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# Towards an Instrumentality Theory of Salesforce Motivation: A Pragmatic Model

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#### Abstract

Finding an effective combination of motivations may be easier if a sales manager understands some of the behavioural factors that affect salesforce motivation. This study was undertaken to determine the behavioural factors that relate to the salesperson's needs and to the conditional links between performance and rewards and between effort and performance. The study was guided by the Expectancy Theory which posits that motivation is high when workers believe that high levels of effort lead to high performance and high performance leads to the attainment of desire outcomes. A sample size of 244 salespeople and managers in selected manufacturing firms in Nigeria was determined using the Taro Yamane formula. Data from the study were analyzed using descriptive and inferential approaches. Simple tables, charts and table of means were used as descriptive tools. For hypothesis testing, anova, t-test and correlation analysis were used to judge the significance of the result obtained. Principle component (pc) extraction model was used in the multiple-factor analysis to predict inter dependency and interaction outcome among the variable. The result shows a satisfied significant of the independent variables at P = 0.05 level of significant and a corresponding values of F = 129.925, indicating that the amount of effort the salesperson desires to expand on each activity or task associated with the job – the individual's motivation - can strongly influence his or her job performance. As with expectancies, sales managers should be concerned with both the magnitude and the accuracy of their subordinates' instrumentalities. When the magnitude of a salesperson's instrumentality estimates is relatively large, he or she believes there is a high probability that improved performance will led to more rewards. Conversely, he or she will be more willing to expend the effort necessary to achieve better performance. Therefore, given a salesperson's expectancy instrumentality perceptions and valences for rewards, this study suggests that a sales manager can predict the level of that person's motivation to expend effort on a specific job activity. To do this, one multiplies the person's expectancies that the activity will lead to a given performance on various dimensions by valence for this performance and then sums across all performance dimensions.

**Keyword:** Expectancy, Instrumentality, Valence, SalesForce Motivation, Supervisory Variables, Job Satisfaction, Principle Component, Manufacturing Firms.

## **Introduction:**

The sales job consists of a large variety of complex and diverse tasks. Because of this, it is important that the salesperson's effort be channeled in a direction consistent with the company's strategic plan. Therefore, the direction of the salesperson's effort is as important as the intensity and persistence of that effort. A sales manager concerned with motivating salespeople finds that the most complex task is getting them to expend effort on activities consistent with the strategic planning of the firm. Many salespeople don't need external stimulation to work hard and long; their internal needs can motivate them to do so. However, every salesperson must be motivated to change its allocation of calls in a way that is consistent with strategic change (Uduji, 2013). The nature of the sales job, the individuality of salespeople, the diversity of company's goals, and the continuing changes in the market place make motivating salespeople a particularly task salespeople experience a wonderful sense of exhilaration when they make a sale. But they must also frequently deal with the frustration and rejection of not making the sale. Every good salesperson don't make every sale. Also, while many customers are gracious, courteous, and thoughtful in their dealing with salespeople, some are rude, demanding, and even threatening. Salespeople spend a large amount of time by themselves calling on customers and travelling between accounts. This means that most of the time they are away from any kind of support from their peers or leaders, and they often feel isolated and detached from their companies. Consequently they usually require more motivation than is needed for other jobs to reach the performance level management desires (Uduji, 2013; Kotler and Keller, 2006). Salespeople have their own personal goals, problems, strengths, and weakness. Each salesperson may respond differently to a given motivating force. Ideally, the company should develop a separate motivational package for each salesperson; but a totally tailor-made approach poses major practical problems. In reality, management must develop a motivational mix that appeal to the varying individual needs. A related point is that the salespeople themselves may not know why they react as they do to a given motivator or they may be unwilling to admit what these reasons are. For example, a salesperson may engage in a certain selling task because it satisfies her ego. Rather than admit this, however, she would say that she is motivated by a desire to



serve her customers (Uduji and Onwumere, 2013). A company usually has many diverse sales goals, and these goals may even conflict with each other. One goal may be to correct an inbalance inventory and another may be to have the salesforce do missionary selling to strengthen long-term customer relations. These two goals conflict some what and require different motivating forces. With diverse goals such as these, developing an effective combination of motivators can be difficult. Changes in the market environment can also make it difficult for management to develop the right mix of salesforce motivational methods. What motivates salespeople today may not work next month because of changes in market conditions. Conversely, sales executives can face motivational problems when market conditions remain stable for an extended period of time. In this situation, the same motivators may lose their effectiveness (Uduji, 2013; Kotler and Armstrong, 2010).

Finding an effective combination of motivators may be easier if a sales executive understands some of the behavioural factors that affect salesforce motivation. Managers must know what salepeople's needs and before determining how to motivate them to satisfy this needs. Motivational programs often fail because they appeal to the wrong needs. An argument against Maslow's need theory (1954) that tries to induce a new theory is by vroom (1964) who states that there is more to motivation than needs, that a need will not motivate an individual unless he has a strong preference for the outcome of his actions (valence) and unless he believes that the outcome will satisfy his need (expectancy). The argument states that it is the strength of one's preference for a certain outcome and one's expectations of achieving the outcome that play an important role in motivation. Thus expectancy theory holds that a person will work towards something, such as organizational objectives, when he expects that the consequences of doing that which he preferred will be favourable and probable. One may ask whether a need without positive expectation of its satisfaction is really a need or a desire or a day-dream? Therefore, this study is intended to expand the postulation of expectancy theory by exploring the three major factors that determines a salesperson's motivation: expectancy, instrumentality, and valence.

## **Theoretical Framework**

This study is guided by Expectancy Theory, formulated by Victor H. Vroom (1964), which posit that motivation is high when workers believes that high level of effort lead to high performance and high performance leads to the attainment of desired outcomes. Expectancy theory is one of the most popular theories of work motivation because it focuses on all three parts of the motivation equation: inputs, performance, and outcomes. Expectancy theory identifies three major factors that determine a person's motivation; expectancy, instrumentality, and valence. This topic of motivation has attracted the attention of many writers. Uduii (2013) defines motivation as the driving force that stimulates an individual to action. Uduji and Onwumere (2013) describe it as a process of stimulating people to action to achieve a desired goals or accomplish desired tasks. Vroom (1964) gives a more conceptual definition of motivation. According to him, motivation is a process governing choices made by a person or lower organisms among alternative form of voluntary action. For our purposes, we define the process of motivating employees as influencing subordinates to work for a cause desired by the motivator or leader. Motivating must therefore be distinguished from making workers happy which is associated with the good disposition of an individual or group, a disposition which need not necessarily result in working for a cause desired by the leader. An informal group conversing convivially when the boss is happy but not necessarily motivated. Modern theories of motivation are based on the researches of Western writers as Douglas McGregor, Abraham Maslow, Fredrick Herzberg, Victor Vroom, and McClelland David. Nearer home, the recent researches of Joseph Ikechukwu Uduji of University of Nigeria are a landmark in the field of motivation theory in Nigeria. McGregor (1960) describes the assumptions made by managers practicing two opposing leadership styles. The assumptions presumed to be made by the autocratic manager are set out in his Theory Y. For example, he states that "most people must be coerced, controlled, threatened with punishment, to get them put forth adequate effort toward the achievement of organization objectives. On the other hand the assumptions presumed to be made by the permissive, group-centered or democratic manager are grouped into his Theory Y. Maslow (1954) major contribution is in identifying and arranging those needs of the individual, which if adequately satisfied at the right time and place will motivate the individual to produce. He identifies five such needs, which he arranged in a hierarchy from such lower needs as psychological and safety needs, to such higher needs as social needs for love and a sense of belonging, esteem needs for achieve and recognition, self-actualization needs, A disconcerting aspect of his theory is his assertion that man is a wanting animal, as soon as one need is satisfied, another appears in its place. However, the prospect of 'satisfying' a need ought to be the taken with circumspection. For it has been shown that a 'satisfied' need does not disappear completely, nor is it crowded out by the unsatisfied ones. Rather it exists as act of a spring board from which the other needs emanate. For instance no man has ever permanently satisfied the physiological needs for eating and drinking, though these are supposed to be far down the need hierarchy.

Herzberg (1966) "dual-factor", motivator - hygiene, satisfier-dissatisfier theory of motivation has completely shaken common place motivation assumptions to their foundation. He classified all "motivation" instruments into two, namely: the hygiene or extrinsic factors which exists outside the work itself. These include the physical



environment, inter-personal relationship, salary, supervising, job security, company policy and administration. According to him, the existence or augmentation of these hygiene factors does not motivate the worker to produce more, but their absence or reduction causes dissatisfaction. He therefore calls them dissatisfiers. On the other hand, his motivator or intrinsic factors exist within the work itself. These include opportunity for advancement, recognition for achievement, responsibility, the work itself, and growth of advancement. According to him, the more any of these factors are provided, the greater the motivation. A comparison of the two classes of factors shows that the satisfiers or motivators are job centered and relate to the nature of the work. This is to say, that the job itself is the source of motivation. On the other hand, dissatisfiers or hygiene factors are associated with the context of the work. Their presence serves to clean-up the environment and prevent dissatisfaction (Kanfer, 1990; Campbel and Pritchard, 1976). Thus motivation at work by Herzberg's theory comes from the degree of challenge at work and not from the working conditions in the working environment. Herzberg thereupon proposed to assist employees in realizing their self-fulfillment and achievement-motivation needs. There is need to increase the challenging content of the workers job in, what is termed, vertical job enrichment. This will enable the worker grow in skill and in feelings of accomplishment. Researchers on Herzberg's theory are reportedly not conclusive, because not all the findings conform with Herzberg's two factor concept of motivation and hygiene factors. Bu it seems that the theory has practical application for management, relevant to North American's Culture (Mitchell, 1982; Ronen, 1982; Ronen, 1994; Aldefer, 1971). Now, let us see what Fitzergerald (1971), who was himself a first line supervisor before he became a Director of Employee Research on Training Activities at Chevrolet Motor Division of General Motors Corporation has, in Harvard Business Review said,: He expresses Skeptism over some of the above prescriptions to managers in their motivation of employees, for effective performance. On job enlargement, his view is that although there is some empirical validation of the value of job enlargement, its applicability in a variety of work situations, and more importantly over a longer period of time, is doubtful. This could be in organization of role culture characteristics which aim at efficiency, predictability and order (Locke, 1976). On participative management, he doubts that participation can correct pervasive apathy and indifference, let alone provide an unqualified good. His doubts arise because participation is more than giving accurate information to workers, answering theory questions, seeking their advice or ratification. It could mean interactions with groups of employees as well as once-overone relationships. The subject of participation can go wider than those few matters that management considers to be of direct, personal interest to employees or to those plans and decisions which will benefit from neither of these positions can be maintained without being recognized by employees as manipulation of workers. Otherwise a start of participation will lead to expectation for wider and more significant involvement. But it is equally true that participation and all out involvement can come in types of operation and in the organization type which Steers and Porter (1987) classified to be of the task culture or the existential culture.

According to McClelland (1985) these points of skepticism may have wide acknowledgment by some other thinkers on the problems of motivation. The real difficulty about these theories is, not just that they are developed in the advanced western countries with a different cultural background, and not applicable to the Nigerian situation, but that we are not well informed about what motivation involves, the contexts, that is, the managerial strategies for subordinates (Uduji, 2013). The reason being that a good part of the proposals on how to motivate tend to mix up, as we have earlier indicated, motivation and communication factors with factors related to the organizing function. It is important to distinguish organizing factors about the individual, his ability to perform and his awareness of the role and behaviour he displays at work, all coming from training and proper placement in the managerial function of organizing. The individual characteristics which relate to the individual interest, attitudes and needs, his aspirations, belief and social inclinations are factors which come squarely within the focus of the directing function. They derive from culture and in the same way as they are expresses in difference between communities and in wider societies. The effectiveness of a motivation system is the function of the management philosophy (Stahl, 1983). This is the point Nigerians need to seriously recognize in working for factors conditioning the effectiveness of managerial motivation in Nigerian workers. And, we also need to appreciate that, whether in advanced countries or in Nigeria, managerial action to motivate is a question of art of management applied contingently (Uduji and Ankeli, 2013). Now, back to Expectancy Theory (Vroom, 1964), Expectancy is a person's perception about the extent to which effort (an input) results in a certain level of performance. A person's level of expectancy determines whether he or she believes that a high level of effort results in a high level of performance. People are motivated to put forth a lot of effort on their jobs only if they think that their effort will pay off in high performance-that is, if they have a high expectancy. Expectancy captures a person's perceptions about the relationship between effort and performance. Instrumentality, the second major concept in expectancy theory, is a person's perception about the extent to which performance at a certain level results in the attainment of outcomes. According to expectancy theory, employees are motivated to perform at a high level if they think that high performance will lead to (or is instrumental for attaining) outcomes such as pay, job security, interesting job assignments, bonuses, or a feeling of accomplishment. In other words,



instrumentalities must be high for motivation to be high-people must perceive that because of their high performance they will receive outcomes (Skinner, 1969; Taylor, 1911; McClelland, 1978). Managers promote high levels of instrumentality when they clearly link performance to desired outcomes. In addition, managers must clearly communicate this linkage to subordinates. By making sure that the outcomes available in an organization are distributed to organizational members on the basis of their performance, managers promote high instrumentality and motivation. When outcomes are linked to performance in this way, high performers receive more outcome than low performers (Pullins, 2001; Johnston and Marshall, 2003). Although, all members of an organization must have high expectancies and instrumentalities, expectancy theory acknowledges that people differ in the preferences for outcomes. For many people, pay is the most important outcome for working. For others, a feeling of accomplishment or enjoying one's work is more important than pay. The term valence refers to how desirable each of the outcomes available from a job or organization is to a person. To motivate organizational members, Managers need to determine which outcomes have high valence for them-are highly desired-and make sure that those outcomes are provided when members perform at a high level. According to expectancy theory, high motivation results from high levels of expectancy, instrumentality and valence. If anyone of these factors is low, motivation is likely to be low. No matter how tightly desired outcomes are linked to performance, if a person thinks it is practically impossible to perform at a high level, then motivation to perform at a high level is exceedingly low. Similarly, if a person does not think that outcomes are linked to high performance, then motivation to perform at a high level is low.

#### Research Methodology

This section presents the scope of the study and the technical process that was involved in designing of research instruments, collection of field data and statistical analysis required in the investigation of the salesforce motivation in Nigeria. The study covered selected manufacturing firms in Nigeria. Since the study is concerned with specific predictions, narrations of facts and characteristics, a descriptive/diagnostic design was adopted. The research design ensured enough provision for protection against bias and maximized reliability, with due concern for the economical completion of the research study. Both secondary and primary sources were employed to gather information for the study. Secondary data were sourced from both published and unpublished data. The published data were collected through: various publications of the federal, state and local governments; various publications of both foreign and local. Questionnaire was the principal source of the primary data; however interview served as complementary. In designing the data collection instruments and procedure, adequate safeguards against bias and unreliability was ensured. Questions were well examined against ambiguity; interviewers were instructed not to express their own opinion. They were trained so that they will uniformly record a given item of response. The data collection instruments were pre-tested before they were finally used for the study. To ensure that the data obtained were free from errors, the researcher closely supervised the research assistants as they collect and record information. Also, checks were set up to ensure that the data collecting assistants perform their duty honestly and without prejudice. A miniature tria survey of the study was carried out in Lagos metropolis of Nigeria to test the validity, reliability, and pracality of the research instrument and operations. Thirty salespeople and five managers were purposively selected for the test-run. The pre-test provided the researcher the good ground to train the researcher assistant for the main inquiry. It also provided the researcher with the opportunity to come out with the final version of the research instruments. The pilot survey enabled the investigator to estimate the cost component of the main study. A sample size of 244 salespeople and managers was determined using the Taro Yamane formula:

$$\begin{array}{rcl} n &=& N \\ \hline 1 + (Ne^2) \\ \end{array}$$
 Where 
$$\begin{array}{rcl} n &=& Sample \ Size \\ N &=& Population \ size \\ e &=& Error \ limit \\ I &=& Constant \ value \\ \end{array}$$
 Therefore 
$$\begin{array}{rcl} N &=& 624 \\ e &=& (.0025) \\ n &=& \frac{624}{1 + (624 \ x \ .0025)} \\ &=& 244 \end{array}$$

A stratified sampling technique was used to ensure a fair representation of the selected manufacturing firms in Nigeria in the ratio of 10:9:8:7:6:5:4:3:2:1, using proportional formula:

$$Q = \frac{An}{N} x \frac{n}{1}$$

Where Q = the number of questionnaire to be allocated to each segment A = the population of each segment



- N =the total population of all the segments
- n = the estimated sample size of the study.

The items were selected in the ration of one manager to three salespeople from each of the manufacturing firms. This offered a good representation of all the segments in the population of the study. Each respondent from the stratum was selected in order of their years of experience in the sales job in manufacturing firms in Nigeria. Data from the study were analyzed using descriptive and inferential approaches. Simple tables, charts and table of means were used as descriptive tools. For hypothesis testing, anova, t-test and correlation analysis were used to judge the significance of the result obtained. In formulating necessary mathematical model that would depict the relationship among the variables for the purpose of predicting the values of dependent variables, regression analysis was used. SPSS for Windows (SPSSWIN version 15) was used to process and analyze the generated data. Principle component (PC) extraction model was employed for the multi-factor analysis to predict inter-dependency and interaction outcome among variables.

## **Data Presentation, Analysis and Interpretation**

In this session, attempt is made to present, analyze and interpret the data collected in accordance with the study objectives, questions and hypothesis. A total of 244 copies of questionnaires were printed and distributed, and 178 copies were properly filled and returned. Problems found in the rejected 43 copies include incomplete answers, non responses. However, a complementary of 75 respondents were interviewed as it was observed that some salespeople and managers preferred to talk than to write.

Table 1: Elements of Salesforce Motivation Evident in the Organizations

Table 1:	Elements of Salesforce Motivatio				
Question Number	Feature	Responses	Frequency	Percentage	Total
1.	Salary Compensation	Not at all	27	15.2	
		Very low	47	26.4	
		Low	102	57.3	178(100%)
		High	2	1.1	
		Very High	-	-	
2.	Commission incentives	Not at all	35	19.7	
		very low	75	42.1	
		Low	58	32.6	178(100%)
		High	10	5.6	
		Very High	-	-	
3.	Bonus Payments	Not at all	35	19.7	
		Very low	64	36.0	
		Low	77	43.3	178(100%)
		High	2	1.1	
		Very High	-	-	
4.	Fringe Benefits	Not at all	31	17.4	
		Very low	90	50.6	
		Low	55	30.9	178(100%)
		High	2	1.1	
		Very High	-	-	
5.	Recognition awards such as pins,	Not at all	57	32.0	
	trophies, certificates	Very low	104	58.4	
		Low	15	8.4	178(100%)
		High	2	1.1	
		Very High	-	-	
6.	Opportunity for promotion and	Not at all	53	29.8	
	advancement	Very low	59	33.1	
		Low	56	31.5	178(100%)
		High	8	4.5	
		Very High	2	1.1	
7.	Participative Goal setting, including	Not at all	35	19.7	
	MBO	Very low	46	25.8	170/1000/
		Low	87	48.9	178(100%)



		High	8	4.5	
		Very High	2	1.1	
8.	Praise and Encouragement from	Not at all	27	15.2	
	Management	Very low	64	36.0	
		Low	85	47.8	l
		High	2	1.1	178(100%)
		Very High	-	-	
9.	Job Enrichment, such as greater	Not at all	29	16.3	
	responsibility, authority, and control	Very low	95	53.4	150(1000()
		Low	52	29.2	178(100%)
		High	2	1.1	
		Very High	-	ı	
10.	Sales Training Programs, including	Not at all	27	15.2	
	ICT.	Very low	111	62.4	
		Low	38	21.3	178(100%)
		High	2	1.1	1
		Very High	-	ı	
11.	Sales Planning Elements, including	Not at all	27	15.2	
	forecasts, budgets, quotas and	Very low	46	25.8	
	territories	Low	67	37.6	178(100%)
		High	36	20.2	
		Very High	2	1.1	
12.	Sales Contest Programs that use prizes and awards for short-term incentive.	Not at all	27	15.2	
	and awards for short-term incentive.	Very low	24	13.5	
		Low	36	20.2	178(100%)
		High	89	50	170(10070)
		Very High	2	1.1	
13.	Evaluation of Salesperson's	Not at all	27	15.2	
	Performance using output factors, such	Very low	20	11.2	1
	as sales volume, Gross Margin, and	Low	51	28.7	150/1000/
	customer Relations.	High	80	44.9	178(100%)
		Very High	-	-	1
14.	Management leadership Style, such as	Not at all	27	15.2	
	organizational structure and	Very low	28	15.7	
	communication channel	Low	55	30.9	178(100%)
		High	60	33.7	1/0(100%)
		Very High	8	4.5	

Source: Analysis of Field Data, 2013.

The table lanalysis of this study was to examine if the elements of the salesforce motivation mix are effectively implemented in the manufacturing firms in Nigeria. It was hypothesized that elements of salesfore motivation are not effectively implemented in the manufacturing firms in Nigeria. And in order to get this information, the respondents were asked to rate the following motivational tools as contained in table 1 above based on the extent in which it is used by their organizations to motivate its salesforce, in a scale of answers from 5 = very high to 1 = Not at all. The results obtained were judged base on the table of means of 3.



**Table 2: Extent of Motivational Tool Usage in the Organizations.** 

S/N	Elements	Total	Minimum	Maximum	Mean	Std. Deviation	Remark
1.	Salary compensation	178	1	5	3.03	1.223	High
2.	Commission incentives	178	1	4	2.24	.832	Low
3.	Bonus Payments	178	1	4	2.26	.782	Low
4.	Fringe Benefits	178	1	4	2.16	.711	Low
5.	Recognition Awards, such as pins, trophies, certificates	178	1	5	1.80	.684	very Low
6.	opportunities for promotion and Advancement	178	1	5	2.14	.937	Low
7.	Participative Goal setting, including MBO	178	1	5	2.42	.893	Low
8.	Praise and Encouragement from Management	178	1	5	2.36	.777	Low
9.	Job Enrichment, such as greater responsibility, authority, and control	178	1	5	2.16	.730	Low
10.	Sales Training programs, including ICT.	178	1	4	2.08	.637	Low
11.	Sales Planning Elements, including forecasts, budgets, quotas and territories	178	1	5	2.66	1.002	Low
12.	Sales Contests Programs that use prizes and awards for short-term incentives	178	1	5	3.08	1.134	High
13.	Evaluation of Sales person's Performance using output factors, such as sales volume, Gross Margin, and Customer Relation's.	178	1	4	3.08	1.084	High
14	Management Leadership Style, such as organizational structure and communication channel	178	1	5	2.97	1.134	Low
15	Adequate Salary gives a Salesperson degree of effectiveness	178	1	5	4.13	1.511	very High
16	Msecb	178	1.00	4.43	2.4567	.68949	

Source: Analysis of Field Data, 2013.

Principal components (PC) extraction on the determinant was used to analyse the proportion of variations in the observed variables that are associated with the common factors. It produced the six principal components (PCs) also called common factors or underlying factors.



Table 3: Component Extraction and Total Variance Expected

Table 5. Cu	L EAU ACU	ion and Total V			ns of Squared	Datation Sums of Sauared				
	T	nitial Eige	envalues	Extra	iction Sun Loadi		Rotation Sums of Squared Loadings			
	% of		% of			% of				
Componen		% 01 Varianc	Cumulative		% 01 Varianc	Cumulative		% 01 Varianc	Cumulative	
t	Total	e	%	Total	e	%	Total	e	%	
1	17.814	52.393	52.393	17.81	52.393	52.393	12.21	35.924	35.924	
				4			4			
2	4.304	12.658	65.052	4.304	12.658	65.052	6.415	18.869	54.793	
3	2.195	6.456	71.507	2.195	6.456	71.507	3.584	10.541	65.333	
4	1.946	5.724	77.232	1.946	5.724	77.232	3.283	9.656	74.989	
5	1.492	4.388	81.620	1.492	4.388	81.620	1.911	5.619	80.609	
6	1.397	4.109	85.729	1.397	4.109	85.729	1.741	5.121	85.729	
7	.957	2.814	88.544							
8	.891	2.621	91.164							
9	.692	2.035	93.199							
10	.632	1.859	95.058							
11	.475	1.396	96.454							
12	.252	.742	97.196							
13	.218	.642	97.838							
14	.169	.498	98.336							
15	.138	.404	98.741							
16	.112	.328	99.069							
17	.075	.221	99.290							
18	.054	.160	99.450							
19	.045	.134	99.583							
20	.037	.110	99.694							
21	.026	.075	99.769							
22	.019	.055	99.824							
23	.017	.049	99.873							
24	.010	.029	99.902							
25	.009		99.927							
26	.007	.020	99.947							
27	.006	.018	99.965							
28	.004	.011	99.977							
29	.003	.010	99.986							
30	.003	.008	99.994							
31	.002	.005	99.999							
32	.000	.001	100.000							
33	7.003E	.000	100.000							
[ [	-5		[							
34	1.512E		100.000							
	-5									

Source: Analysis of Field Data, 2013

Extraction Method: Principal Component Analysis.

Table 3 shows that out of the twenty-nine (29) components analysed, only six principal components extracted accounted for 85.75% of the variation. This suggests that salary compensation, commission incentive, bonus payment, fringe benefits, recognition of awards for outstanding performance, opportunity for promotion and



advancement were the major factors that account for salespersons motivation. These components were further used as independent variables to regress customer relationship management index. The result showed statistical significant effect of the independent variables at  $P \le 0.05$  level of significant, and a corresponding value of F = 129.925.

Table 4: Anova Showing Correspondence value of F

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	45.627	6	7.605	129.925	$.000^{a}$
Residual	10.009	171	.059		
Total	55.636	177			

Source: Analysis of Field Data, 2013

a. Predictors: (Constant), REGR factor score 6 for analysis 1, REGR factor score 5 for analysis 1, REGR factor score 4 for analysis 1, REGR factor score 2 for analysis 1, REGR factor score 1 for analysis 1

b. Dependent Variable: mseca

**Table 5: Coefficients Showing Significance Level** 

			Unstandardized Coefficients		Standardized Coefficients		
Model			В	Std. Error	Beta	t	Sig.
1	(Constant)		2.152	.018		118.684	.000
	REGR factor score 1 for analysis 1	r	.334	.018	.596	18.363	.000
	REGR factor score 2 for analysis 1	r	.258	.018	.460	14.189	.000
	REGR factor score 3 for analysis 1	r	.269	.018	.480	14.805	.000
	REGR factor score 4 for analysis 1	r	.077	.018	.137	4.220	.000
	REGR factor score 5 for analysis 1	r	.008	.018	.015	.458	.648
	REGR factor score 6 for analysis 1	r	.036	.018	.063	1.957	.052

Source: Analysis of Field Data, 2010 a. Dependent Variable: mseca Discussion of Research Findings

The result of the study shows a statistical significant effect of the independent variables at  $P \le 0.05$  level of significant, and a corresponding value of F = 129.925, indicating that salary compensation, commission incentive, bonus payment, fringe benefits, recognition awards for outstanding performance, opportunity for promotion and advancement are the major factors that account for salespersons motivation in the manufacturing firms in Nigeria. Instrumentality has been explained as the relationship between an individual's goal or the rewards he desires and the organizational objectives that he is expected to fulfill. It exists when a person sees that producing an organizational objective, such as high performance, will result in his receiving the rewards he deserves, such as wages. In this discussion, we refer it to the salesperson's perception of the degree of relationship between the first level outcome and the second outcome. Here we are taking instrumentality beyond its narrow confines of wholesome salesperson's effort and his desired rewards, and applying it to all salesperson's actions and the organization's reaction to them. Salesperson's action that detract from the goals of the organization can be called "Offences", while those that contribute towards achieving the organizational goals should be called "effort". In a similar manner, organizational reactions are of two types-those which the salesperson considers aversive (punishment) and those desired by the salesperson (rewards). An organization's



incentive system coordinates the organization's rewards with its salespeople's efforts, while the disciplinary system coordinates the organization's punishment with its salespeople's offences. Our instrumentality theory therefore asserts that salesforce motivation will be optimum where there is perfect coordination within the incentive and disciplinary systems in an organization. To the extent that the coordination departs from perfection, other things being equal, salesforce motivation will be low. While stressing the cardinal role played by instrumentality in any incentive/disciplinary system, it is necessary to emphasize that instrumentality is only one of the four factors which we have earlier identified as major determinant of salesforce motivation. Others are the ability of the salesperson, the attractiveness of the organization's rewards, and adequate infrastructural support. In examining the key role played by instrumentality or salesforce motivation, we shall hold salesperson's ability, attractiveness of reward, and infrastructural support constant. Since instrumentality relates the organization's reaction to the salesperson's action, the degree of instrumentality is measured by relating change in the organization to change in the salesperson's action which brought it about. Thus the degree of instrumentality is:

$$I = \underbrace{\blacktriangle R}_{\blacktriangle A}$$

Where  $\triangle$  = Change in percentages,

R = Reaction of the organization

A = Salesperson's action

Therefore 
$$I = AR = Rn - Ro$$
 $AA = An - Ao$ 

Where n and O stand for new and old respectively. Thus if by increasing effort from 40% to 60%, a salesperson's reward rises from 30% to 70%

$$1 = \frac{70 - 30}{60 - 30} = 2$$

Thus defined, instrumentality has value ranging from just above minus infinity to just below infinity. Thus:

$$-00 < 1 < 00$$

Instrumentality may also be positive or negative. It is positive when an increase in salesperson's action results in an increase in organizational reaction, or a reduction in salesperson's action results in an increase in organizational reaction. Its value is expressed by

Where 1p = Positive Instrumentality

Instrumentality is negative (In) when an increase in salesperson's action results in a reduction in organizational reaction, or a reduction in salesperson's action results in an increase in organizational reaction. Thus:

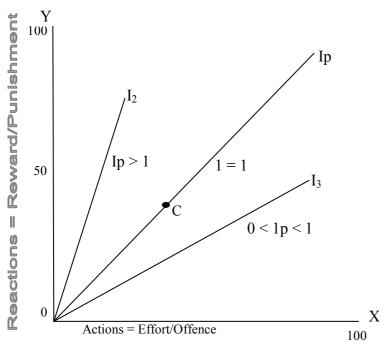
$$00 < I\ n < 0$$

Where I n = negative instrumentality

Positive instrumentality may be equal to, greater than, or less than one but greater than zero. It is greater than one when a change in the salesperson's action brings about a more than proportionate change in organizational reaction. In practical terms, the change in actions in an organizational reaction which exceeds the salesperson's expectation. When this is so, instrumentality is said to be elastic. Instrumentality is equal to one when a change in the salesperson's action brings about a proportionate change in the organization's reaction. In this case, instrumentality is perfect. Instrumentality is elastic when a change in a salesperson's action brings about a less than proportionate change in the organization's reaction, that is the reaction falls below the salesperson's expectation. All three degrees of positive instrumentality occur in organizations. Salesforce motivation is optimum when instrumentality equals one, that is, when all contributions are adequately rewarded and all offences receive condign punishment. In figure 1, we show the various types of positive instrumentality. Action (Effort/Offence) is measured in percentages along the horizontal axis while Reaction (Reward/Punishment) is



measured in percentages along the vertical axis. Rewards and punishments may be monetary, like promotion, increaments, bonuses, forfeiture of salary or demotion, or non-monetary, like praise, medals, reputation, group acceptance, reprimands or transfers.



Effort put in ranges from zero, when the salesperson simply refuses to work, to 100% when the salesperson is putting in his best. This 'best' is typified by the level of exertion what the salesperson would have made if he were self-employed or working for an attractive piece rate system. Offences also range from zero, when the salesperson commits no offence, to 100% when the salesperson is engage full-time in sabotaging the sales effort of his organization. The maximum reward of 100% on the y-axis represents the reward which would have occurred to the salesperson if he were exerting 100% effort in an attractive piece rate system or receiving maximum punishment suitable for the severest of offences. Thus defined, salespeople would prefer point X for offences (maximum offences with no punishment), and point Y for effort (maximum reward for no effort). The organization in its turn prefers point O for offences (no offenses and no punishment), and point X for effort (maximum effort and no reward). The line O1p is the line of perfect instrumentality. Any point on that line is the coordinate of just reward (punishment) and effort (offences). By our definition, a reward (punishment) is just if it correlates perfectly with effort (offences), that is, if effort (offences) is perfectly instrumented to rewards (punishment). For example a salesperson who exerts 50% of effort (offences) gets 50% of rewards (punishment) at point C. If he increases his effort (offence) to 60% he gets a just reward (punishment) of 60%. In these cases, there is perfect instrumentality, and salesforce motivation will be high at the optimum.

Any system of incentive (discipline) in an organization which does not fall on the OIp line is imperfect and affects salesforce motivation adversely, and the organization and the salesperson suffer in the long-run. Lines OI2 and OI3 are only two out of an infinite number of possible lines of such imperfect incentive disciplinary systems. However, in the short-run, any incentive system above on OIp line penalizes the organization and favours the salesperson, while any system below the OIp line penalizes the salesperson and favours the organization. Conversely, any disciplinary system above the OIp line penalizes the salesperson. By definition, all imperfect incentive/disciplinary systems are irrational since they adversely affect the long-run interests of the organization. However, since it is not possible to reward all efforts and punish all offences adequately in modern organizations, that is, for Ip = 1, salesforce motivation will still be high in an organization when instrumentality is nearly equal to 1, that is Ip = I. As instrumentality approaches zero, salesforce motivation declines. When I - I0, instrumentality disappears and since salespeople do not perceive any relationship between their effort (offences) and the organizational rewards (punishment), they develop a poor attitude towards sales performance.

#### **Conclusion and Recommendations**

Expectancies are salesperson's perceptions of the link between job effort and performance. Specifically, an expectancy is a person's estimate of the probability that expending effort on some task will lead to improved performance on a dimension. When attempting to motivate sale people, sales managers should be concerned with two aspects of their subordinate's expectancy perception: magnitude and accuracy. The magnitude of a



salesperson's expectancy perceptions indicates the degree to which that persons believes expending effort on job activities will influence his or her ultimate job performance. Other things being equal, the larger a salesperson's expectancy perceptions, the more willing he or she is to devote effort to the job in hopes of bettering performance. The accuracy of a sales person's expectancy perceptions refers to how clearly he or she understands the relationship between effort expended on a task and the resulting achievement on some performance dimension. When sales people's expectancies are inaccurate, they are likely to misallocate job efforts. They spend too much time and energy on activities that have little impact on performance and not enough on activities with greater impact. Like expectancies, instrumentalities are probability estimates made by the salesperson. They are the individual's perceptions of the link between job performance and various rewards. Specifically, an instrumentality is a salesperson's estimate of the probability that an improvement in performance on some dimension will lead to a specific increase in the amount of a particular reward. The reward may be more pay, winning a sales contest, or promotion to a better territory. As with expectancies, sales managers should be concerned with both the magnitude and the accuracy of their subordinates' instrumentalities. When the magnitude of sales person's instrumentality estimates is relatively large, he or she believes there is a high probability that improved performance will lead to more rewards. Consequently, he or she will be more willing to expend the effort necessary to achieve better performance.

The true link between performance and rewards in a firm are determined by many event policies about how sales performance is evaluated and what rewards are conferred for various levels of performance. These policies may be inaccurately perceived by the salespeople. As a result, salespeople may concentrate on improving their performance in areas that are relatively unimportant to management; and they ultimately may become disillusioned with their ability to attain desired rewards. Besides the firm's compensation policies, other organizational factors and the personal characteristics of the salespeople themselves can influence both the magnitude and the accuracy of their instrumentality estimates. Valences are the salesperson's perceptions of their desirability of receiving increased amounts of the rewards he or she might attain as a result of improved performance. One question about valences that would interest the sales manager in Nigeria is whether there are consistent preferences among sales people for specific kind of rewards. Are some rewards consistently valued more highly than others in Nigeria? This study suggests that monetary rewards are the most highly valued and motivating rewards. The findings further indicate that recognition and other psychological rewards are less valued and serve only to spur additional sales effort under certain circumstance. However, there are no universal statements to be made about what kinds of rewards are most desired by salespeople and most effective for motivating them. Sales people's valences for rewards are likely to be influenced by their satisfaction with the rewards they are currently receiving. Their satisfaction with current rewards, in turn, is influenced by their personal characteristics and by the compensation policies and management practices of their firm. Therefore, given a salesperson's expectancy and instrumentality perceptions and valences for rewards, this study suggests that sales managers can predict the level of that person's motivation to expend effort on a specific job activity. To do this, the manager should multiply the sales person's expectancies that the activity will lead to a given performance on various dimensions by his or her valence or this performance and then sums across all performance dimensions. The salesperson's valence for a particular performance outcome, in turn, is predicted by multiplying his or her perception of the instrumentality of improved performance on dimension for attaining rewards by the valence of those rewards for the individual and then summing across all relevant rewards.

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