creation implies the ability to mobilize specific sets of resources -- which include skills (such as making contracts) and expertise (such as knowledge of financial products) -- from colleagues who operate within one's department or across extended institutional communities throughout the firm, such that tailor-made products or bundles of offerings can be produced that fit customers' needs and enhance profitability (Weitz and Bradford 1999).

To a certain extent, this bridging function of the account manager makes his/her colleagues resource dependent: account managers become the translators or information brokers for customer needs within their firm, and colleagues depend on the account manager's vision, if they are to perform their professional roles effectively (Pfeffer and Salancik 1978; Galaskiewicz 1985). However, making others resource dependent is but one part of the story. Account managers also face challenges, because they must socially construct a clear and attractive vision so that they can woo colleagues to share resources. Yet the consequences of any customer vision must not stretch the capabilities of the company too much, as the aim is to stimulate the development of procedures and routines that in the end secure profits for the organization (Cespedes 1995, chapter 7). This tension is inherent in marketing (Flint, Woodruff, and Fisher Gardial 2002), and it can be reduced through developing a vision that matches customers' idiosyncratic needs and the capabilities of the firm. Therefore account managers need to access two sorts of resources: information on organizational practices (to take the organization's capabilities and strategy into account) and time and implementation support from colleagues (to serve the customer's needs).

Consider first strategy factors. Account managers need a deep understanding of the strategy being implemented; both in its particular significance to the organization and in its fit with the broader strategic vision of the firm (Noble and Mowka's 1999, p. 71; Weitz and Bradford 1999). These strategies are embodied in a range of stories, narratives, and metaphors that epitomize different, yet relatively coherent, perspectives about the organization. They mainly come indirectly to life, when employees discuss how certain (new) incidents or behaviors ought to be regulated (Bannon and Kutti 1996). Using different stories and metaphors during such discussions, colleagues heedfully delineate what behaviors are permissible, what behaviors should be avoided, and possibly dissonant ideas might be vented accordingly. When account managers become aware of these stories, narratives, and metaphors, it increases the chances that they will be better able to envision products for their customers, such that they conform to the capabilities of their firm. Such social construction of knowledge within firms has been emphasized by Tsoukas and Hatch (2001), Weick (1995), and, specifically for marketing organizations, Rosa et al. (1999). Account managers access the knowledge stored in narratives, stories, and metaphors via <u>information ties</u>, that is, social ties with other people in the firm that provide them with narratives and stories about the organization. These ties are typically embedded in and targeted across different divisions within the organization (Walsh and Ungson 1991).

Time and implementation support from colleagues are the second class of resources. Account managers are under pressure to reach sales quotas. To succeed, they need to convince colleagues from different departments to share their skills and expertise (Noble and Mokwa 1999), such that a tailor-made product/service can be implemented in an efficient and speedy fashion (e.g., Kogut and Zander 1996). The implementation of a product vision is conceived as a weaving together of different skills and resources possessed by colleagues. Such an activity requires continuously searching for and connecting to colleagues, because customers differ in needs, resources, and responsiveness (see also Brown and Duguid 1991; Lave and Wenger 1991; Weick and Roberts 1993). An account manager therefore needs to tap into the scarce time and attention of colleagues who possess these skills and expertise, but at the same time s/he competes with other account managers who have similar intentions in relation to other customers or other products the firm may sell (Mittal et al. 2002). It is vital that account managers not limit their relationships with departments through formal rules and procedures (Noble and Mokwa 1999). Rather, they should forge ties with specific colleagues within these departments who possess specific abilities, competencies, and resources (Weitz and Bradford 1999; Achrol and Kotler 1999). Some colleagues, for instance, might possess more expertise than others, while still others might be more willing to work with one person than with someone else. Account managers seek to cooperate with people via what is termed, <u>implementation support ties</u> or internal coalitions (Anderson 1982), i.e., social ties with colleagues in the firm that are willing to work with them and support them in their efforts to produce high quality products that satisfy customer needs. Implementation support ties are carefully targeted and nurtured because of the special care and weighty time allocation that are often required from colleagues where complex, discretionary inputs are needed for full cooperation.

Although firms might introduce account management systems (e.g., Homburg, Workman, and Jensen 2002), that is, explicit guidelines for account managers on how to practice value creation within the firm, the value creation process in and of itself is intricate, uncertain in operation, and often marked by informal processes, so the level of specification and organization needs to be flexible and responsive to changing demands and constraints (e.g., Grewal and Tansuhaj 2001). Account managers therefore need information ties and implementation support ties with different colleagues in different departments. Everyday communication in such ties is generally intense and richly textured, such that considerable emphasis is placed on face-to-face interactions, in addition to mediated contact, and nonverbal communication skills often accompany and facilitate the more rational side of give and take. Social capital -- possessing social relationships from which one can mobilize resources -- promotes such informal and complex interactions as we develop below (e.g., Kostova and Roth 2003, p. 300).

Social capital as a lubricant for resource sharing

As Adler and Kwon (2002) point out, a personal orientation of goodwill to share resources is the substance of social capital: colleagues a) share peripheral information -- mostly in the form of stories, narratives, and metaphors, especially concerning the way the organization implicitly wants their employees to operate when in contact with customers -- and b) they provide implementation support, which is defined as detailed information about and actual help in solving a problem of the customer, a focal task of account management. Account managers cultivate such goodwill of colleagues; specifically they make investments in their social ties (hence, these may be perceived as antecedents of social capital), and they disperse favors and gifts, provide emotional support, and disclose information to colleagues.

These investments by account managers are motivated, and we distinguish two different motivations in this study: one is communal-based, the second is individual and instrumentally based (Portes, 1998). The two motivations reflect psychological needs for affiliation and for achievement, respectively (Bacharach, Bamberger, and McKinney 2000; Bakan 1966). Based upon communal motivations, account managers enmesh themselves socially within the organization (Bacharach et al. 2000), making colleagues more generously, yet subtly, inclined to share peripheral information than would be expected in relationships based solely on formal criteria. Second, based upon instrumental motivations, account managers signal reciprocity norms to some colleagues, which builds a climate of expectations with regard to mutual exchanges. This functions to establish colleagues as partners who are primed to reciprocate information, resources, and support.

Communal-based investments

As a consequence of their communal motivation, account managers make communal-based investments, that is, they engage in particular prosocial activities that foster a communal atmosphere. One way that employees enmesh themselves within their organizations so as to foster informal social ties is through their engagement in organizational citizenship behaviors (OCBs). OCBs are actions employees take that are neither expected nor part of the job-description, per se, but that nevertheless directly promote the welfare of colleagues and indirectly benefit the overall character of the organization (MacKenzie, Podsakoff, and Fetter 1993; Organ and Paine 1999), particularly through stimulating a willingness to share information (e.g., Bolino, Turnley, and Bloodgood 2002; Kalman, Monge, Fulk, & Heino 2002; Constant, Sproull and Kiesler 1996). True or sincere OCBs spring from a personal virtuous orientation or a sense of obligation or gratitude toward the organization and are affected by job satisfaction (Bolino 1999; Brief 1998; Organ and Paine 1999). OCBs promote a positive atmosphere within a social environment (Portes 1998; Putnam 1993), strengthening information sharing and cooperation. We explore how four dimensions of OCBs displayed by account managers affect peripheral information sharing (i.e., sharing of knowledge about the firm in the form of stories, narratives, and metaphors) by colleagues in their social ties: civic virtue, sportsmanship, helping, and courteousness.

Civic virtue involves active participation in such everyday company activities as attending meetings, responding to messages in a timely fashion, and keeping up with company affairs (McKenzie et al. 1991; Organ and Paine 1999). Engagement in civic virtue enlarges one’s ties, as contact with employees across departments typically occurs (Bolino et al. 2002). The opportunity for unplanned revelations and sharing of information that occur in such settings lead to serendipitous accretions of knowledge and opportunities for reciprocity. Certain types of knowledge are dependent on interactions between people for their quality, relevance, and appropriateness (Bannon and Kutti 1996). *Sportsmanship* implies enduring frustration, minor slights, and inconvenience not only without complaint but with a positive, upbeat attitude. Taylor and Aspinwall (1996) show that people with a more positive (as opposed to negative) outlook on their organization more easily develop social bonds. At the same time, the expression of positive emotions in the face of set-backs and discouragement is thought to be contagious and promotive of healthy ties (Hatfield, Cacioppo, and Rapson 1994). To the extent that account managers create a positive atmosphere, it is hoped that spontaneity can be encouraged and frank and open discussion will occur. *Helping* is the willingness to come to the aid of colleagues in terms of everyday support as well as in regard to burdensome workloads. Altruism in this regard builds trust, reinforces organizational identification, and promotes useful disclosures through the sharing of narratives (Bolino et al. 2002). *Courteousness* refers to efforts at creating a pleasant social climate and avoiding negativism in interpersonal exchanges. Courteousness implies the ability to take the perspective of and empathize with others. By considering the implications of their demeanor and actions on others, account managers promote a narrative of kindness and consideration, which complements more formal narratives rooted in job descriptions (Tsoukas and Hatch 2001). Courteous account managers are forthcoming, respectfully responsive, and share stories and metaphors with others (peripheral information sharing). Such upbringing of narratives and stories about the organization by the account manager might help in creating a communal atmosphere and stimulates colleagues to act similarly, by telling their own stories and narratives back to the account manager. Similarly, psychologists note that self-disclosures create closer relationships and leads to self-disclosures by interaction partners (Jourard 1971; Jourard and Jaffe 1970). In this regard, peripheral information sharing by account managers might elicit peripheral information sharing from others.

In sum, engaging in communal investments produce three effects, as summarized in the following hypotheses:

Hypothesis 1a. The more account managers engage in OCBs, the more they share peripheral information with colleagues.

Hypothesis 1b. The more account managers engage in OCBs, the more peripheral knowledge they gain from colleagues.

Hypothesis 1c. The more account managers share peripheral information with their colleagues, the more peripheral knowledge they gain from colleagues.

It is important to point out that such communal investments as described above, based on OCBs, are not so much the products of rational calculations as they are implicit or unplanned dividends accruing from everyday opportunities to express and enact one's caring for colleagues with whom one frequently interacts (e.g., Bolino et al., 2002). Nevertheless, account mangers can learn and be coached to a certain extent to offer and be receptive to gestures of support and caring, and the organization culture can be shaped to acknowledge and reward such participation. Information exchanged in such environments are not done in a quid pro quo manner, per se, but rather happen more or less spontaneously and as a consequence of the orientations of people to the human welfare of others (cf. Adler and Kwon 2002).

We turn now to a more purposive orientation that complements communal investments, especially in such strongly corporate goal-oriented endeavors as account management.

Instrumentally motivated investments

Implementation support is the strategic allocation of scarce time and resources to projects initiated by account managers, and it is achieved via implementation ties. For account managers to receive desired time and resources of colleagues, the literature suggests that they must be mindful of two principles. First, colleagues must incur costs to accrue any gains (Nahapiet and

Ghoshal 1998). Second, a climate of understanding must exist based on mechanisms of reciprocity (Axelrod 1984; Rindfleisch and Moorman 2001). Such instrumental orientations are needed in account management contexts, because account managers require the cooperation of different people to fulfill their objectives, yet they have no authority or formal mechanisms to compel or elicit such cooperation in many instances, given their boundary-spanning roles.

Strategic investments in this paper reflect a combination of two specific characteristics for providing information. Information can be made scarce by leaking out or rationing information (for instance about a customer or internal developments) or by careful segmentation and disbursement of information to only some colleagues but not others. In this regard economists refer to similar mechanisms as “richness of information” (Evans and Wurster 2000) or “versioning” (Shapiro and Varian 1999). Giving specified versions of information to particular people in one’s set of connections enhances the value of such information (as it is scarce), compared to when all information is shared with everyone. Shapiro and Varian (1999) elaborate on the versioning approach to sharing information by arguing that, if information is not versioned and/or made available to only particular people, its value tends to be diminished. Providing versioned information (<u>strategic information sharing</u>) (a) creates a distinctive identity for the donor within his/her firm (e.g., Hansen and Haas 2001) and (b) makes the recipient resource-dependent (e.g., Pfeffer 1992). Account managers function typically as “go-betweens” and thus are in a strategic position to selectively leak information in their firms. By providing a clear vision or frame for expectations, they create a platform so as to better weave together needed skills and expertise of colleagues (see Noble and Mokwa 1999, for a similar position). This gives account managers the ability to exploit their unique position to ration information that is to their own advantage and to omit communicating information that might run counter to their goals (see Webster 1992; Hagardon and Sutton 1997; Perry-Smith and Shalley 2003).

Because reciprocity norms are in general diffuse and tacit, account managers must find ways to create a climate that safeguards their own strategic investments; by doing so, they promote their instrumental motivations. Safeguarding takes place in two ways. First, account managers must signal the value of their strategic information sharing to colleagues in their network. Second, they must do so in a way that elicits reciprocity from their colleagues (Cosmides and Tooby 1992). Account managers therefore attempt to impute their own private "exchange norms" (MacNeil 1980) or "exchange ideology" (Eisenberger, et al. 2001) onto recipients. By doing so, they attain a reputation of goal-directedness and toughness. This reputation is generally cultivated as a contingent one in the sense that it becomes evident typically only when an interaction partner fails to fulfill expectations or understandings held by an account manager (Ostrom 2003). Indeed, recipients who do not reciprocate by providing their expertise and skills to account managers risk punishment (Fehr and Gachter 2000; Frank 1988). Yet, at the same time, account managers create reputations of a willingness to be forthcoming and initiate giving. As account managers seek to build implementation support ties, they must be willing to take the initiative and give first so as to set the stage for mutual reciprocity in the instrumental way that they envision to accomplish their goals. The private reciprocity norms proposed in this paper mirror Axelrod's (1984) well-known rule of 'tit-for-tat'. That is, it is posited that account managers first share strategic information, but if colleagues do not reciprocate in the desired way, they may be explicitly excluded from receiving certain favors or information the next time around. Such instrumental strategies are also known as "reciprocal altruism" (Trivers 1971) or "weak reciprocation" (Fichman 2003) in the literature. In the event of recipients "cheating", the expression of reciprocity rules by account managers functions as costly signals to recipients. Once account managers express their own reciprocity norms, they set the stage for their mediation of benefits and the unfolding of a network based on strategic investments.

Two mechanisms work to elicit reciprocation of instrumentally motivated investments: (a) giving per se stimulates reciprocation (Cialdini 2001) and (b) reciprocation is imputed via signaling of exchange norms. Such exchanges of benefits are expected to foster greater support in the form of implementation efforts on the part of network partners. That which stimulates strategic sharing by account managers at the same time induces their colleagues to share implementation support. Thus

Hypothesis 2a. The more account managers express reciprocity norms, the more they strategically share information with their colleagues.

Hypothesis 2b. The more account managers express reciprocity norms, the more implementation support they obtain from their colleagues.

Hypothesis 2c. The more account managers strategically share information with colleagues, the more these colleagues provide implementation support.

The relation between information and implementation ties

So far we have discussed investments influencing the attainment of peripheral knowledge and implementation support from colleagues, respectively. In what follows, we argue that factors affecting access to peripheral information do not aid in attaining implementation support and vice versa. This highlights the distinctive characteristics of both types of social capital. In contrast, we further argue that the two types of social capital *do* affect each other (see Figure 1 below).

Communal investments and implementation ties

As implementation support asks of colleagues their scarce time resources, we do not expect that sharing peripheral information with colleagues will directly increase account managers' implementation support. Nahapiet and Ghoshal (1998) argue in this regard that employees typically are not willing to share their valued time without getting adequate compensation. Peripheral information may not be considered adequate compensation, because it is shared with, and available to, everybody in the organization, thus having limited value (e.g., Shapiro and Varian 1999). OCBs are not likely to directly trigger implementation support either. Implementation support -- as opposed to peripheral information sharing -- involves heavy time commitments and also requires special attention and the setting of priorities by colleagues (in this regard, Davenport and Beck 2001, refer to attention allocation as a form of currency). The interpersonal exchanges that account managers create via OCBs, which are normally conducive for the sharing of peripheral information, should not directly affect the willingness of colleagues to provide implementation support, because the commitment required is generally quite high. In fact, in extreme cases, the more account managers engage in OCBs, the *less* they might be able to focus on their core task, which is the implementation of product strategies (e.g., Bolino et al. 2002). Over-engagement in civic virtue or helping, for instance, might cause account managers to be side-tracked from working to satisfy customer needs and weaving together the expertise and skills needed by colleagues to develop quality products, which is itself a highly involving process. For instance, Noble and Mokwa (1999) show that managers who are committed to the organisation or sought to enlarge the scope of their implementation efforts were less effective in their implementation performance.

Instrumental investments and information ties

Expressing and enforcing reciprocity norms requires specific actions on the part of the account manager. During such purposive interactions, colleagues are unlikely to bring up narratives and stories (peripheral information) that reflect general organizational practices, because they should perceive this information as unimportant or ineffective in triggering reciprocation by account managers. After all, peripheral information is readily available to everyone and of little instrumental value (Nahapiet and Ghoshal 1998). In addition, peripheral information exchange is largely the product of the positive social climate in the relationship, thus being stimulated only indirectly through communal norms rather than through tit-for-tat norms. As for the sharing of strategic information, such behavior might even be a handicap for attaining peripheral knowledge. That is, because account managers selectively build social bonds, especially in the purposive implementation of ties by the account manager, those excluded might feel ostracized or even envious not to be included. Therefore interaction partners might not be willing to bring up certain narratives or stories, thus limiting the perspective that account managers can attain. The exclusion of colleagues potentially conflicts with the aim of creating an open positive atmosphere needed to foster information sharing within social environments (e.g., Hatfield et al. 1994; Bolino et al. 2002).

Appropriability and convertability of social capital

Although the antecedents of the information and the implementation ties are clearly distinct, researchers note that different forms of social capital created for one purpose may influence or provide a source of valuable resources for other purposes (Adler and Kwon 2002; Nahapiet and Ghoshal 1998). This is known as the argument of "appropriable social organization" (Coleman 1988). Different configurations of social bonds may be interrelated in that they may (to a certain extent) serve each other's goals. Similarly, Bourdieu (1980) argues that social capital is convertible into different kinds of capital. Analogous to this argument, we assert that one type of social capital (e.g., that found in peripheral information ties) is convertible into another type of social capital (e.g., that found in implementation support ties). In Coleman's terminology, one type of social capital is available for appropriation for other purposes. More specifically, on the one hand, account managers that benefit from colleagues' goodwill to share peripheral information with them may find it easier to identify candidates that may provide them with implementation support. On the other hand, working with colleagues results in the acquisition of stories and metaphors of the organization (Bolino et al., 2002). The more managers are surrounded by, and hence communicate with, colleagues that provide them with implementation support, the more likely they will pick up these narratives. We therefore expect that peripheral knowledge accretion and implementation support enhance one another and therefore communal and instrumental investments, respectively, have direct and indirect effects on peripheral knowledge transfer and implementation support (see Figure 1). This leads us to hypothesize:

Hypothesis 3. Peripheral knowledge accretion affects implementation support positively and vice versa.

Consequences of social capital

Researchers on social capital (Ibarra 1992; Adler and Kwon 2002; Woodcock 1998) argue that people in organizations should keep a balance between different sorts of social capital as both allow people to accomplish their goals. Specifically, the peripheral knowledge accretion that happens allows them to make decisions that fit the capabilities of the firm. They will come to frame customer needs more in terms of the fit with their own firm rather than the other way around. By learning about the way things are done, account managers also can better seek the proper help from colleagues, interpret their behaviors more accurately, and build a knowledgeable base for future transactions (Bolino et al. 2002, p. 511). Similarly, account managers that are able to attain implementation support from colleagues should be more capable of matching customer expectations, that is, bringing products to customers on time and with desired standards of quality such that value can be created for customers.

It should be noted that this does not necessarily imply that the organization will be better off, but only that account managers' *individual* performance will tend to be better as a consequence of enhanced information transfer and implementation support. It is possible that some account managers will compete for colleague's resources to the detriment of other account managers. We therefore limit our hypothesis to effects on the performance of individual account managers:

Hypothesis 4. The greater the account managers' peripheral knowledge and implementation support, the higher the performance.

Method

Participants and Procedure

The questionnaires were given to 96 Dutch account managers who participated in an executive education program on sales and account management. All account managers worked in big companies in the financial products/services sector, being responsible for managing few large accounts. Each manager was asked to randomly distribute the questionnaires to five of their colleagues. One hundred sixty four account managers returned the questionnaires, for a 34% response rate. In exchange for their participation, account managers received a gift worth about 12 US dollars. The sample may be described as follows: a majority (about 77 %) of the account managers were men, about 30% were younger than 30 years in age, 45% were between 30 and 40 years old inclusive, 15% between 41 and 50 years old inclusive, and 10% older than 50 years. With respect to experience, 28% had been with the company less than 2 years, 38% between 2 and 6 years inclusive, 23% between 7 and 20 years inclusive, and 11% for 21 years or more. Finally, 82% had finished basic and advanced vocational studies, while 18% had a university degree.

Measures

Social capital. In accordance with recent conceptualizations of social capital (e.g., Adler and Kwon 2002; Kostova and Roth 2003), we operationalized social capital in terms of the benefits that stem from an actor's social ties. More specifically, we distinguish between access to information and access to implementation support. *Peripheral knowledge* accretion was measured by 3 items (e.g., "When I ask for it, others in my organization easily provide me knowledge about their specific department"; all items presented herein are translated from the Dutch). *Implementation support* was also measured by 3 items (e.g., " I can get the more influential people in my organization around me to get projects done"). The full set of all items used in the study can be found in the Appendix.

Antecedents of social capital. As for the investments of account managers in terms of information sharing, two items were used to measure the *sharing of peripheral information* with colleagues (e.g., “I easily share the information that I obtain about my organization with most of my colleagues”) and 3 items for the *sharing of strategic information* (e.g., “I share information with my colleagues to facilitate the realization of my ideas”). Drawing upon the research of Nahapiet and Ghoshal (1998) and Portes (1998), we identified two motivations for account managers to share information: one is communal based (i.e., organizational citizenship behaviors), the second is instrumentally based (i.e., communication of reciprocity norms). The motivations reflect human psychological needs for affiliation and for achievement, respectively (Bakan 1966). The measures for the *communication of reciprocity norms* are motivated by the work of Eisenberger et al. (2001) and Nahapiet and Ghoshal (1998). They refer to account managers’ efforts to signal an instrumental tit-for-tat orientation to their colleagues and consist of three items (e.g., “I am known as the ‘deal-maker’ within my organization”). The measures of *organizational citizenship behaviors* were adopted from MacKenzie, Podsakoff, and Fetter (1991) and Podsakoff and MacKenzie (1994): (1) *civic virtue*, i.e., behaviors that indicate that the salesperson participates in the life of the organization, was measured with 3 items (e.g., “I suggest improvements for procedures and practices of the company”), (2) *sportsmanship*, i.e., the willingness to tolerate less-than ideal circumstances without complaining, was measured with 4 items (e.g., “I always look on the bright side of the matter”), (3) *helping*, i.e., voluntary actions to offer support or come to the aid of another person with work-related problems, was measured by 3 items (e.g., “I help colleagues who have heavy work loads”), and finally (4) *courtesy*, i.e., actions that anticipate or help prevent work-related problems with others, was measured by 4 items (e.g., “I consider the impact of my actions on others”).

Performance. For measuring account managers' performance, we adapted a scale from Behrman and Perreault (1984), which measures different types of sales performance and consists of 7 items (e.g., "Compared to the average account manager in the firm, I sell products with a high profitability").

Responses for all items were obtained on 7-point Likert scales ranging from (1) 'very low' to (7) 'very high'.

Analytic Methods

To test the proposed factor structure, as well as convergent and discriminant validity of the above measures of constructs, we used confirmatory factor analysis (CFA). The relationships between antecedents of social capital, social capital proper, and performance were tested by use of structural equation models. The AMOS 4 program was employed in this regard (Arbuckle 1999). The goodness-of-fit of the models was assessed with chi-square tests, the root mean square error of approximation (RMSEA), the comparative fit index (CFI), and the incremental fit index (IFI). Discussions of these indices can be found in Bentler (1990), Browne and Cudeck (1993), and Marsh, Balla, and Hau (1996). Because 35 items were used as measures, we combined items into parcels so as to yield two indicators for each latent variable. This was done for those scales with 4 or more items and whose properties have been tested extensively in past research and reported elsewhere; that is, this was done for the four organizational citizenship behaviors and the performance scale. For the social capital scales and the instrumental motivation scale, we used the individual items as indicators. This meant that we used a type of "partial disaggregation" model for our test of the CFA, as recommended by Bagozzi and Edwards (1998), which yields a satisfactory ratio of sample size to parameters to be estimated. It should be mentioned that, with respect to the interpretation of the findings to follow, the items for sportsmanship are reverse coded in accordance with the original version of the scale. This means, therefore, that relationships between this variable and the other organizational citizenship behaviors should be negative.

Results

Confirmatory Factor Analysis

Table 1 displays the means, standard deviations, reliabilities, and correlation coefficients for the latent constructs. For the test of the CFA, the fit indices show that the proposed model fits satisfactorily: χ^2 (207) = 339.50 (p=.00), CFI=.91, IFI=.91, RMSEA=.06. The factor loadings were consistently high: peripheral knowledge accretion (.74 to .89), implementation support (.66 to.89), peripheral information sharing (.74 and .83), strategic information sharing (.57 to .75), instrumental motivation (ranging from .51 to .72), civic virtue (.64 to .72), sportsmanship (.68 to .91), helping (.73 to .82), courtesy (.70 to .91), and performance (.77 to .86). Table 1 reveals further that the intercorrelations among the factors are only low to moderately high (ranging from -.32 to .47), and the confidence intervals suggest that discriminant validity has been achieved.

[Table 1 about here]

Tests of Hypotheses

Figure 1 summarizes the findings for hypothesized paths, where only the paths among latent variables are shown for simplicity. This model fits the data very well: $\chi^2(23)=30.95$, $\underline{p}=.12$, CFI=.97, NNFI=.94, and RMSEA=.05.

Looking first at the results for communal investments, we see that courtesy has a positive effect on peripheral information sharing ($\gamma=0.60$, $\underline{t}=4.02$), and both civic virtue ($\gamma=0.27$, $\underline{t}=2.41$) and sportsmanship ($\gamma=-.022$, $\underline{t}=-3.24$) affect peripheral knowledge transfer. Thus, support is found for hypotheses H_{1a} and H_{1b}. Contrary to H_{1c}, however, peripheral information sharing on the part of account managers did not affect peripheral knowledge transfer from colleagues, as the path in question is non-significant ($\beta=-0.03$, $\underline{t}=-0.64$).

[Figure 1 about here]

Next, turning to the findings for instrumental investments, we discover that the communication of reciprocity norms influences strategic information sharing (γ=0.39, t=4.72) and implementation support (γ=0.34, t=4.11); and strategic information sharing, in turn, also affects implementation support (β=.21, t=2.87). Therefore, hypotheses H_{2a}, H_{2b}, and H_{2c} are supported.

Hypotheses 3 addresses the reciprocal relationships between the two outcomes of social bonds: peripheral knowledge accretion was predicted to influence implementation support, and implementation support, in turn, was forecast to influence peripheral knowledge accretion. Both paths received support: peripheral knowledge accretion affected implementation support (β=.22, t=1.99), and implementation support influenced peripheral knowledge accretion (β=.25, t=2.00).

Finally, both social capital outcomes were expected to have an impact on performance. The results show that peripheral knowledge accretion (β=.16, t=2.88) and implementation support (β=.25, t=4.31) both influenced performance. Hence, hypothesis H_4 is supported.

Tests of rival hypotheses

The hypotheses developed in this paper, as reflected in Figure 1, constitute relatively specific propositions in the sense that particular predictions for mediation are made. To test for rival hypotheses in the sense of direct, non-mediated effects, not specified in Figure 1, we investigated all such paths in a set of four collections of predictions presented below.

To verify whether the communication of reciprocity norms and the sharing of strategic information affect peripheral knowledge accretion, we tested a model with paths added from communication of reciprocity norms, as well as from sharing of strategic information, to peripheral knowledge accretion. In Table 2 model M2 presents the findings. None of the new paths was found to be significant. Thus, it can be concluded that implementation support fully mediates the effects of instrumental investments (i.e., communication of reciprocity norms and strategic sharing) on peripheral knowledge accretion.

Secondly, we added paths from the four dimensions of citizenship behaviors, as well as from peripheral information sharing, to implementation support to test whether antecedents of peripheral knowledge influence the attainment of implementation support. The results are given in M3 in Table 2. The chi-square difference test shows that the rival model with added paths does not fit significantly better than the baseline model; interestingly though, we found one of the paths to be barely significant: courtesy negatively affected implementation support (β=-0.17, t=-1.97). Therefore, we may conclude that peripheral knowledge transfer mediates (most of) the effects of communal investments on implementation support. The primary effects of communal investment reside in civic virtue and sportsmanship (enhancing peripheral knowledge) as well as courtesy (facilitating peripheral sharing and compromising implementation support).

Next we added paths from peripheral sharing and the OCBs to performance. Model M4 presents the findings in Table 2. It can be seen that none of the 5 direct paths is significant. Therefore, given also the results summarized in Figure 1, we may conclude that peripheral knowledge accretion fully mediates the effects of civic virtue and sportsmanship on performance, and peripheral information sharing has neither direct nor indirect effects on performance.

[Table 2 about here]

Finally, we added paths from strategic sharing and communication of reciprocity norms to performance. Model M5 in Table 2 presents the results, where it can be observed that neither of the 2 paths is significant. Hence, given also the findings displayed in Figure 1, we may conclude that implementation support fully mediates the effects of strategic sharing and reciprocity norms on performance.

In sum, the results in Figure 1 and the tests of the tests of rival hypotheses summarized in Table 2 provide support for the hypotheses developed in this paper. Further, the data are consistent with the mediational mechanisms implied by Figure 1.

Discussion

Account managers' social capital is the goodwill of colleagues within their organization to share resources, and it depends on the motivations that account managers have and the prior investments that they make. The authors proposed a task-contingent approach of social capital because of the way the resources are distributed in the firm. Account managers seek *peripheral knowledge* that is distributed throughout the firm to ensure that their vision during product framing for the customer conforms to the organizational practices stored in narratives and metaphors that are told and used in the firm. In order to implement their product visions with appropriate quality standards and time constraints, account managers seek *implementation support* to gain access to the time and attention resources of colleagues, which are scarce and unequally distributed within the firm (Pfeffer and Salancik 1978). Both types of social capital are needed to achieve goals within the organization, and, in order to attain them, account managers have to be in a sense instrumental and altruistic at the same time. Although the two types of ties overlap (i.e., the reception of implementation support helps account managers accrue peripheral knowledge and vice versa), they are motivated by different investments, and access to the ties, in turn, translates into better performance. In what follows, we first discuss the findings more closely, then focus on managerial and research implications.

First, account managers gain access to peripheral information by partaking in OCBs, which signal a communal motivation and thus create a specific climate conducive to promoting open exchanges. Interestingly, specific types of OCBs led either to sharing or attainment of peripheral information. For our particular context of account management, sportsmanship and civic virtue directly lead to knowledge accretion, whereas courtesy promotes the sharing of peripheral information with colleagues by account managers. Unexpectedly, helping did not have a significant effect on either peripheral information sharing or peripheral knowledge accretion. One reason for this might be that when account managers help their colleagues, the focus is on task-oriented activities, unlike for the other dimensions of OCB, which are nonpurposive in nature (e.g., MacKenzie, Podsakoff, and Fetter 1991; Podsakoff and MacKenzie 1994). In such a climate of "getting things done", the exchange of stories is not particularly germane. Therefore helping, per se, might not be conducive to stimulating information flow. Similarly, the sharing of peripheral information by account managers did not lead to peripheral knowledge accretion in our study. It is likely that different OCBs are efficacious in different organizations, depending on the particular employees and knowledge. It seems that account managers and their colleagues engage in what Brown and Duguid (1998) call the "knowledge generation dance", implying that during interactions account managers and colleagues profit from, add to, and stretch the organizational knowledge base (see also, Bannon and Kutti 1996). This phenomenon is aptly described by Brown and Duguid (1991, p. 47) as follows: "In telling stories an individual rep contributes to the construction and development of his or her identity as a rep and reciprocally to the construction and development of the community of reps in which he or she works".

Second, somehow unexpectedly the sharing of peripheral information by the account manager did not elicit similar activities by colleagues. In this regard, peripheral information transfer from colleagues did not follow a reciprocal logic, instead it was triggered exclusively by communal motivations. Peripheral knowledge accretion hence seems to follow a spontaneous process, which can be stimulated indirectly through the creation of a communal atmosphere, particularly by engaging in OCBs. Account managers' sharing of peripheral information on the other hand proved to be of no value either for the attainment of social capital or the achievement of sales goals.

Third, the exchange regime of the implementation ties clearly was instrumentally motivated for the context under study. In taking a boundary-spanning stance, account managers signaled a sort of toughness to their colleagues via the expression of specific exchange rules. This suggests that account managers are willing to share strategic investments (information) with colleagues who, in turn, reciprocate this behavior by providing implementation support. In addition, the resource dependent position of colleagues on account manager's ties in and of itself motivates them to give support. Bonoma (1985) expressed a similar interpretation of how support ties operate within firms:

> "The final characteristic of effective interactors was an implicit understanding of the nature of relationships as characterized by exchange, tit-for-tat, trading of utility, and other "social market value" characteristics. No matter how expressed, whether as "there ain't no free lunch" or "you give and you get," it was implicitly understood and acted upon by the good interactors that compromise, logrolling, and the principles of exchange are what dominate management life" (Bonoma 1985, p. 133-134).

Fourth, via accretion of peripheral knowledge and the attainment of implementation support, social capital eventually becomes transformed into better performance. This finding illustrates that access to networks and their specific resources are vital for successful performance. Although such researchers as Woodcock (1998) and Ibarra (1992) have suggested that goal accomplishment will be enhanced when portfolios of different social ties are cultivated, specific hypotheses have not been tested in this regard. Our study is one of the first to investigate such processes in marketing. However, although we did use managerial performance evaluations for our validations of the model, we did not explicitly investigate whether account managers' performance fit company goals. It is possible, for instance, that account managers might claim resources from colleagues, and these resources might flow to customers with little or no strategic relevance for the company (Whitney 1996). For similar reasons, organizations introduce account management systems to better allocate resources to key customers (Homburg et al. 2002).

Fifth, when account managers invest in courtesy, it actually inhibits their ability to attain implementation support, and thus overly investing in courtesy reflects sunk costs. This finding shows that the creation of a communal environment does not motivate colleagues to share their scarce time and attention resources; on the contrary, the more account managers engage in courtesy, the less they are capable of attaining implementation support. Two specific reasons for this can be put forward: 1) by engaging in courtesy a person enmeshes him/herself into the organization, whereas seeking implementation support is based upon pursuing one's own individual goals, and 2) by discussing one's impact on others, the signaling of exchange norms and the sharing of strategic information become blurred, and colleagues might not appreciate the message. That is, account managers might be conceived as persons who are too nice and unable to signal toughness. We caution that the coefficient found supporting the above mentioned negative effect of courtesy was barely significant.

Given that communal and instrumental investments had additive effects in our study, this would seem to suggest a somewhat ambidextrous view of the way account managers accomplish goals. This study shows the complexity of gaining social capital: social capital consists of two different types of social ties, which are driven by differently motivated investments. Account managers have to learn to integrate these two signaling methods, and both methods might be characterized as a person's "network-competence". "Competence" implies that account managers purposively seek to master and integrate seemingly incongruous skills, such that they can handle conflicting situations and accomplish their goals. In this regard, Erickson (1997) speaks about an agentive and self-directed process, Weitz and Bradford (1999) talk about the ability for initiation (controlling) and enhancement (maintaining relationships). The psychological literature supports a somewhat similar idea with the construct of androgyny, that is, combining and expressing both so-called ‘male’ and ‘female’ attributes (Bem, 1974, 1979). Account managers who possess this ability might be both empathic and instrumental at the same time. But how should account managers who only possess one or the other of the two motivations accomplish this?

Altruistic account managers in the sense of conducting OCBs might be able to embed themselves easily within the organization. But in our study, OCBs and the communication of reciprocity norms were uncorrelated (see Table 1). Indeed, as Bacharach et al. (2000) have shown, people with a communal motivation might be good at immersing themselves into their social environment (organization) but subsequently might “loose themselves”, because they are unable to create appropriate boundaries between themselves and others. Even if altruistic account managers were able to learn how to effectively signal exchange norms under conditions where network partners are resource dependent on them, they might still experience mixed feelings. Exline and Lobel (1999), for instance, show that people who achieve dominance often feel guilty. They are afraid of appearing too successful to colleagues they feel united with, fearing to provoke envy and other negative reactions. Learning how to integrate communal and instrumental tactics poses challenges for account managers.

What about account managers who have clear instrumental motivations but lack altruistic motivations? Such account managers should be able to handle the resource dependence of interaction partners relatively easily. But helping such managers also develop communal skills may prove to be difficult. Bolino (1999) notes that if account managers display OCBs for impression purposes, interaction partners may become suspicious and feel that their altruistic behavior is artificial, if they detect insincerity or ulterior motives.

Future research

Four issues for future research deserve particular attention. First, although we conceived of social capital as a mechanism for achieving goals, it is also possible that the operation of social capital has additional side benefits. Account managers who perform well often stand-out and attract the attention of colleagues (Gilbert, 1990). This leads people to want "to join a winning team", because it fosters success and greater identification in their own professional work. Colleagues joining the band-wagon so to speak may be willing to provide more implementation support (and to a certain extent also share peripheral information). A longitudinal study is needed that unravels the mechanisms showing how account managers' performance and social capital relate to each other over time.

Second, it is possible that account managers might seek to attain resources in ways that do not aid their organization. For instance, some account managers might be very successful in attaining implementation support, but it might come at the cost of other account managers. This might mean that customers of the disadvantaged account managers might become dissatisfied, and the firm will be hurt.

Third, account managers' use of exchange norms in their search for resources might lead to unethical behaviors, a warning made by Achrol and Kotler (1999). It is perhaps only a small step from signaling exchange norms to signaling threats to colleagues, if they do not cooperate or provide implementation support. Threats might be used for one's personal gain and not the firm's, especially for those with Machiavellian tendencies. This is one reason why firms nowadays have introduced account management systems and ethical guidelines as institutionalized ways to manage the resource allocation processes. Furthermore, because accounts often represent large customers, and thus are vital to the organization, top management should become involved in setting guidelines on how account managers should share and receive resources. Organizations therefore should make resource sharing public events, and not be left to the personal agendas of account managers (a similar point is made by Kostova and Roth 2003). This is to ensure that cooperation and competition will be functional within the firm (Katz and Koenig 2001).

Finally, we suggested that account managers should share strategic information to build social capital in the form of implementation support, and those investments are clearly instrumentally motivated. But having such motivation might not be enough. Account managers also have to possess practical intelligence or "street-smarts" (Sternberg and Wagner 1986). Of particular concern is "shaping ability". That is, an important element of practical intelligence is the ability to adjust the environmental context to be more in line with one's resources, and to change the customer's values and priorities by managing the context or information flow that is provided to the customer (Sujan 1999). The process of shaping then involves conscious efforts to change the context of the selling situation through acquiring and disseminating strategic information via social ties or interpersonal communication. Similarly, account managers might use their shaping ability on their colleagues. This further deepens, however, the existing information asymmetry between account managers and their colleagues.

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Appendix: List of scales

Social Capital

Peripheral knowledge accretion

When I ask for it, others in my organization easily provide me knowledge about their specific department

Almost everybody easily shares information with me about the way we do things in my organization

Almost everybody easily shares information with me about important matters in our organization.

Implementation support

In order to get something done in my organization I can surround myself by the better people in the organization.

I easily surround myself with the suitable (proper) people such that I can get things done

I know how to motivate others such that I can finish up projects.

Communal Investments

1. Peripheral information sharing

I easily share the information that I attain about the things going on in my organization with almost everybody in my organization.

I easily share the information that I attain about my organization with most of my colleagues.

2. Organizational Citizenship Behaviors

Civic virtue

I "keep up" with developments in the organization.

I attend functions that are not required, but that help the organization image.

I read and keep up with the organization's announcements, messages, memos, etc.

Sportsmanship

I consume a lot of time complaining about trivial matters.

I tend to make problems bigger than they are.

I always focus on what is going wrong with my situation, rather than the positive side of it.

I always find fault with what the organization is doing.

Helping

I help orient new colleagues even though it is not required.

I am always ready to help or to lend a helping hand to those around me.

I willingly give of my time to help others.

Courtesy

I respect other people's rights to common/shared resources (including clerical help, materials, etc.).

I consider the impact of my actions on others.

I "touch base" with others (inform them in advance) before initiating actions that might affect them.

I try to avoid creating problems for others.

Instrumental Investments

1. Strategic information sharing

When it strengthens my position within the organization, I give information to specific persons.

I share information with my colleagues in order to facilitate the realization of my visions or strategy

When I think that I can influence the way my organization operates, then I will share the necessary information with my colleagues.

2. Communication of reciprocity norms

I do not simply share my information with everybody, I think: tit for tat!

If I have done something for another person, I can easily say, “now it is your turn”.

I am a bit known as the “dealmaker” within my organization

Performance

Compared to the average account manager in the firm, I score [(1) ‘very low’ to (7) ‘very high’] in…

producing a high market share for my organization in my territory.

selling products with a high profitability.

generating a high level of dollar sales.

quickly generating sales of new products.

identifying and selling to major accounts in my territory.

selling long-term contracts.

exceeding sales targets for my territory during the year.

TABLE 1: Descriptive statistics, correlations, and reliabilities

Variable	1	2	3	4	5	6	7	8	9	10
1. Peripheral information sharing	(.76)[a]									
2. Strategic information sharing	.11	(.65)								
3. Peripheral knowledge accretion	.01	.11	(.86)							
4. Implementation support	.10	.33**	.47**	(.80)						
5. Reciprocity norms	.04	.35**	.17	.40**	(.63)					
6. Civic virtue	-.03	.08	.33**	.14	.08	(.67)				
7. Sportsmanship	-.11	.06	-.32**	-.15	-.01	-.29**	(.79)			
8. Helping	.08	.16*	.23	.10	-.02	.46**	-.15	(.75)		
9. Courtesy	.29**	.02	.08	-.07	.00	.32**	-.10	.39**	(.73)	
10. Performance	.06	.17*	.38**	.44**	.22**	.21**	-.26**	.04	-.08	(.83)
Mean	4.48	5.17	5.58	5.25	4.57	5.72	2.81	5.48	5.35	4.93
Std. Dev.	1.50	0.96	1.07	1.01	.86	.75	1.11	.90	.83	.75

[a] Reliability coefficients are displayed in parentheses on the diagonal.

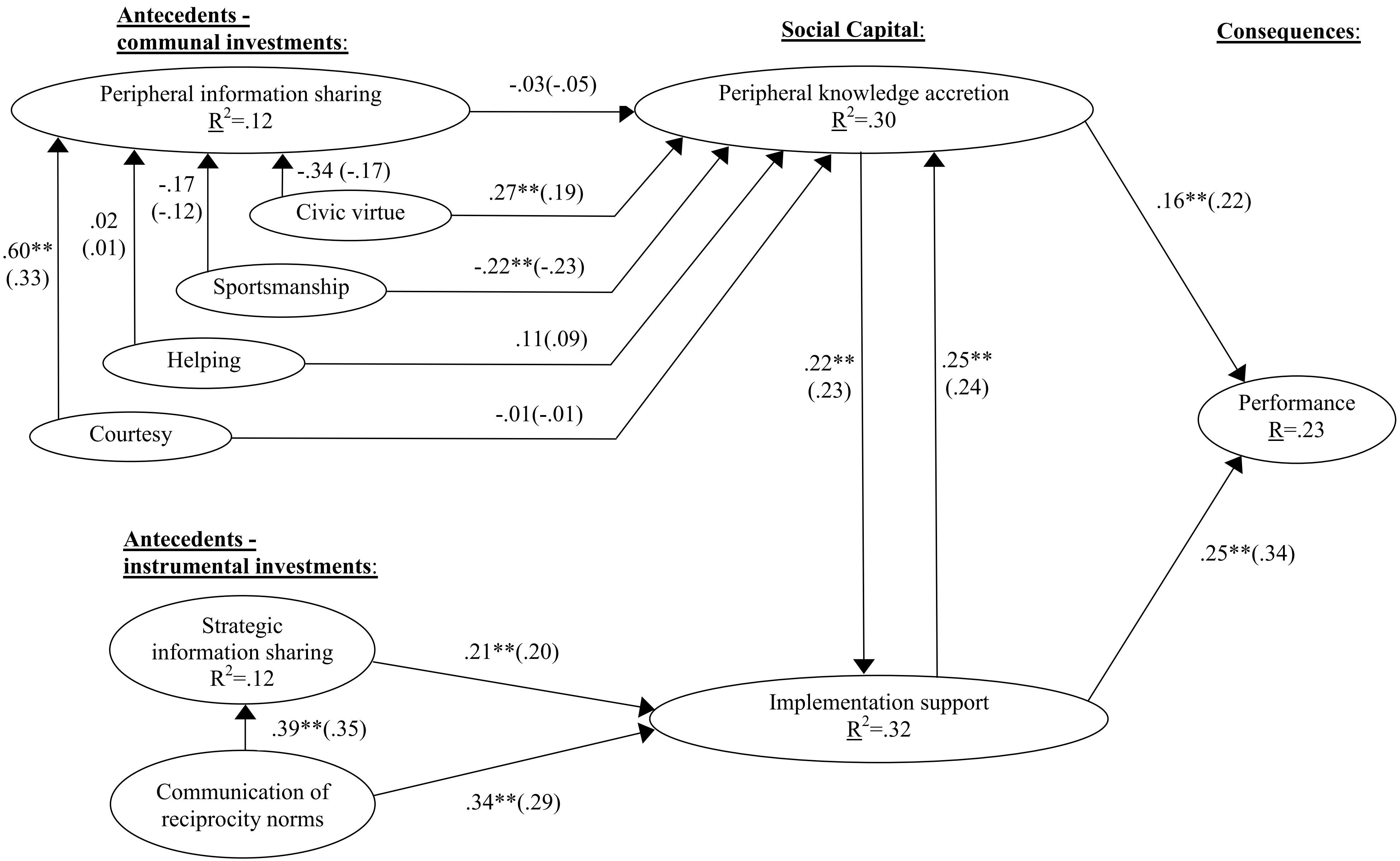
* p<.05

** p<.01

TABLE 2: Tests of alternative models

Model		Fit Index	Test of hypothesis and conclusion
M1	Baseline (Figure 1)	χ^2 (23) = 30.95, p=.12 CFI=.97 TLI=.94 RMSEA=.05	Model in Figure 1 is consistent with the data.
M2	Added paths from reciprocity norms and from strategic information sharing to peripheral knowledge accretion.	χ^2 (21) = 29.00, p=.11	M2 – M1: χ^2_d (2) = 1.95; p=.38 Instrumental motivation does not affect peripheral information sharing or knowledge accretion directly.
M3	Added paths from OCBs and from peripheral information sharing to implementation support.	χ^2 (18) = 22.84, p=.20	M3 – M1: χ^2_d (5) = 8.11; p=.15 Communal motivation and peripheral information sharing do not affect implementation support directly.
M4	Added paths from peripheral information sharing and OCBs to performance.	χ^2 (18) = 21.10, p=.27	M4 – M1: χ^2_d (5) = 9.85; p=.08 Peripheral information sharing and OCBs do not affect performance directly.
M5	Added paths from strategic information sharing and from communication of reciprocity norms to performance.	χ^2 (21) = 30.37, p=.09	M5 – M1: χ^2_d (2) = .58; p=.75 Strategic information sharing and reciprocity norms do not affect performance directly.

Figure 1. Findings for Structural Equation Model



Note: Unstandardized parameters not in parentheses, standardized parameters in parentheses. (**$p < .01$)

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