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# An exploratory study of the influence of life management strategies on job satisfaction and job performance in a personal selling context

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AN EXPLORATORY STUDY OF THE INFLUENCE  
OF LIFE MANAGEMENT STRATEGIES ON JOB  
SATISFACTION AND JOB PERFORMANCE  
IN A PERSONAL SELLING  
CONTEXT

by

Dheeraj Sharma, BA, MBA

A Dissertation Presented in Partial Fulfillment  
of the Requirements for the Degree  
Doctor of Business Administration

COLLEGE OF ADMINISTRATION AND BUSINESS  
LOUISIANA TECH UNIVERSITY

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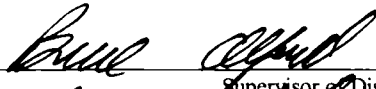

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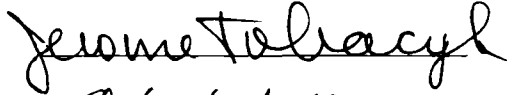

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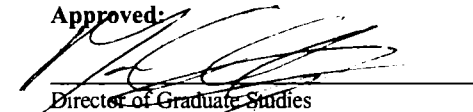
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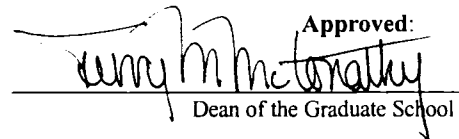
  
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## ABSTRACT

Extant literature on goal oriented behaviors suggests that individual goal orientation is an important determinant of a salesperson's job satisfaction and job performance. However, the present conceptualization of goal orientation suffers from flawed paradigmatic structure. There are two major disparate paradigms of goal orientation in the extant literature. The first paradigm views goal orientation as a stable personality trait and the second paradigm views it as contextually driven phenomenon. The present study proffers a new approach of conceptualizing individual goal orientation, by introducing the meta-model of Life Management Strategies (Baltes and Baltes, 1998; Freund and Baltes, 1998) in the personal selling domain. Utilizing the Life Management Strategies model this study extends a single paradigm of goal oriented behavior, which combines the dispositional and contextual paradigm of goal orientation.

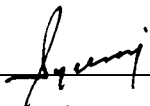
This study presents a second-order LMS construct, which subsumes the three life management strategies, namely elective selection strategy, optimization strategy and compensation strategy. The second-order LMS construct capture salesperson's goal-setting, goal-pursuit and goal-striving. The second-order LMS construct is an overarching construct which captures the motivation of an individual to engage in goal-oriented behavior. Furthermore, the relationship between the second-order LMS construct with two seminal individual performance outcomes: job satisfaction and job

performance is examined in a personal selling context. Results indicate the second-order LMS construct predicts salesperson's job satisfaction and job performance above and beyond goal orientation.

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## CHAPTER I

### INTRODUCTION

*“Everything has a telos [purpose or goal]. Thus, every acorn has the essence of a tree” - Aristotle.*

Despite Aristotelian contentions, the marketplace is replete with examples of both individuals and organizations that fall short of their goals and aspirations. Such failures constitute real threats to retailers, who, due to the rising cost of personal selling, must continuously strive to increase the effectiveness of their sales personnel by understanding individual goal-oriented behavior. Salespeople, likewise, are increasingly focused on goal selection and achievement, exerting large amounts of effort to gain knowledge, skills, and technologies intended to ameliorate both individual and organizational performance. Nonetheless, the inherent potential each salesperson has to achieve for optimal job performance and satisfaction is often not realized.

Research on the gap between goal-oriented behaviors and performance outcomes has received widespread attention among researchers in various business disciplines. Empirical research to date supports the intuitive association between an individual's goal-oriented behaviors and their ensuing abilities to enhance performance in specific domains and settings (Brandtstadter, 1984; Gellatly, 1996;

Lerner, 1986; Schulz and Heckhausen, 1996). In fact, the relationship between goal-oriented behaviors and performance outcomes appears to transcend organizational settings. Nair (2003) asserted that the “pursuit and attainment of life goals affect [individual’s] sense of well-being” In addition, goal orientation provides a means to understand individual personality (Baumgartner, 2002), a critical determinant of an individual’s well-being

### Background

Achievement Goal Theory (AGT) has been developed as a means to comprehend, and ideally, facilitate goal attainment. AGT adduces that an individual’s job satisfaction and job performance emanates from his/her goal orientation (Phillips and Gully, 1997; Van Yperen and Janssen, 2002). Past research exhibits that goal orientations create perceptual-cognitive frameworks that guide individuals’ approach, interpretation, and response to achievement situations (Barron and Harackiewicz, 2000; Duda, 2001; Janssen and Van Yperen, 2004; Pintrich, 2000; Van Yperen, 2003). The retail setting provides such an achievement situation, within which salespeople select and pursue goals, by optimizing current and potential resources and compensating for any discrepancies when faced with a challenging situation. Therefore, it is logical to argue that a salesperson’s goal orientation, as characterized by AGT, may directly and profoundly influence his/her performance outcomes.

However, AGT suffers from a somewhat conflicted paradigmatic structure. First, AGT has identified two main dimensions of goal orientations: learning orientation and performance orientation. Learning orientation focuses on developing competence, gaining skill, and doing one’s best, whereas a performance orientation

focuses on establishing one's superiority over others (VandeWalle, Brown, Cron, and Slocum, 1999). Furthermore, extant literature indicates two major ways of viewing individual goal orientation. The first paradigm has its genesis in self-related theories, viewing goal orientation as a stable personality characteristic predicated on the nature and development of various attributes such as intelligence, personality, abilities, and skills (Dweck, 1999; Janssen and Van Yperen, 2004). The second paradigm propounds that goal orientation is a temporary cognitive representation that is not a trait but a state. In this paradigm, goal orientation is considered to be predicated on contextually sensitive cognitive representations (Pintrich, 2000).

To fully conceptualize the relationship between salespeoples' goal-oriented behavior and resulting performance, it may be necessary to find a means by which both the personality-driven and contextually-based aspects of goal pursuit may be integrated. The present study argues that the action-theoretic specification of the Baltes and Baltes' (1990) SOC theory may be adopted for this purpose, as it combines both the personality and context-dependent perspectives of goal-oriented behaviors. Rather than focusing on only one paradigm, the SOC theory suggests that the dynamic interplay of life management strategies (Selection, Optimization and Compensation) captures the totality of an individual's goal-oriented behavior in terms of his/her personality, while also incorporating situational influences (Bajor and Baltes, 2003; Baltes and Dickson, 2001; Schulz and Heckhausen, 1996).

The SOC theory conceptualizes an individual's personality in terms of goal selection, goal pursuit and goal maintenance within contextual constraints and opportunities (Baltes and Baltes, 1990; Freund and Baltes, 2000). In general, the



conceptual framework of Life Management Strategies examines peoples' overall goal orientation in terms of their personality, and reflects its linkage with performance outcomes within a given context (Bajor and Baltes, 2003; Baltes and Dickson, 2001; Schulz and Heckhausen, 1996). As such, the SOC theory (Selection Optimization and Compensation) may be used in real-life applications to investigate and analyze how people select and accomplish goals, and also how they overcome impediments in the process of achieving their goals in various domains (Baltes and Baltes, 1990; Freund and Baltes, 1998).

According to lifespan theory, individuals' overall life management elucidates their development in term of their goals (Baltes and Baltes, 1990; Baltes et al., 1998). The overall life management embodies three interwoven goal-related strategies: selection strategy, compensation strategy and optimization strategy (Baltes et al. 1998; Freund and Baltes, 1998; Baltes and Bajor, 2003). Consequently, the overall life management conceptualization is articulated through a second-order structure, termed as "Life Management System." It is posited that the Life Management System (LMS) subsumes the concomitant orchestration of the three SOC strategies (Freund and Baltes, 1998).

This theoretical conceptualization of LMS is in harmony with Social Learning Theory (SLT). SLT posits that an individual's overall orientation towards a given course of action shapes selection of specific goals, how much effort to invest, how long to persevere, and how to compensate when faced with demanding situations. Past research asserts that an individual's overall goal orientation creates perceptual-cognitive frameworks that guide approach, interpretation, and response to achievement

situations (Barron and Harackiewicz, 2000; Duda, 2001; Janssen and Van Yperen, 2004; Pintrich, 2000; Van Yperen, 2003). The retail setting provides an achievement situation, within which salespeople select and pursue goals by optimization of current and potential resources (Phillips and Gully, 1997; Williams, Donovan, and Dodge, 2000). Plausibly, a salesperson's overall predilection towards a goal may shape selection, optimization and compensation strategies.

### Purpose of the Study

Drawing from the vast literature on goal-oriented behaviors, it is suggested that individual goal orientation is an important determinant of a salesperson's job satisfaction and job performance. The present study proffers a new approach of conceptualizing individual goal orientation, by introducing the SOC model in the personal selling domain.

Utilizing the SOC model this study aims to proffer a single unifying paradigm of goal-oriented behavior, which combines the personality and context-dependent perspective of goal orientation. The overarching objective of this study is to investigate the relationship between salespeoples' goal-oriented behavior and their performance outcomes, particularly as it relates to downstream job performance and satisfaction. Specifically, this study will both use and extend Achievement Goal Theory and Social Learning Theory by postulating a second-order construct, Life Management System (LMS), which is manifest in an individual's goal selection, optimization, and compensation decisions. This study posits that LMS consists of various processes between goal selection and goal accomplishment. By adopting this model, it is empirically possible to assess the extent to which a salesperson's goal-

oriented behaviors impact his/her performance outcomes in retail settings. Specifically, this approach examines the influence of LMS on salespeoples' job satisfaction and job performance, integrating both personality and context-dependent goal-pursuit factors in a single construct.

### Justification for the Study

Aside from the theoretical contribution provided by the proposal and validation of an integrative second-order construct, this study will also provide managerially relevant, prescriptive guidance in a number of areas. First, the study may offer both prescriptive and descriptive insights into job analysis and retail-related communication strategies. Second, a study of selection, optimization and compensation strategies in a retail framework may help managers match a salesperson's capabilities, inadequacies and aspirations (personality factors) with job design or specific job tasks which provide contexts within which the salesperson's goals may be best achieved. This investigation may result in enhancing prospects for optimizing performance and reducing risks of losses concomitant to dissatisfaction, efficiency, absenteeism, and other sub-optimal individual states-of-being. Understanding people's life goals can thus foster improved communications and job interfaces between managers and sales associates, thereby improving satisfaction and performance.

### Research Questions

R<sub>1</sub>: Does the second-order Life Management System construct exist?

R<sub>2</sub>: Are goal selection strategy, optimization strategy and compensation strategy significant first-order indicators of Life Management System?

R<sub>3</sub>: Does Life Management System significantly influence a salesperson's job satisfaction

R<sub>4</sub>: Does Life Management System significantly influence a salesperson's job performance

### Organization of the Study

The organization of this study is as follows: first, a literature review apposite to the SOC model and goal orientation will be presented, in Chapter II. This section will provide the reader with a review of the conceptual and empirical research on the construct under investigation. Particularly, this section will establish the importance of the SOC model and its relevance in the personal selling context. This effort will encompass the justification for the scrutiny of the goal orientation literature to identify and conceptualize a definition for the LMS construct.

The next section will provide literature pertinent to three intertwined strategies in the SOC model. A detailed discussion related to selection strategy, optimization strategy and compensation strategy is extended. The discussion includes research studies that use SOC strategies as a criterion variable, studies that employ SOC strategies as predictor variable, and studies that recapitulate the conceptualization and operationalization of the SOC strategies.

Predicated on the literature review, the next section hypothesizes a conceptual model contending the existence of a second-order LMS construct. The model is an extension of Baltes and Baltes (1990) meta-model of SOC Strategies, which conceptualizes this framework of goal selection, optimal resource utilization, and compensation of resources for goal-oriented behavior. The model proposes that

second-order LMS shapes the goal selection strategy, optimization strategy and compensation strategy. Furthermore, the conceptual model depicts the relationship between the second-order LMS and salespeoples' job satisfaction and job performance.

Chapter III provides a comprehensive description of the methodology requisite to test the validity of the hypothesized conceptual model. The first section of Chapter III provides the sampling frame employed for this study. The next section illustrates the instrument development and the scales employed for measurement of the constructs. A detailed discussion is presented on the data collection methodology. In addition, the procedure to be used to evaluate the model is presented.

The results of the empirical analysis are explained in Chapter IV. This chapter will provide the statistics for the measurement and fit of the model. A detailed discussion is provided concerning the hypothesized relationships Chapter V provides a thorough discussion of the empirical results presented in Chapter IV. In addition, Chapter V propounds the limitations, implications, and directions for future research.

## CHAPTER II

### LITERATURE REVIEW AND THEORETICAL DEVELOPMENT

As discussed above and depicted in Figure 4.1 this study will articulate a second-order construct, LMS (Life Management System), which incorporates three SOC strategies (Selection, Optimization and Compensation). Furthermore, this dissertation will explore the relationship between LMS and job satisfaction and job performance. In other words, it is proposed that the relationship of selection, optimization and compensation strategies with job satisfaction and job performance is most clearly conceptualized and empirically explained in terms of an integrative second-order construct, LMS.

The following section will provide a review of relevant literature for each element of the model, in order to theoretically support the postulated second-order construct, LMS, as well as to elucidate the relationships among constructs which will be explored. This study posits LMS as a holistic measure of an individual's goal-oriented behavior. This Chapter begins with a discussion of literature pertinent to goal orientation, which has often been used to explain salespeople's pursuit of their goals as well as their subsequent performance and satisfaction. Next, SOC theory and the three life management strategies that describe individual's goal-oriented behavior: Selection, Optimization, and Compensation (SOC) are explicated. The notion of goal

orientation is predicated on Achievement Goal Theory (Button, Mathieu, Zajac, 1996; Vandewalle, 1997). This study argues that Achievement Goal Theory can be aligned with each constituent of LMS and explain numerous different facets of goal pursuit. Furthermore, LMS's dynamic integration of both individual difference and contextual factors will enable it to predict job satisfaction and performance more precisely than goal orientation alone. In other words, LMS extends the concept of goal orientation and offers more explanatory power with regard to job satisfaction and job performance compared with goal orientation. Next, a review of relevant literature regarding the focal outcomes--job satisfaction and performance--is provided and a rationale for the proposed relationship between LMS and these seminal outcomes is extended. Last, an overview of the Chapter II is presented.

As previously mentioned, this study aims to provide an improved understanding of people's goal-oriented behaviors. It is posited that LMS--which embodies the simultaneous coordination of goal selection--resource optimization in goal-pursuit and resource compensation to assuage goal-pursuit; provides a more comprehensive view of people's goal-oriented behavior than goal orientation alone. The following section discusses prior conceptualizations and theorization regarding goal-oriented behavior within the goal orientation literature, highlighting some persistent shortcomings of this research in terms of conceptualization and measurement. This section is followed by a discussion on how LMS addresses some of these gaps in understanding individuals' goal-oriented behaviors.

### Goal Orientation

Goal orientation refers to “individual differences for goal preferences in achievement settings” (VandeWalle, Brown, Cron, and Slocum, 1999). Past researchers have empirically demonstrated that there are two categories of goal orientations: performance goal orientation and learning goal orientation (Dweck and Elliot, 1983; Dweck and Leggett, 1988; Nicholls, 1984). In performance goal orientation, individuals are focused on the demonstration and verification of their ability which they achieve by seeking favorable evaluations of their competence. In learning goal orientation, individuals are primarily concerned with increasing their competence and the acquisition of new skills.

The definition of performance goal orientation and learning goal orientation remain fairly inconsistent in the literature. Furthermore, the conceptualization of the constructs and ways they are measured vary dramatically. Extant literature illustrates two major perspectives of goal orientation--trait goal orientation and state goal orientation. On one end of the research continuum, classic research in goal orientation conceptualizes the construct as a relatively stable personal disposition, referred to as trait goal orientation (Button et al., 1996; Heggstad and Kanfer, 2000; VandeWalle, 1997). Other work, however, has shed more light on the clarification of goal orientation as a context-dependent situational variable, which can be referred to as state goal orientation. For example, many researchers manipulate aspects of the achievement situation to promote the adoption of differing goal orientations (e.g., Butler, 1993, Jagacinski and Nichols, 1984, Rascle and Coulumb, 2003). Studies have indicated that inducing a competitive reward structure (Ames, Ames, and Felker,



1977), providing normative information (Jagacinski and Nicholls, 1987), and providing evaluative feedback (Butler, 1987) may all serve as situational factors which consistently influence the goal-oriented behaviors.

Despite the abundance of studies on both the individual trait and contextual factor sides of achievement goal theory, research is only beginning to examine the relationship between state (situational) and trait (dispositional) goal orientation. Exceptions include studies by Chen, Gully, Whiteman, and Kilcullen (2000), Button et al., (1996), and Jagacinski and Duda (2001).

First, this research suggests that goal orientation's conceptualization as a single construct may be erroneous since state and trait goal orientation are quite distinct and play different roles in explaining behavior. Chen et al. (2000) attempted to clarify the constructs of state and trait goal orientation by separately measuring trait goal orientation and state goal orientation, as seen in their effects on learning performance. They found that state goal orientation mediated the relationship between trait goal orientation and learning performance. They concluded that their results provided support for the separation of state and trait goal orientation as two distinct constructs.

Button et al. (1996) also attempted to measure both dispositional (trait) goal orientation and situational goal orientation (state) for the purpose of distinguishing the two. Button et al. (1996) used a different set of items for situational goal orientation and dispositional goal orientation. The situational goal orientation items measured respondents' likelihoods of recognizing achievement apperceptions in relation to a computer simulation activity. To examine the differences in dispositional and situational goal orientation, Button et al. (1996) tested two models (a two factor model

and four factor model) using confirmatory factor analysis. First, a two-factor model was constructed, within which one factor contained both situational and dispositional learning orientation items and a second factor contained both situational and dispositional performance orientation items. Second, a four-factor model was constructed, within which items pertaining to each orientation were placed into a separate factor. In other words, items pertaining to dispositional learning orientation constituted factor one, items pertaining to situational learning orientation constituted factor two, items pertaining to dispositional performance orientation constituted factor three, and items pertaining to situational learning orientation constituted factor four (Ward, Rogers, Byrne and Masterson, 2004).

The results of the Confirmatory Factor Analysis indicated that the four-factor model fit the data the best, suggesting that both learning and performance goal orientation can be empirically and theoretically examined as both trait and state goal orientations (Button et al. 1996). Plausibly, goal orientation may be shaped by both dispositional and situational factors (Ward et al., 2004). Thus, the concept of goal orientation became more multidimensional and complex, and its different facets were conceived to have become quite inextricable from one another.

Valid measures of these different types of goal orientation, however, have proved elusive in more recent work. Jagacinski and Duda (2001) conducted an exploratory study to sequester the various measures available for goal orientation. The study aimed to compare the construct validities and extend the nomological network of goal orientation of three popular measures of goal orientation. Jagacinski and Duda (2001) examined three most widely used measures of goal orientation: (1) the Patterns

of Adaptive Learning Survey (Midgley, Maehr, Hicks, Roeser, Urdan, Anderman, and Kaplan, 1995), (2) the Task and Ego Motivation Orientation Scales (Nicholls, 1989; Nicholls, Patashnick, and Nolen, 1985), and (3) the General Learning and Performance Scales (Button et al., 1996). Jagacinski and Duda (2001) argued that the first two measures were situational and third measure was dispositional in nature. Concurring with this supposition, results indicated that the overall goal orientation measure proffered by Button et al (1996) did not possess as much construct validity as the dispositional measures. Overall, Jagacinski and Duda (2001) promulgated that individuals possess both dispositionally and situationally derived achievement goal orientation.

Plausibly, then, goal orientation can be seen as a function of both personality and context. Unfortunately, however, goal-orientation theory has not been completely successful in allowing either complete measurement or clear conceptualization of the relationship between these types of goal orientation. Still, the research in this stream demonstrates that both elements should be integrated in studies of salespeople's goal attainment efforts (Ames, 1992; Ames and Archer, 1988; Anderman and Maehr, 1994; Button et al. 1996; Dweck and Leggett, 1988; Elliot and Church, 1997). As such, it is necessary to find a theoretical framework, beyond achievement goal theory, which integrates both personality and contextual variables and allows for dynamic shifts in their relative importance over the course of goal pursuit.

### Life Management Strategies: The Baltes and Baltes (SOC) Model

While the extant conceptualization and theorization individual goal orientation will certainly explain part of salespeople's goal-oriented behavior, a fuller understanding of the ways salespeople approach their goals should integrate both individual and contextual factors related to salespeople's satisfaction and performance. Past research indicates that individuals consciously promote their development by dynamically interacting with characteristics of the environment within which they are entrenched (Brandtstaedter, 1999). Therefore, to understand individual development, it is imperative to recognize the importance of both the meaningful goals that individuals set and actively pursue, as well as, the environmental forces that influence the selection of these goals and modus operandi of goal attainment (Brunstein, Schultheiss, and Maier, 1999).

The life-span development theory holds that development processes embrace both continuity and change, in that while goals are relatively stable objectives that guide behavior over time, they are also dynamic since they change in response to different developmental contexts (Baltes, 1987). "Understanding human development requires theories of dynamic self-regulation that place goal-directed action and preference behavior in the context of biological and social constraints and opportunities. How are developmental goals and preferences construed, pursued, coordinated within and between individuals, and reshaped or abandoned in the face of limited internal and external resources?" (Reideger, Freund, and Baltes, 2005). Baltes and Baltes (1990) and Baltes et al. (1998) propose that the dynamic relationship

between individual goals and contextual factors may be explored using the action-theoretic specification of the meta-model of Life Management Strategies.

The meta-model of Life Management Strategies suggests that an individual's life management may be manifest in three interwoven sub-strategies (Selection, Optimization, and Compensation), which illustrate the individual's development in term of their goals. In concurrence, Reideger et al. (2005) suggest that individual's developmental goal orientation metamorphoses how individuals interpret, pursue, and maintain goals, while constrained by limited internal and external resources. Reideger et al. (2005) suggest that an individual's overall goal orientation may facilitate goal attainment success by orchestrating the appropriate goal selection and resource allocation for pursuit and maintenance of those goals. Furthermore, Redeiger et al. (2005) posit that active life management shapes goal-oriented behavior.

According to the SOC meta-theory, individuals have limited resources and these resources (mental, physical, and social) are extended in various domains (Baltes and Baltes, 1990; Freund and Baltes, 1998). There are gains and losses of resources throughout one's lifespan. As growth declines, maintenance and regulation of losses increase. In terms of LMS, then, successful development is defined as simultaneous maximization of gains and minimization of losses of these resources over time (Baltes and Baltes, 1990; Freund and Baltes, 1998).

Baltes (1990, 1997, 2000) articulates a three-fold theory of functioning throughout the human lifespan with shifting focus and provides a strong theoretical foundation for the contention that ontogenesis is incomplete because of the nature and complexity of the environment. Successful development results from the interplay of

three processes: selection, optimization, and compensation (Freund and Baltes, 1998). Baltes and Baltes (1990) promulgate that individuals overcome the inadequacy of personal resources by employing the three general strategies—selection, optimization, and compensation. The theoretical model builds a meta-theory of Selective Optimization with Compensation (SOC).

Selection enables individuals to choose their pursuits to achieve goal-specific gains and minimize goal-specific losses. There are two separate types of selections: Elective selection and Loss-based selection. Elective selection involves both the setting of targets and attention to them. Elective selection means a reduction in the number of goals we strive for and their relative priorities. Loss-based selection comes into play as resources become scarce, leading to shifts of focus to more important goals and demotion of less important goals. Since resources are limited, individuals then must optimize their means to attain the desired objectives.

Optimization involves what may be interpreted as accommodation and assimilation processes. Optimization entails enhancing or maintaining the approaches or strategies used to achieve the selected goals, such as employing extra effort or enhancing current skills (Bajor and Baltes, 2003).

Finally, when failure or losses occur, individuals may use other means to compensate or requite their *quaesitum*. Compensation involves loss of means, negative transfers and limiting factors of energy and time. Compensation skills allow a person to overcome particular deficiencies in alternative ways. The orchestration of selection, optimization, and compensation, according to Freund and Baltes (1998) thus allows the successful development of human beings.

Freund and Baltes, (1998) report that SOC behaviors are used from early adulthood to late adulthood with middle aged adults reporting the highest frequency of SOC behaviors. The results also confirmed that individuals reporting SOC-related life management strategies had higher scores on various indicators of psychological and emotional well-being. Furthermore, the overarching architecture of human ontogeny reflects the dialectical interplay of these components and their evolution (Freund and Baltes, 1998).

### SOC Model in an Organizational Setting

While Baltes and Baltes (1990) originally developed the meta-model of Life Management Strategy to provide a model of successful aging, the model has subsequently been used to predict several organizational and social phenomena across all ages (Bajor and Baltes, 2003; Baltes and Dickson, 2001; Reidiger, Freund and Baltes, 2005; Wiese, Freund, and Baltes, 2000). Researchers have also begun to examine the SOC model in other contexts where personal resources are stretched, namely, in the workplace. Abraham and Hansson (1995) examined the use of SOC-related work strategies by older adults. They found that older workers (age 49–69 years) who frequently used SOC strategies reported higher levels of job competencies. Wiese et al., (2000) applied the SOC model to the often conflicting goals of career and partnership in young professionals (25–36 years of age). Results indicated that participants who reported using more SOC behaviors reported higher levels of global well-being as well as greater satisfaction in their career and partnerships. These effects remained significant over and above the effects of social desirability, gender, education, and personality variables.

Researchers have also empirically demonstrated the effects of SOC strategies on various work related outcomes in an organizational context (Baltes and Dickson, 2000; Baltes and Heydens-Gahir, 2003; Bajor and Baltes, 2003). Baltes and Dickson (2000) examined SOC in industrial organization context and propose that SOC presents an overarching framework from which to understand various industrial-organizational research areas. SOC was successfully used as a meta-theory to elucidate three specific areas of I-O psychology: leadership, work-conflict, and organization-level functioning. Baltes and Dickson theorized that managers that effectively use SOC strategies are likely to be more successful leaders than those that do not effectively employ SOC strategies. Also, those managers that employ SOC strategies should be able to handle work-family conflicts successfully (Baltes and Dickson, 2000). Furthermore, Baltes and Dickson (2000) suggest the applicability of SOC strategies to organizational functioning. Thus, organizations that employ SOC strategies are more likely to be more resilient to deficiencies in resources.

Although Baltes and Dickson (2000) propose direct relationship between SOC strategies and outcomes, their view disagrees with Murphy's (2001) Self-Regulative Model. The Self-Regulative Model examines and identifies the process by which leaders enact their leadership roles (Murphy, 2001). This model highlights the importance of the leader's overall assessment of his/her internal ability in the face of situational constraints. Furthermore, the Self-Regulative model states that a leader's overall goal attainment strategy shapes his/her choice of goal and subsequent pursuit. Thus, the influence of SOC strategies on managerial behavior may be rather indirect.



The SOC strategies may influence the manager's ability to manage work conflict and his/her ability to exhibit proficient leadership through second-order LMS.

Baltes and Heydens-Gahir (2003) promulgate that SOC strategies are used as an effective behavioral strategy by individuals to reduce the amount of stressors experienced at their job, such that the use of SOC strategies resulted in lower job stress and work conflict. Finally, Bajor and Baltes (2003) contend that "Individuals who report that they engage in selection involving goals, who optimize means that are goal-relevant, and who search for alternative compensatory means to maintain functioning when previously available means are not available, also report higher levels of standing on a variety of positive outcome measures such as various forms of well-being and everyday mastery."

Bajor and Baltes (2003) have established the predictive ability and applicability of SOC model in organizational setting. However, these authors employed the summated scores on individual strategies to arrive at a combined SOC score. Bajor and Baltes (2003) suggest that this summated score is an effective predictor of the focal outcomes. This view is in concordance with Freund and Baltes, (2002) who suggest that individual strategies exhibit discrepancies in relationship associations attributable to differences in context and dispositional characteristics of the respondents. Thus, instead of treating the strategies separately, Bajor and Baltes (2003) viewed these strategies are part of the framework of SOC. Furthermore, they posit that the three SOC strategies may be considered to be a part of a larger, overall goal strategy.

Although the SOC model separates the three discrete parts: selection, optimization and compensation, Baltes and Baltes (1990) view selection, optimization and compensation as simultaneously occurring continuity enhancing mechanisms. Furthermore, Baltes, Staudinger, and Lindenberger (1999) argue that SOC meta-theory is based on the simultaneously orchestrated and allineated interplay between the three processes of behavioral coordination: selection, optimization, and compensation. As such, there is ample reason to expect that the three spring from and can be captured in terms of a second-order construct although no empirical research has tested this contention to date. However, this conceptualization concurs with model of McInerney, Roche, McInerney, and Marsh (1997) who examined a second-order structure which subsumes three major dimension of goal orientation: mastery, performance, and social. Furthermore, McInerney et al. (1997) suggest that the second-order structure (overall goal orientation) exhibits superior a superior conceptualization of goal orientation and offers greater explanatory power in various performance related outcomes

This study postulates that LMS offers a comprehensive stance in explaining goal-oriented behavior, both in terms of time (considering lifespan-related changes) and its ability to encompass both individual and contextual factors. Plausibly, we now argue that LMS may reliably (and enhance the explanatory power of goal orientation theory) predict the nature and extent of an individual's performance and satisfaction.

Application of the SOC Model in a Personal Selling  
Context: Integrating and Extending Goal  
Orientation/Achievement Theory

As mentioned previously, the SOC model encapsulates selection, optimization and compensation strategies, which are general processes of adaptive mastery across the lifespan (Reideger, Freund, and Baltes, 2005). Also mentioned, goal orientation theory may be quite clearly mapped onto SOC, in order to gain a richer understanding of the way in which SOC, via LMS, may extend Goal Orientation Theory's understanding of salesperson satisfaction and performance needs to be examined.

Freund et al. (1999) present a three-stage model encapsulating goal-oriented behaviors. First, they argue that individuals work toward their own development by first, selecting goals, developing a hierarchy or structure of goals they intend to pursue and then committing themselves to these goals. Also, contingent on the availability of resources (current and potential), individuals restructure the hierarchy, adjust goal standards, and select new goals with changes in goal structure. Furthermore, Freund et al. (1999) posit that if the change of goal structure is due to a loss or decrease in goal-relevant means, individuals are said to engage in loss-based selection. The notion of Loss-based selection is predicated on the assumption that individual development consists of trajectories of both gains and losses (Baltes, 1997).

Second, individuals pursue their chosen goals by optimally utilizing their goal-relevant means best suited for goal attainment. In other words, individuals optimize their means for enhancing their level of functioning for successful development (Baltes and Baltes, 1990; Freund and Baltes, 1998). The means include the content of goals, type of personal resources (skill level etc.), and opportunity structure. It is

important to recognize that optimization includes monitoring the effects of the strategies or means that one applies in goal pursuit. For instance, performance feedback and performance evaluation (by a supervisor/manager) may serve as clues to the individuals to employ of certain specific means or resources for goal pursuit.

Third, Freund et al. (1999) argue that individuals employ various means and resources to avoid loss in goal achievement, in a similar manner as that described in SOC's Compensation strategy. Such Compensation occurs when there is a mismatch between need of resources/means and availability of goal-relevant means. Typically, individuals would either substitute means/resources or use external assistance to maintain goals, again, in keeping with SOC's compensation strategy. Research suggests that if compensatory effort cannot aid goal maintenance, or the costs of such efforts offset the gains, individuals may either restructure the goal hierarchy or adjust (lower) the goal standard or select new goals (i.e. loss-based selection) (Baltes, 1997; Freund and Baltes, 1998). In other words, selection, optimization and compensation may be clearly viewed as processes of goal selection, goal pursuit, and goal maintenance.

However, there are a number of reasons why the SOC model can be argued to extend our understanding of these processes and potentially, enrich our understanding of the relationship between salespeople's goals and the outcomes of those goals. First, whereas some studies in goal-achievement theory have focused on the three steps discussed by Freund et al (1999) in isolation, SOC presents a systematic model that focuses on simultaneous coordination of its three functions (Baltes, 1997). As such, SOC is a very general theory which is not restrictive to certain specific contents of

individual development processes or outcomes. Also, it is considered to be a meta-model because it applicable to a large range of variations in goals (domains of functioning) and means (Baltes, 1997; Baltes et al., 1999).

The SOC model also provides a superior description of the differential allocation of available resources to various goal-related processes (Baltes, 1997). Also, the SOC model elucidates the mechanism needed to integrate expertise development and classical conceptions of cognitive abilities (Krampe and Baltes, 2003) into understandings of goal pursuit and strategy selection. Specifically, the SOC framework separates the investment of cognitive resources into culturally or personally defined goals and considers such differential investments as a key to individual differences in cognitive capabilities as defined by either psychometric ability measures or more idiosyncratic expressions of expertise (Krampe and Baltes, 2003).

Furthermore, SOC extends goal achievement theory in its applicability to contexts outside personal, individual-level goal attainment. Baltes and Dickson (2001) address the processes of selection, optimization, and compensation within the industrial-organizational psychology context. This meta-theory can be used to study various organization-level functioning (Baltes and Dickson, 2001). The processes of SOC were thus proposed to be important for individual as well as organizational behavior (see also Baltes and Carstensen, 1998). Plausibly, the SOC model may be successfully used to explain the variance in performance outcomes in personnel selling context as salespeople often select sales goals, pursue the selected goals and attempt to maintain these goals. Importantly, because of its integrative stance with respect to

stable personality factors, dynamic contextual factors, cognitive structures, and its ability to address not only personal but also organizational phenomena, SOC will explain variance in performance outcomes over and above goal orientation theory.

I now describe, in greater detail, the second-order Life Management System (LMS), the three sub-strategies of SOC, arguing that they should be conceptualized in terms of a second-order construct, Life Management Systems (LMS).

### Life Management System

Extant literature demonstrates that the theory of successful lifespan development builds around processes of selection, optimization, and compensation which are pivotal to an individual's developmental progress (Baltes and Carstensen, 1996; Baltes, 1997; Li and Freund, 2005; Marsiske, Lang, Baltes, and Baltes, 1995). Accordingly, it may be understood that these processes may be a part of the domain of wisdom (Baltes, Smith, and Staudinger, 1992).

Wisdom may be inferred as an expert knowledge system leading to pragmatic decision-making (Baltes, Gluck, and Paul, 2002). It involves drawing conclusions about the individual's behavior and conduct to guide it towards excellence in an attempt to achieve some balance between personal well-being and utilitarianism. Research indicates that expert knowledge is related to individual performance (Chase and Simon, 1973; Chi et al., 1981; Patel, Glaser and Arocha, 2000; Hegarty, 1991; Hershey and Farrell, 1999; Lesgold and Lajoie, 1991; Walsh and Hershey, 1993). Expert knowledge is the specialization of knowledge (Favela, 1997). Shephard (1969; 1970; 1973) has demonstrated that a relationship exists between individual satisfaction and capability. SOC focuses on resource management to enhance individual's

capabilities (Baltes and Baltes, 1990; Freund and Baltes, 1998; Baltes and Dickson, 2001). Therefore, the relationship between LMS job satisfaction and job performance may warrant additional investigation.

Seemingly, life management strategies may influence various facets of an individual's life. Hence, SOC can be useful in predicting the outcomes of personal resource management (Freund and Baltes, 2002). Optimization and Compensation strategies may also be associated with the use of specific learning strategies (Wiese and Schmitz, 2002). Wiese and Schmitz, (2002) found behavioral validity of self-reported SOC in their study, empirically demonstrating the correlation between the SOC and the likelihood of a student canceling an examination (also see Wiese, Freund and Baltes, 2002). Controlling for socio-demographic variables, the selection and optimization of life management strategies moderated the relationship between financial strain and life satisfaction (Chou and Chi, 2002).

However, to examine the influence of life management strategies on job satisfaction and job performance, and also, to provide a new integrative approach of understanding goal-oriented behaviors, we posit a second-order construct of Life Manager System (LMS). The second-order LMS construct, captures the overall motivation for goal-oriented behaviors and, furthermore, it shapes the individual's decisions pertaining to processes of goal selection, goal striving and goal maintenance. Second-order LMS construct is an overarching construct which captures the motivation of an individual to engage in goal-oriented behavior. "The concept of motivation refers to internal factors that impel action and to external factors that can act as inducements to action. The three aspects of action that motivation can affect are

direction (choice), intensity (effort), and duration (persistence)” (Locke and Latham, 2004). Ostensibly, in this research study, it is postulated that the second-order LMS construct shapes goal selection (selection strategy), goal striving (optimization strategy) and goal maintenance (compensation strategy).

The notion of second-order LMS construct is supported by Social Learning Theory, Achievement Goal Theory and Cognitive-Orientation Theory. Following section will provide discussion on how each of the aforesaid theories supports the notion of second-order LMS.

Social Learning Theory: Social learning theory postulates that individual learning stems from dynamic interplay between the person, the environment, and behavior (Bandura, 1986). Furthermore, an individual’s goal-oriented behavior stems from conative processes. Conative processes embrace the self-regulation or self-direction of individual’s behavior. These conative processes act as an overarching coordinator of goal-oriented behavior, providing the answer to “why” a particular behavior should occur. Conative processes are often referred to as the goal-oriented component of motivation (Baumeister, Bratslavsky, Muraven and Tice, 1998; Emmons, 1986). Plausibly, an individual’s selection of specific tasks and their subsequent pursuit may spring from chronic individual goal-orientedness, thus, providing theoretical support for the second-order LMS. LMS may be viewed as a conative process, which shapes the individual’s goal selection, goal pursuit and goal maintenance.

Achievement Goal Theory: The most widely accepted conceptualization of Achievement Goal Theory (AGT) involved two major constructs: mastery goals and



performance goals, which describe two types of orientations: learning and performance orientation. Past research indicates the positive effect of learning orientation (focuses on acquisition of new skills and knowledge) on performance outcomes. However, there are inconsistencies in the relationship between performance orientation (which focuses attempts to maintain favorable judgments of one's capabilities and avoidance of situation, which could demonstrate deficiency in capabilities) and performance outcomes. Dowson and McInerney (2003) proffer that another category of goals that may result in correspondence goal orientation are social goals. Urban and Maehr (1995) suggest the dearth of literature positing direct relationships between social goals and performance outcomes (Urdu and Maehr, 1995). Incorporating the social goal, Barker, McInerney, and Dowson (2004a and 2004b) examined goal orientation as a second-order construct, which embodies the three types of goal orientations, namely learning, performance and social using AGT. Barker et al (2004) suggest that probing each dimension of goal orientation individually provides a very narrow understanding of overall goal orientation. "Examining a second-order factor structure for goal orientations, in contrast, may enable a 'common quality' of various goal orientations to be extrapolated" (Barker et al., 2004). This view stems from AGT, which suggests that an individual's goal-setting and subsequent goal pursuit germinate from social-cognitive illation. This social cognitive illation provides direction and urgency to people's goal-oriented behavior (Elliott and Church, 1997; Pintrich, 1996). LMS can thus be viewed as a social cognitive illation, from which goal selection, resource optimization and goal-compensatory approach springs.

Cognitive Orientation Theory: Cognitive Orientation Theory (COT) suggests that behavior is the function of cognitively shaped motivational dispositions (Kreitler and Kreitler, 1982). COT is considered a comprehensive theory of behavior, which provides explanation of both avoidance and approach of certain tasks. COT maintains that cognitive processes regulate the procedures involved in the successful performance of diverse tasks (Kreitler and Kreitler, 1990). This theory is grounded in the theory of meaning.

Under this theory, cognitive orientation enables an individual to analyze a given task (or goal) and appraise if its selection and pursuit is warranted (Goel and Pirolli, 1989; Spector et al., 1993). In addition, Dorner (1996) suggests cognitive orientation enables individuals attain precise notion about a given task (or goal) and reliably predict accuracy of their decision pertaining to selection of that task (or goal) and optimization of resources for pursuing that task (or goal). Furthermore, cognitive orientation enables preparations for future contingencies, (Greenglass, 2002) in that it shapes amendments to tasks (or goals) when they are daunting. In concordance, it may be propounded that an individual's overall cognitive orientation towards a goal may shape his/her task analysis and, subsequently, delineate the selection of a goal and ensuing pursuit of the selected goal. Past research indicates that individual's overall life management can be viewed as a regulatory mechanism, which acts as a capability associated with the cognitive pragmatics (Baltes, Lindenberger, and Staudinger, 1998). Ostensibly, LMS is conceptualized as an overarching strategy that encapsulates individual's cognitive orientation towards goals, taking into account individual's

present and potential capabilities. Hence, LMS is postulated to give rise to individual's goal selection strategy, optimization strategy and compensation strategy.

The following section provides a detail description of the three SOC strategies. Additionally, rationale for conceptualizing each of the strategy as a first-order construct is proffered.

### Selection Strategy

The Selection strategy involves an individual's choice of important activities on which one's desires to center one's energy. According to the SOC meta-theory, selection is principally very important because processing resources are scarce (Freund and Baltes, 2000). Furthermore, because individuals engage in simultaneous and sequential cognitive multitasking (Baltes and Baltes, 1990), selection entails flexible resource allocation across various functions and task domains. For example, a retail salesperson may simultaneously cultivate a new customer, while memorizing the items that he/she needs to place back on the racks, attending to the customer in fitting room, and checking out another customer at the register. Also, the salesperson in a retail setting may attend to several customers concurrently, with equal intention of closing sale with each of the customers. Assuming the retail salesperson has limited resources to close each sale, he/she can choose between pursuing a particular customer and letting the others go or divide the time between the customers with limited attention to each job dimension. Consequently, neither pursuit is as good as it possibly could have been with more attention. In the long run, a retail salesperson who can successfully to determine the chances for closing a sale on the most suitable customer of all and who pursues that customer to the best of the his/her ability will be more

successful than the retail salesperson who tries to pursue all customers in a substandard way.

Selection, therefore, involves directionality, goals, and outcomes. According to the SOC meta-theory (Freund and Baltes, 1998, 2000, 2002), there are two types of selection strategies: elective selection and loss-based selection. Elective selection is considered to be motivational in nature. These are goals that individual choose to adopt and pursue to satisfy a need or a desire. Loss-based selection, conversely, is an outcome of the unavailability of outcome-relevant resources (Freund and Baltes, 1998). Loss-based selection results from occurrence of a loss that threatens goal-pursuit. To continue the quest, one has to restructure of one's goals (Bajor and Baltes, 2003). For example, a retail salesperson experiencing physical fatigue may choose to clear the fitting rooms (those used by his/her customers) and pursue only a few selected customers. Goals may also be selected through elimination of all competing goals. In such cases, individuals may indulge in goal disengagement to preserve their psychological well-being (Freund and Baltes, 1998). Disengagement implies that individuals cease to apply resources to unattainable goals and must apply these resources in pursuit of important goals (Wrosch, Scheier, Carver, and Schulz, 2003). Disengagement may be viewed as a loss-based selection mechanism. Besides an emphasis on important goals, an individual may exercise loss-based selection by lowering aspiration levels related to particular goals and completely substituting unattainable goals with more pragmatic goals (Reideger et al., 2005). Additionally, loss-based selection involves making amendments to a single goal or the entire goal system.

Goal Setting Theory (GST) suggests that goals are regulators of individual individual's actions (Locke and Latham, 1990; Locke and Latham, 2005). Additionally, GST suggests that self efficacy impacts how people select their goals (Bandura, 1986, 1991; Phillips and Gully, 1997; Thomas and Mathieu, 1994). Furthermore, Bandura (1986) promulgates that self-efficacy is "people's judgments of their capabilities to organize and execute courses of action required to attain designated types of performances. It is concerned not with the skills one has but with the judgments of what one can do with whatever skills one possesses."

LMS embraces individuals' comprehensive goal-attainment strategies, taking into account both current and potential resources (skills and capabilities). Thus, it extends beyond the domain of self efficacy in that it takes into account not only the current skills but the future skills (for example, the optimization strategy involves efforts to acquire a new skill or hone the current skill to attain a given goal). Plausibly, individual selection of goals may be shaped by LMS. The preceding discussion leads to the following hypothesis:

H<sub>1a</sub>: Elective Selection Strategy is a significant first-order indicator of the second-order Life Management System construct

H<sub>1b</sub>: Loss-based Selection Strategy is a significant first-order indicator of the second-order Life Management System construct

### Optimization Strategy

Optimization may be conceptualized as management and rearrangement of resources necessary for attainment of goals (Staudinger and Pasupathi, 1998). It may involve acquisition of resources and optimally utilizing them for pursuing the goal.

Since individuals are driven by premeditated goals, they attempt to acquire, modify and channel available and expected resources to attain these specific goals (Baltes, Gluck, Freund, Li, and Baltes, 1999). Optimization is intended to enhance or preserve the means available to achieve one's selected goals. This approach involves activities like employing extra effort or enhancing current skills. For example, a salesperson may try to improve his or her speed of working at the cash register because this skill let them close the sale faster.

Retail salespeople could attempt to become more sociable with co-workers to increase their network and thus increase their support in the workplace. Another example of optimization would be exerting extra effort in one's job to achieve higher levels of performance. A final example of optimization could involve an employee's enhancing his or her existing skills (e.g., computer skills, communication skills, management skills) to help achieve a certain set of goals.

Overall, an optimization strategy includes the commitment and utilization of resources required to accomplish a given goal. This strategy includes the time and effort one invests to attain a desired level of performance in any professional endeavor (Freund and Baltes, 2002).

Redeiger et al (2005) propound that extent and intensity of resource investment in pursuit of a given goal springs from one's motivational orientation. Freund (2005) suggests that individual has a finite set of resources. When simultaneous goals are pursued, some goals are sacrificed so the resources may be used to attain another goal, in an exercise of Loss-based selection. This mechanism of resource allocation stems from an individual desire to maintain well-being (Freund and Baltes, 1998). Plausibly,

an individual's overall strategy to preserve his/her well being frames the allocation of resources to pursue a given goal. Consequently, LMS, posited as the overarching strategy which shapes intensity of goal pursuit by apposite resource allocation to regulate well being (Locke and Latham, 2004) may shape resource optimization. This view is supported by Kanfer and Ackerman's (1989) resource allocation model, which suggests the influence of self-regulatory activities on resource allocation to goals.

Additionally, research indicates that "motivation can affect not only the acquisition of people's skills and abilities but also how and to what extent they utilize their skills and abilities" (Locke and Latham, 2004). In this frame of reference, the second-order LMS construct, which captures individual's motivation to select and pursue a goal, may steer people's propensity for development and allocation of skills and capabilities. Hence,

H<sub>2</sub>: Optimization Strategy is a significant first-order indicator of the second-order Life Management System construct

### Compensation Strategy

Compensation may be defined as an individual's inventive response when confronted with scarcity or loss of resources. Individuals may choose to use different paths to attain the same goal outcome when outcome-relevant means are deficient. There are two major functional categories of compensation. An individual may undertake other measures or means to compensate for lost resources to attain the same goal or s/he may try to marshal resources to change goals as a reaction to loss of goal-relevant resources (Baltes and Baltes, 1990). In other words, individuals may either

increase their effort to achieve the goal or may use external means to assist them in their endeavors.

For example, a retail salespeople may determine their chances of closing a sale with one customer and relinquish other customers or salespeople may sometimes be over-occupied with one particular customer such that they becomes unavailable to other customers. In the later situation, the salesperson may have to work more industriously to close a sale to overcome the loss of other sales. Losing a sale where the salesperson may have invested an incredible amount of time may be considered a setback for the salesperson. If a salesperson gives up whenever there is a setback, there may not be any chance of improving his or her performance. Because these setbacks and losses occur frequently when pursuing sales goals, the salesperson can either realize that these goals are permanently blocked and pursue alternative goals. For instance, if a salesperson finds it difficult to close a sale with a specific type of customers, the salesperson may choose to spend less time with these customers, or the salesperson may choose a different set of customers. This is an example of loss-based selection. Alternately, if the salespeople realize that these sales are still attainable, they can employ additional resources to close these sales or alter their sales approach.

Example of such a compensatory mechanism can be witnessed when salespersons may dexterously pursue the customers in spite of the fatigue. Also, the salesperson may seek external aid (assistance from a colleague to ring up the customer while he/she is helping other customers) to overcome any impedance in closing sales. Furthermore, one instance of changing sales approach is when the salesperson chooses not to familiarize the customer with variety of accessories (e.g. tie with shirt or top



with skirt etc.) that he/she would typically recommend the customer in addition to the merchandize that customer is seeking to purchase.

Baltes and Dickson (2001) suggest that individuals may employ either external or internal practices to overcome the scarcity or loss of resources. In a retail setting an example of external compensation is when a physically fatigued salesperson may request a colleague or assistant to ring up one of his/her customers. On the other hand, internal compensation may be illustrated as the salesperson's use of impression management (Abraham and Hansson, 1995) on the loss of sales to show his colleagues and supervisor that the losses were unimportant (Baltes and Dickson, 2001) and later on, endeavor to motivate himself to engage in activities could be used as a compensatory means to close these sales.

A Compensation strategy also involves people's manner of coping with the inevitable losses and hindrances they encounter in pursuit of their goals (Bajor and Baltes, 2003). Furthermore, a compensation strategy involves reassigning goal-relevant resource to counteract anticipated or actual loss. However, in this type of compensatory action, the emphasis is on avoiding losses and maintaining specific level of functioning. At this point, the choice is between using alternative resources to attain the present goal (if it is still considered attainable) or forsaking a goal that may have become unattainable. In other words, the emphasis in compensation strategy development is on how individuals use their limited resources to preserve their goal pursuit. Alternately, if the compensatory efforts fail, individuals may decide to forsake their goals altogether. Overall, a compensation strategy provides an alternative to loss-based selection, which entails a restructuring of goals owing to loss of resources.

Compensation strategy may be viewed as a coping strategy against challenges arising from goal-relevant resource deficiency. Past research has associated motivation to engage in a goal with improved coping strategies. Redeiger et al. (2005) suggest that an individual's goal compensatory approach may be related to how well the individual wants to manage his/her life. According to Cognitive Adaptation Theory, individual overall proclivity to maintain a specific level of performance shapes how well they cope with challenges (Helgeson and Fritz, 1999). Plausibly, individual overall predilection for apposite life management may delineate the compensation strategy to maintain given level of performance. This discussion leads to the following hypothesis:

H<sub>3</sub>: Compensation strategy is a significant first-order indicator of the second-order Life Management System construct

The following section discusses the two focal outcomes of LMS, Job Satisfaction and Job Performance, both as explained by AGT and here as extended in the form of SOC theory.

### Job Satisfaction

Job satisfaction is an emotional and cognitive state resulting from evaluating one's task, activity, job, or other related experiences (Locke, 1976). Job satisfaction may be defined as the extent to which one feels positively or negatively about the intrinsic and/or extrinsic aspects of one's job (Hunt, Chonko, and Wood, 1985). In addition, "job satisfaction refers to the degree to which the employee is satisfied and content with his/her job" (Boonzaier, Ficker and Rust, 2001).

As noted above, past research indicates that people's goal orientation influences their job satisfaction (Van, Nico and Janssen, 2002). Achievement Goal Theory promulgates that goal orientation edifies the structure of a goal that an individual pursues, experiences, and responds to with respect to her/his objectives (Duda, 2001; Dweck, 1986, 1999; Nicholls, 1984; Pintrich, 2000). Also, goal-setting has been seen to be positively related to job satisfaction (Arvey and Dewhirst, 1976). Therefore, an individual's Selection strategy, which primarily relates to the individual's choice of goals, has been shown to be related to job satisfaction under goal achievement theory. However, LMS, which encapsulates the selection strategy, may exhibit a more direct relationship with job satisfaction. LMS is characterizes apposite life management. Past research indicates that appropriate life management is related to psychological well-being (Baltes and Baltes, 1990). Hence, we posit that the relationship between that the second-order LMS may be related to job

However, goal-setting, or Selection, alone may not be sufficient to explain job satisfaction. As Locke and Latham (1990) argue, "Usually a goal, once accepted and understood, will remain in the background or periphery of consciousness, as a reference point for guiding and giving meaning to subsequent mental and physical actions leading to the goal." Therefore, for goal-setting to have an impact on job satisfaction, individuals must also strive to achieve the goals they set forth for themselves by optimally implementing the available and anticipated resources. Goal intentions are enacted by individual by developing intent to implement, which in turn activates goal-directed behaviors (Gollwitzer, 1996). The execution of implementation

plan may be a vital component of goal-striving, in which person's intentions are to perform a goal-directed behavior.

Optimization strategy is individual's efforts to strive for attaining goals by appropriately allocating limited and scarce resource. Thus, optimization strategy may be understood in terms of goal-striving (Bajor and Baltes, 2003). Goal-striving, may be defined as the "implementation and self-regulation of one's end-state intentions and instrumental acts linked to goal attainment" (Bagozzi and Edwards, 2000). The self-concordance model of goal-striving describes the motivational processes by which people can increase their level of satisfaction and suggests that individuals derive satisfaction from goal-striving (Sheldon and Elliot, 1999). Goal-striving theory can be easily aligned and integrated into SOC as part of the Optimization strategy, which involves what may be interpreted as adaptation and incorporation processes (Freund and Baltes, 2002). Conversely, under the Action Phase Theory (Gollwitzer, 1990), an individual volition may describe the optimal resource allocation for specific goal pursuit. The Action Phase theory expounds the dynamic regulatory potency of volition in goal pursuit. The strength of volition is influenced by motivational orientation (Heckhausen, 1991). LMS represents an overarching strategy which simultaneously captures motivational orientation and volition influence. Plausibly, there may be association between optimization and job satisfaction through LMS.

Research demonstrates that when individuals confront failure or hindrances in goal attainment, they use task-oriented coping strategies to overcome these situations (Morris, Brooks and May, 2003). This research implies that individuals, when confronting a situation of resource scarcity or failure, tend to focus on the specific

tasks or goals and overlook those considered not as important. According to self-efficacy theory (Bandura, 1982), depending on one's perception of capabilities, individuals may avoid certain behaviors and pursue others when faced with hindrances or setbacks. Furthermore, research indicates that there may be differences across individuals with respect to their abilities to overcome setbacks (Bottger and Woods, 1988). Self-efficacy is defined as people's judgment their ability considering their current capabilities. Self efficacy does not take into account the potential capabilities that an individual may decide to acquire to optimally utilize the limited resource to pursue a selected goal. However, LMS extends the concept of self-efficacy, by considering both current and potential resources that an individual employs for goal attainment. Thus, it is hypothesized that LMS shapes individual's compensation strategy.

Furthermore, Individuals bargain with several factors that may influence the attainability of a premeditated goal to ensure a steady quest for its attainment (Brandtstadter and Rothermund, 2002). According to the Two-Process Framework Theory of goal adjustment (Brandtstadter and Rothermund, 2002), there are two modes of coping with challenges in path to goal attainment: assimilative and accommodative. In assimilative mode, the individual's volition shapes the cognitive view of situation to attain suitable fit between goal and current situation. The aim of these adjustments may be to continue to strive for the goal to achieve satisfaction (Brandtstadter and Rothermund, 2002). Because LMS captures such volitional control directed at achieving satisfaction, its relationship with job satisfaction is hypothesize. Thus, theories across research paradigms suggest that although Compensation takes

many forms, there is reason to believe that, in concert with Selection and Optimization strategies, Compensation may impact job satisfaction via LMS.

Research indicates that the more the individual employs life-management strategies the greater the corresponding developmental success, observed various indicators such positive psychological functioning, emotional well-being, and life satisfaction (Freund and Baltes, 2002; Reideger et al., 2005). In other words, being committed to personal goals, pursuing these goals, and endeavoring to maintain these goals when confronting losses, positively influences the individuals general satisfaction (Freund and Baltes, 1998; 2002; Wiese, Freund, and Baltes, 2000).

Baltes and Heydens-Gahir (2003), empirically demonstrated that use of SOC strategies at work were related to lower amounts of job stress. The results were consistent even when additional variables such as hours worked gender, job involvement, and supervisor support were controlled. Past studies generally indicate that job stress and satisfaction are inversely related (Hollon and Chesser, 1976; Miles, 1976; Miles and Petty, 1975). Hendrix, Ovalle, and Troxler (1985) posit that job stress is directly linked to job satisfaction. Conceivably, there may be a positive relationship between LMS and job satisfaction.

H<sub>4</sub>: Life Management System is significant predictor of Job Satisfaction.

### Job Performance

Scholars have investigated the implications of employee attitudes on work outcomes such as job performance (Angle and Perry, 1981; Becker, Billings, Eveleth, and Gilbert, 1996; Wallace, 1995). One of the critical issues concerns the conceptualization of job performance. In complex organizations, it is often difficult to

measure individual performance, as work outcomes are a result of multiple interdependent work processes (Borman, 1991). Consequently, job performance has been conceptualized as an individual's overall performance/task proficiency or as performance on specific dimensions, such as the quality and quantity of work (Meyer, Paunonen, Gellatly, Goffin, and Jackson, 1989; Steers, 1977).

Past research indicates moderate relationship between job performance and personality (Tett, Jackson, Rothstein, and Reddon, 1991). However, extant literature indicates a strong relationship between an individual's goal pursuit and performance (Erez and Zidon, 1984; Locke, 1968; Yukl and Latham, 1978), in general. More specifically, it can be seen that past research convincingly demonstrates that each substrategy of SOC is likely to be related to job performance. First, it has been shown that defining and setting a goal that an individual wants to pursue enhances their motivation to perform well (Bandura and Locke, 2003). In essence, goal setting is directly related to both effectiveness and efficiency of performance (Hoegl, Parboteeah, Munson, 2003). Therefore, it may be expected that Selection strategies are related to Job Performance.

When individuals are faced with reduced capacity for goal selection and goal maintenance, they tend to concentrate on fewer and important goals (Freund and Baltes, 2002). Hockey (1984) argued that, although specific resources may be limited, the executive process may delimit or augment efficient performance. Optimal utilization of current and potential resources to pursue goals may improve individual performance (Bajor and Baltes, 2003). Thus, optimization strategies used to allocate

resources to pursue the selected goals are likely to have influences on the actual performance outcome.

Furthermore, past research demonstrates that individuals engage in goal maintenance by blocking competing alternative action plans (Kane and Engle, 2003), in a process similar to SOC's Compensation strategy. Also, individuals may tend to employ alternate means to achieve the same goal (Baltes and Freund, 2002). This is a compensation mechanism, where individuals pursue the same end state, compromising on several intermediating factors. This type of adjustment may be useful for enhancing performance, as the individual shall strive to maintain a given level of performance to achieve that goal even when they are faced with adversities. Thus, selection, optimization and compensation of goal may have some influence on an individual's job performance.

While these relationships may exist between each substrategy of SOC, it should also be considered that the dynamic interplay of all three strategies, as seen in LMS, is likely to provide a richer and more comprehensive explanatory power with respect to job performance than AGT alone. Particularly, LMS can address performance-related factors which involve both the individual and their working context better than theories which focus solely on one or the other.

As discussed above, scholars have theorized that the ability or capacity to select, optimize and maintain (compensation strategy) goals is a key determinant of performance (Anderson, Reder and Lebiere, 1996; Carpenter, Just and Shell, 1990). Bajor and Baltes (2003) conducted an empirical study to assess the role of SOC in predicting work related performance using a sample of 226 bank employees. The



results indicate that SOC strategies influence job performance. “SOC strategies had unique mediating effect beyond that explained by autonomous goal setting, goal expectancy, and goal commitment.” (Bajor and Baltes, 2003). In fact, these SOC strategies accounted for almost as much unique variance as conscientiousness.

However, direct relationship between SOC strategies and job performance had mixed results (Bajor and Baltes, 2003). Not only was the relationship between SOC and performance moderated by the job type, but the strength of the relationship varied between two sub-samples (managerial sub-sample:  $r = .438$  and clerical sub-sample  $r = .209$ ).

One explanation for the mixed results may be the conceptualization of SOC strategies. Bajor and Baltes (2003) summated the respondent's scores on three strategies selection, optimization and compensation to attain an overall SOC score for each respondent. This summated SOC score indicated how well an individual managed his/her life. Further, they examined the relationship between the summated SOC score and job performance. Bajor and Baltes (2003) conceptualized individuals overall life management as a summation of selection, optimization and compensation. However, this conceptualization does not concur with the SOC theory. We posit that individual overall life management is an overarching coordinator of goal-oriented behavior. Hence, conceptualizing a second-order LMS to encapsulate selection, optimization and compensation may be an improved conceptualization of individual's over all life management. Consequently, LMS may provide a superior understanding of individual's job performance.

Past research indicates that individual's overall motivational orientation imparts greater confidence in their own personal control over successes or failures. Greater confidence in one's own ability positively influences performance (Lent, Brown, and Larkin, 1986; Schunk, 1994; Zimmerman, Bandura, and Martinez-Pons, 1992). This concurs with the conceptualization of LMS in this study, which suggests that LMS is the overriding strategy for goal attainment encapsulating individual's motivation to pursue a goal, predicated on assessment of both present and future capabilities. Plausibly, then, a positive relationship may be expected between the postulated second-order construct, LMS, and Job Performance.

Another factor which has been identified as a major determinant of job performance is stress. As noted above, Baltes and Henders-Gahir (2003) suggest a negative linear relationship between SOC-related behaviors and job stress. In other words, they argue that the more heavily an individual leans on a Life Management System, in general, the less job stress she will experience. Jamal (1984, 1985) empirically examined the relationship between job performance and job stress. The results indicate support for the negative linear relationship between stress and performance. These finding coincide with Potter and Fielder (1981) finding, which suggests that when stress with the supervisor was high, performance was consistently low. It may be that this conceptualization of the relationship between stress and performance may also benefit from the application of the SOC/LMS framework. That is, individual factors alone may be insufficient to explain a salesperson's reaction to the stress level in their environment. Plausibly, a relationship between LMS and performance may be hypothesized. This view is supported by Goal Setting Theory,

which suggests that individual's overall orientation towards a goal serves as a motivation to perform (Locke and Latham, 1990). According to Goal Setting theory, individual's overall goal strategy shapes individual cognitive pragmatics, which enables individual to fathom their present abilities and compare them to abilities to succeed in attaining the goal (Locke and Latham, 1990). The preceding discussion leads to the final hypothesis:

H<sub>5</sub>: Life Management System is a significant predictor of Job Performance.

#### Control Variable

Prior research has recognized the influence of Learning Goal Orientation (LGO), Performance-Approach Goal Orientation (APGO), and Performance Avoidance Goal Orientation (AVGO) on performance outcomes (Bell and Kozlowski, 2002; Vandewalle, 1997; Brett and Vandewalle, 1999). Past research suggests that a unified framework of goal-orientation is required because there are fundamental issues regarding the dimensionality, trait vs. state, and definition of goal orientation (Carr, DeShon, and Dobbins 2001). Past research expounds that goal orientation is a multidimensional construct with two (Button et al, 1996) or three (Vandewalle, 1997) dimensions. However, past research is equivocal in asserting that these dimensions are distinct and unrelated constructs but are not completely mutually exclusive (Bell and Kozlowski, 2002; Button et al. 1996, Vandewalle, 1997). As stated in Chapter II, this research attempts to proffer a unifying framework for individual's goal orientation by proposing a second-order construct LMS, which encapsulates individual's overall goal orientation and provides additional explanatory power beyond that provided by goal orientation data. Plausibly, in addition to the effect of Life Management System on

salesperson's job satisfaction and job performance, the model examines relationship between three dimensions of goal orientation and the two outcomes, namely job satisfaction and job performance. To account for the influence of goal orientation and establish LMS's additional explanatory power, goal orientation was incorporated into the model as a control variable.

In an attempt to examine the influence of Life Management System above and beyond the influence of LGO, APGO and AVGO, separate paths were estimated from Learning Goal Orientation (LGO), Performance-Approach Goal Orientation and Performance-Avoidance Goal Orientation to job satisfaction and job performance. By including the LGO, APGO and AVGO in the model, the unique effect of LMS on salesperson's job satisfaction and job performance could be determined. Additionally, this procedure eliminates rival explanations for the results.

The preceding discussion has outlined the development of a conceptual model that serves to explain, the development of second-order LMS construct. This discussion is followed by how LMS, shapes the three SOC strategies in retail environment. Furthermore, it is postulated that superior LMS results in improved job satisfaction and job performance. All the relationships are examined with goal orientation as a control variable. An illustration of the conceptual model and the hypothesized relationships is presented Figure 4.1.

#### Summary of the Chapter

In summary, the main objective of this chapter was twofold, first, to theoretically conceptualize the second-order LMS construct, second to proffer a model that posits relationships between LMS and salespeople's performance outcomes. The

Chapter commences with an overview of goal orientation literature. This section identified the gaps and contradictions in the extant literature pertaining to goal orientation.

This section was followed by presentation of an overarching theory of SOC, which aims to integrate and extend the existing conceptualization of goal orientation. Furthermore, groundwork is laid for the second-order LMS construct, which provides improved understanding of salespeople's goal orientation, by incorporating both dispositional and contextual influences in goal pursuit. The next section provides detailed conceptualization and definition of the second-order LMS construct. A justification is offered for proposing a second-order LMS construct and how it extends the understanding of salespeople's goal orientation.

The chapter then moves to development of conceptual model to explain how the three SOC strategies spring from LMS. Each strategy is elucidated in detail and theoretical support is provided to how it can be conceptualized as a constituent of LMS. Predicated on Goal Orientation Theory, Goal-Setting Theory, Motivation Orientation Theory, and Cognitive Adaptation Theory, hypothesized are developed to explain the relationship between SOC strategies and second-order LMS construct. The Chapter then provides literature pertinent to job satisfaction and job performance. Lastly, in concordance with extant literature, the relationship between LMS, job satisfaction and job performance is hypothesized. The attention is now afforded to methodology that will be employed to test the conceptual model.

## CHAPTER III

### METHODOLOGY

This chapter outlines the research methodology used in this study, including a description of the sampling frame utilized, sample size justification, and the design of the survey instrument. The instrument design phase includes the discussion of scales utilized to measure the constructs included within the conceptual model. I also outline the data analysis approach utilized in the study. Construct validity assessment includes assessment of construct reliability, unidimensionality, discriminant validity, convergent validity, and nomological validity. Furthermore, attention will be afforded to hypothesis testing procedures used in the study. The chapter then concludes with a summary of the information provided.

This study considered the application of existing theoretical perspectives to explain goal-oriented behaviors. This research applies life goal theory, achievement goal theory, goal-setting theory, and social learning theory to proffer a second-order LMS construct. This study posits that second-order LMS construct gives rise to elective selection strategy, loss-based selection strategy, optimization strategy and compensation strategy. Furthermore, it is hypothesized that second-order LMS construct influences salespeople's job satisfaction and job performance.

### Definition of Major Terms

Selection, optimization and compensation: Selection, optimization, and compensation are defined separately; however, in accordance with the underlying premise of the SOC model these three regulatory processes are viewed as functioning in concert with one another (Baltes, 1997; Baltes and Baltes, 1990; Freund and Baltes, 1998; Marsiske et al., 1995).

Selection: Because causal and functional origins for selection differ, a distinction is made between elective selection and loss-based selection. Elective selection focuses on higher levels of functioning and is defined as the process by which one develops goals and goal-standards, builds a hierarchy of goals and preferences, selects new goals when opportunity structures change, and commits one to pursuing these goals. Loss-based selection is a consequence of experiencing a loss in goal-relevant means that threatens the maintenance of a given level of functioning in a specific goal-domain and typically entails reconstructing one's goal hierarchy (e.g., selecting new goals or adapting new standards that can be achieved with the available resources).

Optimization: Optimization is defined as the process of acquiring, refining, coordinating, and applying goal-relevant means or resources to selected domains or goals. Typical instances of optimization are the acquisition and training of specific goal-related skills (e.g., customer handling skills, selling techniques, etc.) and persistence in goal-pursuit.

Compensation: Compensation is defined as the process by which one invests additional resources or adapts additional means of goal pursuit in the face of decline or

loss of goal-relevant means when decline or loss threatens one's level of functioning. For example, as job becomes complex or personal resources decline (due to physical, emotional or psychological reasons) a salesperson may need to invest more time in closing sales or seek extra help from the supervisor or colleagues.

Job Satisfaction: Job satisfaction is defined as “the extent to which people like (satisfaction) or dislike (dissatisfaction) their jobs” (Spector, 1997). Job satisfaction is a general sense of contentment, which may determine how a salesperson feels about his/her job, taking into account all characteristics of the job itself and the work environment which salespeople find fulfilling (or unfulfilling) or rewarding (or unrewarding).

Job Performance: Job performance is defined as the sum of sales behaviors and the outcomes of sales behaviors, estimated in terms of contributions to the objectives of the organization (Churchill et al., 1985).

Goal Orientation: Goal orientation may be defined as the way in which individuals are motivated to pursue different goals. Past researchers have empirically demonstrated that there are two categories of goal orientations: performance goal orientation and learning goal orientation (Dweck and Elliot, 1983; Dweck and Leggett, 1988; Nicholls, 1984). In performance goal orientation, individual may engage and pursue goals to demonstrate their ability in order to attain favorable evaluations of their competence. However, in learning goal orientation, individuals may engage and pursue goals to enhance competence or acquire new skills. However, recent research suggests that performance goal orientation can be further divided into two categories, namely, performance-approach and performance-avoidance goal orientation. In



performance-approach goal orientation, an individual may pursue specific goals in which provide an opportunity to demonstrate his/her prowess. On the other hand, in performance-avoidance goal orientation, individuals tend avoid pursuit or engagement in goals which may demonstrate their weaknesses.

This study aims to examine whether a relationship exists between the aforementioned SOC strategies and a salesperson's success as measured by his job satisfaction and job performance. Therefore, the population of interest is professional salespersons employed by a major specialty chain store. The specialty store offers a wide selection of apparel, shoes and accessories for men, women and children. A sample will be drawn from three separate stores located in major metropolitan areas in the United States. For the protection of the human subjects involved in this study, the Louisiana Tech University, Institutional Review Board approval for the methodology described herein prior to administration of the survey was sought. The remainder of this chapter includes the following sections: sampling frame, sample size, population, instrumentation, data collection, analysis of data, and overview and justification for selection of structural equation modeling.

### Sampling Frame

The sampling frame can be defined as a list or set of directions that identifies the target population (Dillion, Madden, and Firtle, 1994). Because of the holistic nature of the study at hand, no constraint is placed on the development of the sampling frame as it relates to demographic parameters such as age, income, or gender. The focus of this study is to investigate how salespeoples' Life Management Strategies influences performance outcomes. Therefore, in principle, any individual who worked

in a retail setting could have been included in this study. The “Data Collection Method” section will provide justification of the choice of retail stores for data collection.

### Sample Size

Sample-size determination is predicated on one consideration, which pertains to the requirements and constraints relating to the application of structural equation modeling. Structural equation modeling offers several considerations relative to the determination of adequate sample size. Although there exists no absolute universal rule for correct sample size, the “critical sample size” as reported in the empirical body of literature is 200 (Hair et al., 1998). This recommendation is important given these conditions: when one suspects increasing occurrences of misspecification the model is large and complex, the data exhibit non-normal characteristics, or an estimation procedure other than maximum likelihood is utilized (Hair et al., 1998).

As noted in Chapter II, a large and complex model was proposed. To gain greater insight into appropriate sample size, issues relative to Structural equation modeling were considered. A factor to consider is the ratio of free parameters estimated to sample size. As a rule of thumb, it is recommended that this ratio lie in the range of 10:1 to 5:1, with 5:1 being the acceptable under normal and elliptical theory, especially when there are many indicators of latent variables and the associated factor loadings are large (Bentler and Chou, 1987). Past research indicates that 10:1 ratio may be more appropriate for arbitrary distributions (Bentler and Chou, 1987).

This model postulated in the study estimates 90 free parameters. Therefore, the samples size requisite to testing the proposed model may be between 450 (ratio 5:1) and 900 (ratio 10:1).

For this study, the desired level of confidence is 95% in terms of determining figures for the population standard deviation and desired precision. The estimated population standard deviation is derived from examining several previous studies in retail settings. Upon completion of this task, a value for the desired precision is calculated. The following section will discuss the population of interest.

### Population

The population studied is professional salespeople in a major specialty chain store in a major metropolitan area in United States. The specialty store is an upscale departmental store with great emphasis on customer service. Every salesperson is given a daily sales target. The salesperson is paid a fixed wage rate. However, if the salesperson exceeds the daily sales target he/she is commissioned ranging from 7.5% to 10% on the total sales. These earnings from commission far exceed the fixed wage rate (the wage rate in this store is comparable to all of its competitors). Therefore, the salesperson is motivated to approach customers and sell merchandise because of the incentive attached to sales. However, the salesperson is also secured by a reasonable wage rate, if he/she does not meet the sales target. Depending on the sales performance of the salesperson, he/she is given opportunities to be promoted.

The department store has a policy of promoting individuals from within the organization. Therefore, salespersons are motivated to perform better not only for financial gain but also for career advancement. This type of incentive structure is

particularly suited for this research study because this incentive structure provides salespeople with autonomy to select their sales goals, optimize resources in pursuit of these goals, and employ compensatory mechanisms when faced with challenging situations. Hence, the salespeople have the sovereignty to engage in selection, optimization and compensation strategy for both financial and non-financial gains. The following section will discuss the design of the survey instrument.

### Instrumentation

This section discusses the creation of the survey instrument and the scales utilized to measure the constructs under study. This study called for the measure of six constructs. All the constructs were measured using existing scales that demonstrated satisfactory reliability and validity. This study posits existence of a second-order construct that will be measured by multiple first-order constructs. The following is discussion pertaining to the scales used to operationalize the constructs.

The Baltes, Baltes, Freund, and Lang (1999) SOC Questionnaire is administered to measure respondents' regulatory behavior vis-à-vis the elective selection, loss-based selection, optimization, and compensation processes. Initially, the SOC Questionnaire was developed as a 48-item scale (twelve items measuring each of the four processes) and used extensively with aging adult German populations. The authors subsequently extended use of the measure to a middle adult, then young adult German population. Reported Cronbach alphas for the four general constructs are as follows: Elective selection (.78), loss-based selection (.72), optimization (.69), and compensation (.67). Test-retest stability is reported to be .77 for elective selection, .72 for Loss-based selection, .71 for optimization, and .76 for compensation. Many

authors have recently begun to extend the concept and measurement of SOC to use with in other populations.

For example, Abraham and Hansson (1995) explored the SOC related behavior workplace in the older workers (49-69 years of age). Finally, Wiese et al., (2000) applied the SOC model to the often conflicting goals of career and partnership in young professionals (25–36 years of age). Hence, SOC questionnaire is applicable to all age groups.

Bajor and Baltes (2003) examined SOC strategies in an industrial organizational context. The coefficient alphas for the four SOC components were as follows: Loss-based selection =.25, elective selection=.36, optimization=.66 and compensation=.35. Bajor and Baltes (2003) suggest that “the items measuring each SOC component were designed to tap into different facets of each component (i.e., a heterogeneous scale), and thus, test-retest and not internal reliability is a better estimate of reliability.” In the concurrence, if a questionnaire aims at capturing a broad phenomenon, as the SOC Questionnaire does, internal consistency is expected to be moderate and the magnitude of the above–noted temporal test-retest stability coefficient can be taken as evidence on the lower bound of the more conservative Cronbach estimate of reliability (Freund and Baltes, 2002).

Wiese et al. (2000) reported test-retest stability between .70 and .80 for all the measures. Bajor and Baltes (2003) created summated scores for SOC strategies to achieved overall SOC score, which capture the individual’s overall life management. The resulting reliability coefficient was. 81. Furthermore. Wiese et al. (2000) in study of 206 young professionals measured SOC by self-report using a general and two

domain-specific (work and partnership) scales. In general scale, the reliabilities for selection (they viewed elective and loss-based selection as two dimensions of over selection strategy), optimization and compensation were .56, .52 and .47 respectively. However, the superior reliabilities were attained in domain specific scales. In the scale specific to work domain, the reliabilities were .65, .70 and .59 for selection, optimization and compensation respectively. In the scale specific to partnership domain, the reliabilities for selection, optimization and compensation are .53, .63 and .59.

Based on this thinking, respondents in this study will be given the shorter 24 item version of the SOC questionnaire (specific to the work domain) with six items measuring each of the four processes. To measure each component of Life Management System, the modified (24 item) Likert-type version of Freund and Baltes (2002) SOC scale is employed. The modified Likert-type version of the Freund and Baltes's (2002) scale has been used in organizational contexts (e.g. Baltes and Bajor, 2003). The SOC scale items will be assessed for both reliability and validity in other research settings. A six-point, Likert-type scale is used to measure each scale item across the three dimensions of Life Management System. The scale is anchored on "Strongly agree" and "Strongly disagree." The measurement scale contains six items each for elective selection, Loss-based selection, optimization and compensation strategy. The following are items measuring SOC strategies:

Selection Strategy:

1. I concentrate all my energy on a few things.
2. I know exactly what I want and what I don't want.

3. I have set my goals clearly and stick to them.
4. I always focus on one most important goal at a given time.
5. I make important life decisions.
6. When I decide upon a goal, I stick to it.

Loss-based Selection:

1. When the things don't go as well as before, I choose one or two important goals.
2. When I can't do something important the way I did before, I look for a new goal.
3. When I can't do something as well as I used to, I think about what exactly is important to me.
4. If I can't do something as well as before, I concentrate only on essentials.
5. When I can't carry on as I used to, I direct my attention to my most important goal.
6. When something becomes increasingly difficult for me, I consider which goals I could achieve under the circumstances

Optimization Strategy:

1. I keep working on what I have planned until I succeed.
2. When I want to achieve something, I can wait for the right moment.
3. When I want to get ahead, I take a successful person as a model.
4. I make every effort to achieve a given goal.
5. If something matters to me, I devote myself fully and completely to it.
6. I keep trying until I succeed at a goal

Compensation Strategy:

1. When something does not work as well as before, I listen to advisory broadcasts and books as well.
2. When things aren't going so well, I accept help from others.
3. In difficult life situations, I try to get help from doctors, counselors or other experts.
4. When things don't go as well as they used to, I keep trying other ways until I can achieve the same result I used to.
5. When it becomes harder for me to get the same results, I keep trying harder until I can do it as well as before.
6. For important things, I pay attention to whether I need to devote more time or effort.

Job Satisfaction is assessed using a 5-item measure of global job satisfaction developed by Quinn and Shepard (1974). Quinn and Shepard (1974) developed the “facet” specific measure of job satisfaction, which captures an individual’s overall satisfaction with his/her job. This scale was originally developed for the Department of Labor as one component of the Quality of Employment Survey (Quinn & Shepard, 1974). The salespeople were asked to indicate how satisfied they were with their job in general, their pay, their work hours, their work schedule and their work tasks. Job satisfaction is calculated as the summed average of item scores. High scores on this scale represent greater job satisfaction. Overall, this measure of job satisfaction captures the salesperson’s overall favorableness toward his/her job (Shore and Tetric, 1991). Chen, Goddard, and Casper (2004), examine the influence of general self-



evaluations and work-related control beliefs relate on job satisfaction using Quinn and Shepard's (1974) scale. Chen et al. (1974) achieved reliability of .81. The following are the items pertaining to job satisfaction scale:

Job Satisfaction:

1. In general, I am satisfied with my job.
2. I am satisfied with what earn in this job. .
3. In general, my job measures up to the sort of job I wanted when I took it. .
4. I am satisfied with my work hours and work schedule in this job.
5. I am happy with sales targets that my managers sets for me.

Job performance has been variously conceptualized and measured. For example, job performance is considered as any evaluation of either overall job competence of particular aspects of job performance. It may also be an individual's evaluation of performance resulting from satisfactory or unsatisfactory job performance by one's department manager. For this study, job performance is assessed as the department manager's rating of the sales associate's performance on a six point Likert-type scale anchored by Very Poor Performance (1) and Very Good Performance (6). A review of two meta-analyses (Harris and Schaubroeck, 1988; Conway and Huffcutt, 1997) found that the overall mean correlation between self-report and supervisor ratings of job performance is 0.35 or below and supervisor ratings are strongly related to objective measures of performance ( $r = 0.71$ ). This implies that supervisory rating captures salesperson performance more appositely. In other word, supervisory rating is more valid indicator of job performance.

Job Performance:

1. Considering all the aspects the sales job, please rate the overall performance of the salesperson in the last six months.

In addition, five items capturing demographic information will be included in the instrument. These items capture information pertaining to respondent's age, education, income, race, and sex.

As stated previously, goal orientation will be the control variable in this study and it is measured by adapting a 13-item scale capturing the three dimensions of goal orientation (Vandewalle, 1997). This scale has three sub-scales embedded in it, namely, learning goal orientation (five items), performance-approach goal orientation (four items) and performance-avoidance goal orientation (four items). Learning goal orientation captures the extent to which an individual endeavors to learn new skills and competencies to pursue or attain goals (Button, Mathieu, and Zajac, 1996). Performance-approach goal orientation captures the extent to which an individual seeks and pursue goals that will enables him/her to demonstrate competence to gaining favorable judgments from others (Vandewalle, 1997). Performance-avoidance goal orientation capture the extent to which an individual attempts to refrain from selection and pursuit of goal that may demonstrate his/her insufficiency of competence (Vandewalle, 1997). The internal consistency estimates for the .84, .78 and .70 for learning goal orientation, performance-approach goal orientation and performance-avoidance goal orientation respectively (Vandewalle, 1997).

Learning Goal Orientation:

1. I often look for opportunities to develop new skills and knowledge.
2. I wish my job was not evaluated according to my sales performance.
3. I am willing to select challenging work assignment that I can learn a lot from.
4. I enjoy challenging and difficult tasks at work where I'll learn new skills.
5. I'm afraid that if I ask my sales managers a "dumb" question, they might think I am not smart.

Performance-Approach Goal Orientation:

1. I want to do well in my job to show my ability to my family, friends, supervisors, or others.
2. I enjoy it when others at work are aware of how well I am doing.
3. I prefer to engage in tasks where I can prove my ability to others.
4. I am motivated by the thought of outperforming my peers in my firm.

Performance-Avoidance Goal Orientation:

1. I avoid taking on a task at work, at which my performance would reveal that I had low ability.
2. My fear of performing poorly at my job is often what motivates me.
3. I worry about the possibility of not meeting my sales goals or quotas.
4. Avoiding a show of low ability is more important to me than learning a new skill.

Analysis of Data

The purpose of this section is to outline the statistical analysis procedure that will be undertaken for this study. Specifically, the section delineates justification for

the utilization of structural equation modeling and the two-step approach (Anderson and Gerbing, 1988) to examine the relationships posited in this study. Furthermore, various considerations relating to assessment of the measurement model fit will be addressed. This process includes the determination of construct validity of each of the scales presented in the model, including information relative to the testing of scale reliabilities, unidimensionality, convergent validity and discriminant validity.

To empirically examine the proposed relationship, a structural model is constructed. As mentioned previously, this model includes Life Management System as a second-order construct with Selection, Optimization, and Compensation as constituent first order constructs. To empirically strengthen the notion of a second-order Life Management System, the proposed model will be compared with the first-order model (Bagozzi and Yi, 1988). The first-order model does not include any second-order construct. Rather, the direct linkage of Selection, Optimization and Compensation are identified. The data will be analyzed using AMOS 4.0. The following section discusses the procedure that will be employed for data collection.

#### Data Collection

As mentioned above, the population of interest is salespersons in a retail chain organization dealing in apparels and accessories for men, women and children. A sample was drawn from the salespersons working in three stores in large metropolitan areas in the South-Central United States. The survey instrument contained twenty-four items representing the SOC scale, five items representing job satisfaction, single item reflecting supervisory rating of the sales associate's job performance, thirteen items representing the goal orientation scale, eight items representing social desirability

scale and five items capturing demographic information. Included with the instrument was a cover letter, which assured privacy and confidentiality of the responses and acted as human subjects consent.

The questionnaire for this study was administered in the three retail stores in two major metropolitan cities in South-Central United States. The contact was established with the regional manager of this upscale specialty store. The regional manager granted permission to collect data from the store in exchange for sharing the results of the study. The regional manager introduced the author to the store managers, who were equally enthusiastic about the research study. Each store has a rally (at least 3-4 times a week) in which all department managers participate and some of stores top seller participate. The store manager introduced the author to the department managers and laid out, generally the purpose of this exercise. A meeting was scheduled with each department managers one by one and explaining them the general purpose of this exercise. The questionnaire was administered to the sales associates, while they were working the store. The questionnaire was administered one by one to each sales associate so the normally working of the department is not disrupted. Each sales associate took with in 10 to 15 minutes to fill out the questionnaire. Upon completion, sales associate inserted the completed questionnaire in an envelope and returned it to the author.

The manager was instructed to provide a performance evaluation of the sales associate (on a scale of 1 to 6). The evaluation was written on the top right hand corner (just a number) of the envelope. Thereby, complete anonymity of the respondent is maintained. This exercise was repeated in each department of the store

and subsequently in other stores. Overall, the 417 valid responses were collected from the sales associates with managerial evaluation. The total contact pool was 771. Therefore, a response rate of 54% was attained. The response rate was satisfactory. Table 3.1 provides characteristics of the respondents of this study. The following section discusses the justification of the choice of structural equation modeling for the analysis.

Table 3.1 Sample Descriptive Statistics

GENDER		
	Frequency	Percent
Male	191	45.8
Female	226	54.2
Total	417	100.0
EDUCATION		
	Frequency	Percent
High School	67	16.1
Some College	130	31.2
Two year college	48	11.5
Four year college	147	35.3
Graduate degree	25	05.9
Total	417	100.0
AGE		
	Frequency	Percent
18 to 25	40	09.6
26 to 35	216	51.8
36 to 45	120	28.8
46 to 55	22	05.3
Above 56	19	04.6
Total	417	100.0

### Overview and Justification for Structural Modeling

This section provides an overview of, and justification for, the application of structural equation modeling. Structural Equation Modeling (SEM) is selected as the most appropriate technique for the testing of the hypothesized relationships posited in this study. SEM is a comprehensive statistical approach to testing hypotheses concerning relationships among observed and latent variables (Hoyle, 1995). The technique encompasses an entire family of models such as covariance structure analysis, latent variable analysis, and Confirmatory Factor Analysis (Hair et al., 1998). SEM is deemed appropriate for this study for two basic reasons, First, SEM provides for the estimation of multiple and interrelated dependence relationships and second, SEM has ability to represent unobserved concepts in these relationships and account for measurement error in the estimation process (Schumacher and Lomax, 1996).

As stated previously, SEM has a unique ability to incorporate a latent variable into the analysis. A latent variable is a hypothesized as an unobserved concept that can only be approximated by observed or measurable variables (Schumacher and Lomax, 1996). Confirmatory Factor Analysis is used to assess the construct validity of the variables in question (Anderson and Gerbing, 1988; Schumacher and Lomax, 1996). Attention is now afforded to specifics of each of the steps within the two-step approach.

#### Measurement Model Assessment: Step 1

Confirmatory Factor Analysis will be employed to assess the measurement model fit. Confirmatory Factor Analysis will be employed to specify the relationships among observed and latent variables to confirm what is expected on the basis of pre-

established theory. In other words, Confirmatory Factor Analysis is used to see if the selected indicator variables load as predicted on the expected number of factors. This technique is primarily geared towards assessment of scale reliability, dimensionality and validity, for each of the proposed constructs.

Reliability: Reliability suggests that the measures are comparatively free of measurement error. Reliability is characterized as the "repeatability" of a measure (Bollen, 1989; Nunnally, 1978). Composite reliability is a measure of internal consistency. Composite reliability measures gauge the reliability. Composite reliability takes into account concerns pertaining to indicators having different factor loadings and error variances. On the other hand, coefficient alpha assumes these to be equal. As a rule of thumb, composite reliabilities greater than .70 are considered satisfactory (Bagozzi and Yi, 1988). The formula for Composite reliability is given below (Bagozzi and Yi, 1988):

$$\text{Composite Reliability} = \frac{[\sum (\text{standardized factor loadings})]^2}{[\sum (\text{standardized factor loadings})]^2 + [\sum (1 - \text{indicator reliability})]}$$

Unidimensionality: Unidimensionality is the characteristic of an item such that it is associated with only one underlying construct (Anderson and Gerbing, 1988; Gerbing and Anderson, 1988; Jöreskog, 1970 and 1971). In this study, unidimensionality is assumed in the specification of a model estimated with structural equation analysis. Extant literature suggests a procedure for attaining unidimensionality for constructs (Dwyer and Oh, 1987; Kumar and Dillon, 1987; Jöreskog, 1993). The procedure involves estimating a single-construct measurement model (model that specifies a single construct and all its items) for each construct.



Subsequently, measurement models with pairs of constructs are estimated and this procedure is continued till a full measurement model containing all the constructs is estimated. Items are omitted as required at each step to obtain adequate measurement model fit. Item deletion should be done carefully such that it does not impact the content or face validity of the construct. Face validity is concerned with how well an item reflects what is being measured. Face validity is assessed by subjective judgment of the quality of the measures. On the other hand, content validity is concerned with good detailed description of the content domain. Definition of criteria that constitutes content domains remains critical to the assessment of content validity.

Overall, the Harman one factor test can be used as a test for unidimensionality and consistency of measures. This test involves performing a principle component factor analysis of all the items included in the structural model. If the resulting solution suggests the same number of factors as the theoretical model, and no one factor explains a substantially large portion of the total variance, it can be inferred as evidence of unidimensionality and consistency of measures. This test is also used to test for common method bias.

Validity: The primary purpose of presenting a measurement model is to determine construct validity of the scales employed for representing the manifest variables. Construct validity measures the extent to which the scale measures the construct it is supposed to measure, i.e., the constructs are adequately operationalized (DeVellis, 1991; Kerlinger, 1992). Peter (1981) suggests that a measure is construct-valid to the degree of correspondence between qualitative characteristics of the construct and its stated measures. In other words, a measure is construct-valid if the

purported measure is a pure measure of the construct and does not contain any systematic error or elements from the domain of other constructs.

Campbell and Fiske (1959) suggest that trait and nomological validities are essential for attaining construct validity. Cronbach and Meehl (1955) suggest that nomological validity is the extent to which measures of a construct can be used to make observable predictions derived from theoretical propositions. The nomological network presents a theoretical pattern of correlation of the construct with other related and unrelated constructs. Overall, the notion of nomological validity is predicated on the “theory and the nature of the constructs investigated that determines whether empirical results support or invalidate measures in nomological validity” (Peter, 1981).

Trait validity reflects the unique identity of the construct. Unlike, nomological validity, it considers theory only at the level of the single trait. Trait validity suggests that the measurement of the construct is neither tied to a particular measurement technique nor is the construct ancillary to other constructs (Cronbach, 1988). Trait validity can be categorized into convergent validity and discriminant validity (Campbell, 1960).

Campbell and Fiske (1959) propound that convergent validity is reflected in a high degree of correspondence in measurement across different methods. A construct is considered to have high convergent validity if there is a high correlation between the results of measurement of the construct using different instruments. However, discriminant validity is reflected in that measures are less correlated with measures of other concepts and are highly internally convergent. A construct is considered to have

high discriminant validity if there is low correlation between the results of measurement of different constructs using the same instrument.

In most marketing research, constructs are measured with one method. Therefore, reliability is used as a surrogate measure of convergent validity, and ipseity of the measure (low correlation with other measures) is used as surrogate measure of discriminant validity. Extant literature suggests that .70 or higher reliability indicates convergent validity (Hair et al., 1998). Additionally, another indicator of convergent validity is Average Variance Extracted. Average Variance Extracted (AVE). AVE is the average variance shared between a construct and its measures, Fornell and Larcker (1981) noted that measures with reliabilities high reliability may still large percentages of error variance. Plausibly, AVE provides a more robust measure of convergent validity. Dillon and Goldstein (1984) suggest that the AVEs greater than .50 suggest sufficient convergent validity.

Low correlations between the measures are usually considered to be a reflection of discriminant validity. Anderson and Gerbing (1988) recommend the testing of correlation between measures by employing a single degree of freedom test. This test involves examining two structural equation measurement models, one with the target correlation fixed at 1, and a second with this correlation free. The resulting chi-squares are tested for difference. Significant difference between chi squares denotes that the correlation is not 1, suggesting that the constructs are unassociated, typifying discriminant validity.

AVE is also used to assess discriminant validity. If the squared correlation between constructs (common variance) is less than individual AVE's (unique

variance), it reveals that the constructs are more internally correlated than they are correlated with other constructs. This examination provides evidence for discriminant validity.

In general, the preceding section explicates the first step of the two-step approach. The section provides a detailed discussion of construct validity as depicted in trait and nomological validity. Furthermore, trait validity is explained as combination of reliability, convergent and discriminant validity. Detailed discussion pertaining to unidimensionality is presented. Specific application of the assessment of these considerations is discussed, including the utilization of confirmatory factor analysis, coefficient alpha, construct reliability, average variance extracted, and principle component factor analysis. The attention is now focused on the second step of the two-step approach.

### Structural Model Assessment: Step 2

Following Anderson and Gerbing (1988), the structural model estimated with the measurement model is represented by fixed, single indicators, which consisted of summated scales for each construct is examined. The important issue for discussion is hypothesis testing. Testing hypotheses provides evidence for (or against) nomological validity. As aforesaid, nomological validity is the extent of correspondence between the construct's hypothesized relationships and the relationships supported by measurement data. Apparently, nomological validity is achieved when "a measure behaves as expected in relation to other constructs" (Churchill 1979). Thus assessment of nomological validity necessitates examination of both theoretical relationships between construct and empirical relationship between the measures of those

constructs. Plausibly, the overall fit of the structural model will analyzed. To accomplish this objective, three types of fit indices provided by AMOS 4.0 shall be examined.

First, the absolute fit indices are examined. These measures are reflection of the overall Goodness-of-Fit for both the measurement and structural model. Root mean square residual (RMR), Root mean square error of approximation, and the goodness-of-fit index (GFI) are indicators of this fit. Past research indicates that RMR of less than .08, RMSEA of less than .06 and GFI approaching .95 indicate good fit (Hoyle, 1995; Hu and Bentler, 1995).

Second, incremental fit indices are scrutinized. The incremental fit indices are based on comparison of proposed model with independence model. The independence model posits no relations between variable and instead only variable variances are estimated (Bentler and Bonett, 1980). Incremental Fit Index (IFI), Tucker Lewis Index (TLI), also called Non-Normed Fit Index (NNFI), Normed Fit Index, and Comparative Fit Index (CFI) are commonly used incremental fit indices. IFI, TLI (NNFI), NFI and CFI greater than .90 indicates good fit (Bentler and Bonett, 1980; Bollen, 1986; Jöreskog and Sörbom, 1993).

Third, parsimonious fit indices are probed. These indices evaluate the parsimony of the model and suggest an optimal model (neither under nor over fitting). Parsimonious Fit Index (PFI)/Parsimonious Normed Fit Index (PNFI) are assessed for examining the parsimony of the model. PNFI and PFI greater than .40 indicate that the model is parsimonious (Mulaik, James, Alstine, Bennett, Lind and Stilwell, 1989).

Finally, to examine the robustness of the proposed model, a first-order model will be proposed. The first-order model excludes the second-order LMS construct and estimates direct relationship between selection, optimization and compensation strategy. The first-order model will be compared with the proposed model in terms of overall fit. Chi-Square difference test can be used to compare the fit of two models (Bentler and Bonnett, 1980; Jöreskog and Sörbom, 1993). Chi-Square difference test examines the change in Chi-Square taking into account the change in the degrees of freedom. Furthermore, the proposed model and first-order model shall be compared on goodness-of-fit, incremental fit and parsimonious fit indices. The comparison of fit will not only provide support for (or support against) the proposed model, but also confirm (or disconfirming) the notion of second-order.

#### Summary of Chapter

In summary, this chapter aims to illustrate the operationalization of the constructs and the selection of analytic approaches utilized for empirical investigation of posited relationships. The chapter begins with definitions of major constructs studied in this research. Next, a detailed discussion is provided regarding the sampling framework for this study. This section is followed by discussion pertaining to the population and instrumentation used for the study. The discussion on population provides justification for the selection of retail sales associates as primary subjects for this study. The discussion on instrumentation explicates the measurement scales used to operationalize the constructs in this study. Next, an outline for the data collection method is provided. This section provides an illustration of how and where the data will be collected for this study. Attention is then afforded to the data analysis

procedure. This section includes a detailed discussion on the overview and justification of structural equation modeling and justification for selecting Anderson and Gerbing's (1988) two-step approach. Step one presents a detailed discussion of reliability, unidimensionality, and construct validity. Step two will provide the specific indices used to assess the structural model. Chapter IV of this research study presents the explanation of the results that will be obtained from undertaking steps outlined in this chapter.

## CHAPTER IV

### DATA ANALYSIS

The overall objective of this study was to establish the existence of a second-order construct (LMS) and demonstrate its influence on salespeople's job satisfaction and job performance. Furthermore, this study aimed to empirically demonstrate that LMS explains salespeople's job satisfaction and job performance above and beyond goal orientation. This chapter explicates the results of empirical analysis conducted using the method explained in Chapter III. AMOS 4.0 (Arbuckle and Wothke, 1999) was used to perform Confirmatory Factor Analysis and analysis of the structural model.

This chapter is organized into two different sections. The first section deals with the assessment of the measurement model. Specifically, results of Confirmatory Factor Analysis provide evidence of the reliability and validity of the measures. The second section primarily describes the results of analysis of the proposed structural model. Specifically, the relationships posited in the proposed model are tested and the proposed model is compared to the first-order model following Bagozzi and Yi's (1988) suggested method.



### Measurement Model Assessment

To assess the psychometric properties of scales utilized for the conceptual model, tests for scale unidimensionality, reliability and validity were performed. Because this research intends to introduce a completely new construct into the marketing domain with little prior empirical research on which to build, rigorous testing of the scales was conducted. Because observed variables were manifestations of underlying constructs, reflective measures were used to assess the constructs of interest in this study (Bagozzi and Baumgartner, 1994). Therefore, a Confirmatory Factor Analysis was used to assess the psychometric properties of the scales to validate the measures (Anderson and Gerbing, 1988; Fornell and Larcker, 1981).

### Scale Assessment

The first undertaking examined and evaluated the psychometric properties of the scales. A Confirmatory Factor Analysis on all items pertaining to elective selection strategy, loss-based strategy, optimization strategy, compensation strategy, job satisfaction and job performance was performed. The Confirmatory Factor Analysis resulted in reasonable fit with Chi Square = 1658.684<sub>df = 825</sub>. The Chi Square value was significant at .05 level (P-value = .000). The Chi-Square Goodness-of-Fit index tests the hypothesis that the proposed model fits the variance-covariance matrix as well as the unconstrained model. Typically, for a model to have a good fit, the Chi-Square value should not be significant. However, Chi-Square test is sensitive to large sample sizes because large samples sizes are likely to enhance Type II error. In this case, the large sample size is the most likely reason for the rejection of the null hypothesis and, therefore, the model. Hence, other goodness-of-fit measures were examined.

The Goodness-of-Fit Index (GFI) showed a marginally good fit with a value of .850. The results provide a Root Mean Square Residual (RMR) of .129 and a Root Mean Square Error of Approximation (RMSEA) of .049. A P-close of .628 was attained by the model. Furthermore, analysis of the model yields an Adjusted Goodness-of-Fit Index (AGFI) equal to .828, Comparative Fit Index (CFI) of .955, Incremental Fit Index (IFI) of .955, and Tucker-Lewis Index of 0.950. The Hoetler's N (.05) index for the model was 224. All values are approaching the recommended range. A summary of the statistics is provided in the Table 4.1. On the basis of the pattern of evidence from the Goodness-of-Fit statistics in Table 4.1, it was concluded that the model was only marginally satisfactory.

Table 4.1 Confirmatory Factor Analysis

	<b>Suggested</b>	<b>Calculated (Full)</b>	<b>Calculated (Reduced)</b>
Chi-Square		1658.684	689.308
Degrees of Freedom		825	630
Chi-Square Significance	P>. 05	.000	.051
Std. RMR (Hu and Bentler 1999)	≤.08	.129	.060
RMSEA (Steiger 1990)	≤.06	.049	.015
GFI (Hu and Bentler, 1999)	≥0.95	.850	.920
AGFI (Jöreskog and Sörbom, 1988)	≥0.80	.828	.906
NFI (Bentler and Bonnett, 1980)	≥0.90	.835	.961
PNFI (Bentler and Bonnett, 1980)	≥0.70	.835	.861
RFI (Hu and Bentler 1999)	≥0.90	.905	.956
IFI (Hu and Bentler 1999)	≥0.95	.955	.996
TLI (Hu and Bentler 1999)	≥0.95	.950	.996
CFI (Hu and Bentler 1999)	≥0.95	.954	.996
P-Close (Hu and Bentler 1999)	≥0.50	.629	1.000

Since the initial model fit was not optimal, item deletion was considered to improve the fit of the model. Appropriate procedure needs to be followed to delete items from these scales without sacrificing the validity of the concerned constructs (Byrne, Shavelson and Muthen, 1989). The decision to delete items was based on low factor loadings (lower than 0.40), high residuals (normalized residual >2.58) and modification indices. Two items were deleted from the scale of elective selection strategy; and one item was deleted from loss-based selection strategy scale, optimization strategy scale, compensation strategy scale and job satisfaction scale, respectively. The comparison of the content of deleted scale items with their corresponding scales indicated that the essence of the meaning of each deleted item was retained by other items of the scale. In other words, the content validity did not appear to have reduced significantly. The reduction in number of items resulted in substantially better fit of the model. Table 4.2 shows the number of items retained for each scale in the model.

Table 4.2 Scale Assessment

<b>Construct</b>	<b>Original Items</b>	<b>Items Retained</b>	<b>Coefficient Alpha</b>
Elective Selection	6	5	.944
Loss-based Selection	6	5	.843
Optimization	6	5	.972
Compensation	6	5	.951
Job Satisfaction	5	4	.837
LGO	5	5	.963
APGO	4	4	.969
AVGO	4	4	.934

The resulting fit indices demonstrated a substantially better fit than the original mode that included all the items good fit. A Chi Square =  $689.308_{df = 630}$  was attained. The Chi-Square ( $\chi^2$ ) was not significant (P-value = 0.053). The Goodness-of-Fit Index (GFI) also demonstrated a good fit with a value of .920. A standardized Root Mean Square Residual (RMR) of .060, Root Mean Square Error of Approximation (RMSEA) of .015, and P-Close of 1.00 were achieved. The Adjusted Goodness-of-Fit Index (AGFI) was equal to .906; Comparative Fit Index (CFI), Incremental Fit Index (IFI) and Tucker-Lewis Index were equal to .996. The Hoetler's N (.05) was 417.

The non-significant Chi-Square suggests that model has a good fit. In addition, the fit indices that were employed to make an accurate assessment of the model fit also suggest that model has a good fit. The comparative fit index (CFI), incremental fit index (IFI), and non-normed fit index (NNFI) are above the consensually acceptable level of .90 (Bentler, 1992; Byrne, 2001; Diamantopoulos and Sigauw, 2000; Jöreskog and Sörbom, 1993). The Root mean square of error approximation (RMSEA) was .015, which shows the precision of this index to reflect a model fit in the population (McCallum, Browne, and Sugawara, 1996). Past research suggests that  $RMSEA < .08$  shows an acceptable fit (Browne and Cudeck, 1993). Also, the  $PCLOSE > 0.50$  suggests RMSEA is generalizes satisfactorily to the population. Lastly, Hoelter's N (.05) and (.01) indexes were  $> 200$  indicating that the sample size was adequate. All values are well above the recommended range. Table 4.2 provides fit statistics of the full measurement model and reduced model. The next section provides the discussion pertaining to evaluation of reliability and validity of the measures. Hereon, all the

analysis is conducted on the purified measures of the constructs that were attained after eliminating items from the original scales.

Reliability, Convergent and Discriminant Validity

Average Variance Extracted (AVE), Cronbach's Alpha and Composite Reliability were used to assess internal consistency, convergent and discriminant validity. The internal consistency was assessed by composite reliability. For the internal consistency reliability estimate, a composite reliability of .70 or greater is considered acceptable (Fornell and Larcker, 1981). The composite reliabilities of elective selection strategy, loss-based selection strategy, optimization strategy, compensation strategy, job satisfaction, learning goal orientation, performance approach goal orientation and performance avoidance goal orientation were 0.99, 0.98, 0.99, 0.99, .978, .994, .979 and .970 respectively. Table 4.3 provides the composite reliability scores.

Table 4.3 Reliability, Convergent and Discriminant Validity

Construct / Item	Loading*	AVE	C.R.	Mean	S.D.
<i>Elective Selection</i>		0.974	.994	4.42	1.44
I concentrate all my energy on a few things	.961				
I know exactly what I want and what I don't want	.725				
I have set my goals clearly and stick to them	.928				
I always focus on one most important goal at a given time	.955				
When I decide upon a goal, I stick to it	.933				

Table 4.3 (Continued)

<b><i>Loss-based Selection</i></b>		948	988	3.60	0.90
When the things don't go as well as before, I choose one or two important goals	.655				
When I can't do something important the way I did before, I look for a new goal	.926				
When I can't do something as well as I used to, I think about what exactly is important to me	.808				
If I can't do something as well as before, I concentrate only on essentials	.676				
When something becomes increasingly difficult for me, I consider which goals I could achieve under the circumstances	.863				
<b><i>Optimization</i></b>		.982	.996	4.29	1.32
When I want to achieve something, I can wait for the right moment	.974				
When I want to get ahead I take successful person as a model	.966				
I make every effort to achieve a given goal	.973				
If something matters to me, I devote myself fully and completely to it	.981				
I keep trying until I succeed at a goal	.827				
<b><i>Compensation</i></b>		.974	.994	3.49	1.27
When things aren't going so well, I accept help from others	.780				
In difficult life situations, I try to get help from doctors, counselors or other experts	.966				
When things don't go as well as they used to, I keep trying other ways until I can achieve the same result I used to	.925				
When it becomes harder for me to get the same results, I keep trying harder until I can do it as well as before	.964				
For important things, I pay attention to whether I need to devote more time or effort	.957				
<b><i>Job Satisfaction</i></b>		.893	.978		
In general, I am satisfied with my job	.796				
I am satisfied with what I earn (salary and commission) in this job	.865				
I am satisfied with my work hours and work schedule in this job	.875				
I am happy with sales targets that my managers sets for me	.684				

Table 4.3 (Continued)

I often look for opportunities to develop new skills and knowledge	.938				
I wish my job was not evaluated according to my sales performance	.938				
I am willing to select challenging work assignment that I can learn a lot from	.940				
I enjoy challenging and difficult tasks at work where I'll learn new skills	.925				
I'm afraid that if I ask my sales managers a "dumb" question, they might think I am not smart	.927				
<b>Approach Performance Goal Orientation (APGO)</b>		.979	.995	3.49	1.67
I want to do well in my job to show my ability to my family, friends, supervisors, or others	.937				
I enjoy it when others at work are aware of how well I am doing	.961				
I prefer to engage in tasks where I can prove my ability to others	.965				
I am motivated by the thought of outperforming my peers in my firm	.963				
<b>Avoidance Performance Goal Orientation (AVGO)</b>		.970	.992	3.92	1.01
I avoid taking on a task at work, at which my performance would reveal that I had low ability	.893				
My fear of performing poorly at my job is often what motivates me	.907				
I worry about the possibility of not meeting my sales goals or quotas	.916				
Avoiding a show of low ability is more important to me than learning a new skill	.940				
<b>Job Performance</b>				4.69	1.08

\* All loadings significant at or below the .05 level; AVE= Average Variance Extracted; C.R. = Composite Reliability; a= Item Deleted; b>Loading fixed to 1.00

The composite reliability scores are well above the recommended criterion suggesting satisfactory evidence of internal consistency of the measures. To further examine the reliability of the measures of the constructs, Cronbach's alpha was calculated for each of the constructs. The Cronbach alpha for elective selection

strategy, loss-based selection strategy, optimization strategy, compensation strategy, job satisfaction, learning goal orientation, performance approach goal orientation and performance avoidance goal orientation are 0.94, 0.84, 0.97, 0.95, 0.84, 0.96, 0.97 and 0.93 (Table 4.1). Cronbach alphas greater than 0.7 are considered an acceptable level of reliability of the construct (Nunnally and Bernstein 1994). All Cronbach alphas were above the acceptable level.

To demonstrate satisfactory convergent and discriminant validity of the measures, Average Variance Extracted (AVE) statistics were calculated. The Average Variance Extracted (AVE) measures the variance captured by the indicators relative to measurement error, and this index should be greater than .50 to justify using a construct (Barclay, Thompson and Higgins, 1995). The Average Variance Extracted (AVE) for the constructs of elective selection, loss-based selection, optimization and compensation strategy were 0.97, 0.95, 0.98 and .97 respectively (See Table 4.3).

The discriminant validity of the measures assesses the degree to which items differentiate among constructs. The discriminant validity of each construct was assessed by two methods. First, confidence intervals for estimated correlations for the constructs were examined. If the confidence interval includes 1, there may be concerns regarding the discriminant validity of the measures. In all cases, the value of confidence intervals (+/- two standards errors) for the estimated correlations for the constructs exclude 1.0 (Anderson and Gerbing, 1988), providing sufficient evidence of discriminant validity.

Second, the Average Variance Extracted (AVE) of each construct was compared to all of its corresponding squared correlations. Past research indicates that a



construct exhibits satisfactory discriminant validity when the AVE for each construct is greater than the squared correlation between the constructs (Fornell and Larcker, 1981). Because the AVE of each construct is greater than the corresponding squared correlations for each scale, there is sufficient evidence to infer discriminant validity (Fornell and Larcker, 1981; White, Varadarajan, and Dacin, 2001).

Based on the aforementioned criteria, all scales used in this study demonstrated satisfactory validity and reliability. In summary, all Cronbach alphas were greater than 0.70, the minimum acceptable level suggested by Nunnally and Bernstein (1994). In addition, all composite reliabilities exceeded 0.60, the benchmark recommended by Bagozzi and Yi (1988). All indicators loaded significantly and substantively on their hypothesized factors ( $p < .001$ ). Results showed that all the critical ratios of all the indicators were statistically significant (critical ratios  $> 1.96$ ,  $p$ -value  $< 0.05$ ) and ranged from 10.362 to 69.343. These results were taken as evidence of acceptable convergent validity (Gerbing and Anderson 1988). Table 4.4 presents the correlation between all the scales operationalizing the target constructs.

Table 4.4 Correlation Matrix

	<b>C.S.</b>	<b>E.S.</b>	<b>L.S.</b>	<b>OP</b>	<b>J.S.</b>	<b>LGO</b>	<b>AVGO</b>	<b>APGO</b>
<b>C.S.</b>	1.0000							
<b>E.S.</b>	0.1273*	1.0000						
<b>L.S.</b>	0.0889	0.0586	1.0000					
<b>OP</b>	0.0937	0.2586*	0.1045*	1.0000				
<b>J.S.</b>	0.3031*	0.4519*	0.0045	0.2938*	1.0000			
<b>LGO</b>	0.0614	0.0703	0.0722	0.0595	0.0001	1.0000		
<b>AVGO</b>	0.0445	0.0696	0.0656	0.0363	0.0489	0.1719*	1.0000	
<b>APGO</b>	0.1505*	0.1148*	0.0503	0.0303	0.1709*	0.3152*	0.0180	1.0000

\*Correlation is significant at the 0.05 level (2-tailed).

\*\*C.S. = Compensation Strategy; E.S. = Elective Selection Strategy; L.S. = Loss-Based Selection Strategy; OP= Optimization Strategy; J.S. = Job Satisfaction; LGO = Learning Goal Orientation; AVGO= Performance Avoidance Goal Orientation; APGO= Performance Approach Goal Orientation

### Common Method Bias

Because the data for this study were obtained from a single survey, common method variance is a potential threat to internal validity. Therefore, an assessment of common method bias was conducted. Following Podsakoff and Organ (1986), we used the Harman's one-factor test in which all variables were hypothesized to load on a single factor representing the common method variance threat to internal validity. The principal component factor analysis revealed 8 factors each with an eigenvalue greater than 1.0. All factors together accounted for 88% of the total variance in the sample. In comparison, the first factor accounted for only 31% of the total variance in the sample. Table 4.5 provides the rotated factor correlation matrix. Overall, the factor solution resulted in multiple factors and the first factor did not account for majority of the variance extracted suggesting that common method bias did not appear to be a serious concern in this study.

Table 4.5 Harman's One Factor Test

	1	2	3	4	5	6	7	8
CS1				.790				
CS2				.946				
CS3				.776				
CS4				.950				
CS5				.933				
LS1			.924					
LS2			.716					
LS3			.908					
LS4			.929					
LS5			.892					
OP1							.666	
OP3							.923	
OP4							.797	

Table 4.5 (Continued)

OP5							.665	
OP6							.859	
OP1	.964							
OP2	.948							
OP3	.954							
OP4	.961							
OP5	.829							
LGO1		.920						
LGO2		.923						
LGO3		.923						
LGO4		.914						
LGO5		.911						
AVG1						.884		
AVG2						.899		
AVG3						.912		
AVG4						.936		
APG1					.916			
APG2					.936			
APG3					.938			
APG4					.941			
JS1								.738
JS3								.809
JS4								.793
JS5								.666

\*C.S. = Compensation Strategy; E.S. = Elective Selection Strategy; L.S. = Loss-Based Selection Strategy; OP= Optimization Strategy; J.S. = Job Satisfaction; LGO = Learning Goal Orientation; AVG0= Performance Avoidance Goal Orientation; APGO= Performance Approach Goal Orientation

### Structural Model Assessment

The final stage of the analysis was accomplished by testing the hypothesized structural relationships. The fit indices for the structural model are presented in Table 4.6. The proposed model was tested using AMOS 4.0 using the purified scales obtained from the CFA analysis. The structural model consisted of Life Management System (LMS) as the second-order construct, and the four first-order indicators of LMS, namely, elective selection strategy, loss-based selection strategy, optimization

strategy and compensation strategy. The model also included two outcomes, namely, salesperson job satisfaction and job performance. Furthermore, Learning Goal Orientation (LGO), Performance-Approach Goal Orientation and Performance-Avoidance Goal Orientation were included in the model as control variables. As mentioned in Chapter II, this procedure will aid in capturing the unique effect of LMS on salesperson's job satisfaction and job performance.

The fit statistics exhibited a good fit: Chi Square = 750.026<sub>df = 651</sub> (p-value = .004), Root Mean Square Residual (RMR) = .115, Root Mean Square Error of Approximation (RMSEA) = .019, Goodness-of-Fit Index (GFI) = .913, Comparative Fit Index (CFI) = .988, Adjusted Goodness-of-Fit Index (AGFI) = .901, Incremental Fit Index (IFI) = .994 and Parsimony Normed Fit Index (PNFI) = .886. The significant fit of the structural model, provides evidence of satisfactory nomological validity (Peter, 1981). Given the existence of nomological validity among the variables contained in the conceptual model, assessment of hypothesized relationships can be accomplished.

Table 4.6 Structural Model Fit Statistics

	<b>Suggested</b>	<b>Calculated</b>
Chi-Square		750.026
Degrees of Freedom		651
Chi-Square Significance	P > .05	.004
Std. RMR (Hu and Bentler 1999)	≤.08	.115
RMSEA (Steiger 1990)	≤.06	.019
P-Close	≥0.50	1.000
GFI (Hu and Bentler, 1999)	≥0.95	.913
AGFI (Jöreskog and Sörbom, 1988)	≥0.80	.901
NFI (Bentler and Bonnett, 1980)	≥0.90	.957
RFI (Hu and Bentler 1999)	≥0.90	.954
IFI (Hu and Bentler 1999)	≥0.95	.994
PNFI (Hu and Bentler 1999)	≥0.95	.886
CFI (Hu and Bentler 1999)	≥0.95	.994

### Hypotheses Testing

H1 stated that elective selection strategy is a first-order indicator of Life Management System (LMS). The strength of the scale's performance in isolation, in the confirmatory model, compared to the unidimensional model, and within the nomological net of the structural model is well supported. The critical ratio for the path from the second-order LMS to elective selection strategy is 11.047 (P-value < .05) and the path estimate is 1.151 suggesting that H1 is supported. Hence, elective selection strategy is a significant first-order indicator of the second-order LMS construct.

H2 posits that loss-based selection strategy is a first-order indicator of Life Management System (LMS). The analysis resulted in a critical ratio for the paths from the second-order LMS to loss-based selection strategy is 2.138 (P-value < .05) with corresponding path estimate of .130. Hence, H2 was supported, suggesting that loss-based selection strategy is a significant first-order indicator of the second-order LMS construct.

H3 stated that optimization strategy is a first-order indicator of Life Management System (LMS). This hypothesis was also supported. The results indicate that the critical ratio for the path from the second-order LMS to optimization strategy is 6.859 (P-value < .05) and the path estimate is .569. Plausibly, optimization strategy is a significant first-order indicator of the second-order LMS construct.

H4 postulates that compensation strategy is a first-order indicator of Life Management System (LMS). The critical ratio for the path from the second-order LMS to compensation strategy is 4.509 (P-value < .05) and the path estimated is .335,

suggesting that H4 is supported. The support for this hypothesis suggests that compensation strategy is a significant first-order indicator of the second-order LMS construct.

H5 hypothesized that the second-order LMS significantly influences salesperson's job satisfaction. Results of the analysis of the structural model indicate that H5 is supported. The critical ratio for the path from the second-order LMS to job satisfaction is 9.319 (P-value < .05) and the path estimate is .786. Therefore, the second-order LMS construct is a significant predictor of salesperson's job satisfaction.

H6 posits that the second-order LMS significantly influences salesperson's job performance. The critical ratio for the path from the second-order LMS to job performance is 4.431 (P-value < .05) and corresponding path estimate of .278 suggesting that H6 is supported. Consequently, the second-order LMS construct is a significant predictor of salesperson's job performance. Table 4.7 provides the unstandardized coefficient and t-value for the path estimated in the second-order model.

Table 4.7 Structural Model Path Coefficients

	<b>Unstd. Coefficient</b>	<b>t-value</b>	<b>p-value</b>
<b>ES ← LMS</b>	1.151	11.047	<.05
<b>LS ← LMS</b>	.130	2.138	<.05
<b>OS ← LMS</b>	.569	6.859	<.05
<b>CS ← LMS</b>	.335	4.509	<.05
<b>LMS → JS</b>	.786	9.319	<.05
<b>LMS → JP</b>	.278	4.431	<.05

\*ES: Elective Selection Strategy; LS: Loss-Based Selection; OS: Optimization Strategy; CS: Compensation Strategy; JS: Job Satisfaction; JP: Job Performance

### Control Variable

To examine the unique effect of the second-order LMS construct on job satisfaction and job performance, goal-orientation was included in the model as a control variable. The results of analysis indicate that the critical ratio for the path from the LGO to job satisfaction is .630 ( $p$ -value  $> .05$ ) and path estimate of .023. This result indicates that the relationship between LGO and job satisfaction is not significant. Also, the critical ratio for the path from the APGO to job satisfaction is 3.358 ( $p$ -value  $< .05$ ) with a path estimate of .116. This result shows that there is a significant relationship between APGO and job satisfaction. Furthermore, the critical ratio for the path from AVGO to job satisfaction is -1.347 ( $p$ -value  $> .05$ ) with a path estimate of -.073. This result shows that the relationship between AVGO and job satisfaction is not significant.

Similarly, the relationships between LGO, APGO, AVGO and job performance are examined. The critical ratio for the path from the LGO to job performance is 2.186 ( $p$ -value  $< .05$ ) and the path estimate is .083. This result implies that there is significant relationship between LGO and job performance. However, the results suggest that there is no significant relationship between APGO and job performance and AVGO and job performance. The critical ratio for the path from APGO to job performance is .975 ( $p$ -value  $> .05$ ) and the path estimate is .034. The critical ratio for the path from AVGO to job performance is -1.484 ( $p$ -value  $< .05$ ) with the path estimated of -.083.

Overall, the support for hypotheses H1 to H4, coupled with the strong supporting evidence of reliability, validity, and significant relationships among other

model constructs, supports the existence of a second-order LMS construct in its theoretically derived form. Furthermore, the support for H5 and H6 provides evidence of the predictive ability of the second-order LMS construct. Since, LGO, APGO and AVGO were used as control variables; it can be argued that LMS explains salesperson's job satisfaction and job performance above and beyond goal orientation.

To further strengthen the notion of LMS's superior explanatory power squared multiple correlations (SMC) of the outcome variables (job satisfaction and job performance) are calculated in two separate models. The SMC of the outcome variable indicates the ability of the exogenous variable to explain the variance in that outcome variable (Bollen, 1989). The first model is the proposed model, which includes goal orientation as the control variable (Model 1), and the second model is a modification of the proposed model, which does not include goal orientation as the control variable (Model 2).

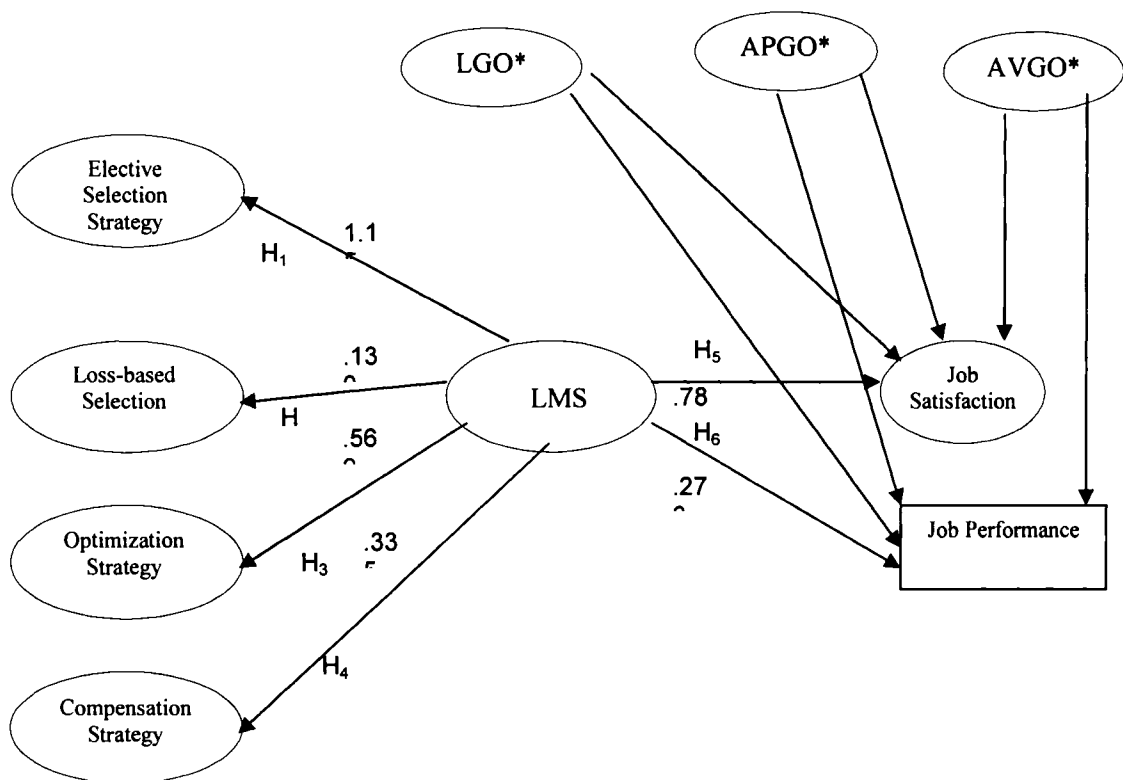
Past research indicates that differences of 0.06 to 0.09 between the two models is sufficient evidence to infer that the model vary in their explanatory power (Hair et al., 1998). The difference between the SMC of job satisfaction and job performance in the Model 1 (.546<sub>Job satisfaction</sub> and .081<sub>Job performance</sub>) and Model 2 (.532<sub>Job satisfaction</sub> and .069<sub>Job performance</sub>) is very small. The difference between SMC of job satisfaction and job performance was only 0.014 and 0.012 suggesting that there is very small difference in explanatory power of the two models. In other words, the incremental variance explained in the outcome variables by the addition of goal orientation is only marginal and the second-order LMS construct explains the bulk of the variance in the



outcome variables. Hence, it can be inferred that the second-order LMS construct explains the outcome variables above and beyond goal orientation.

The final model demonstrating the influence of LMS on job satisfaction and job performance, controlling for LGO, APGO and AVGO is presented in Figure 4.1.

The significant paths are shown as solid lines.



\*Control Variables

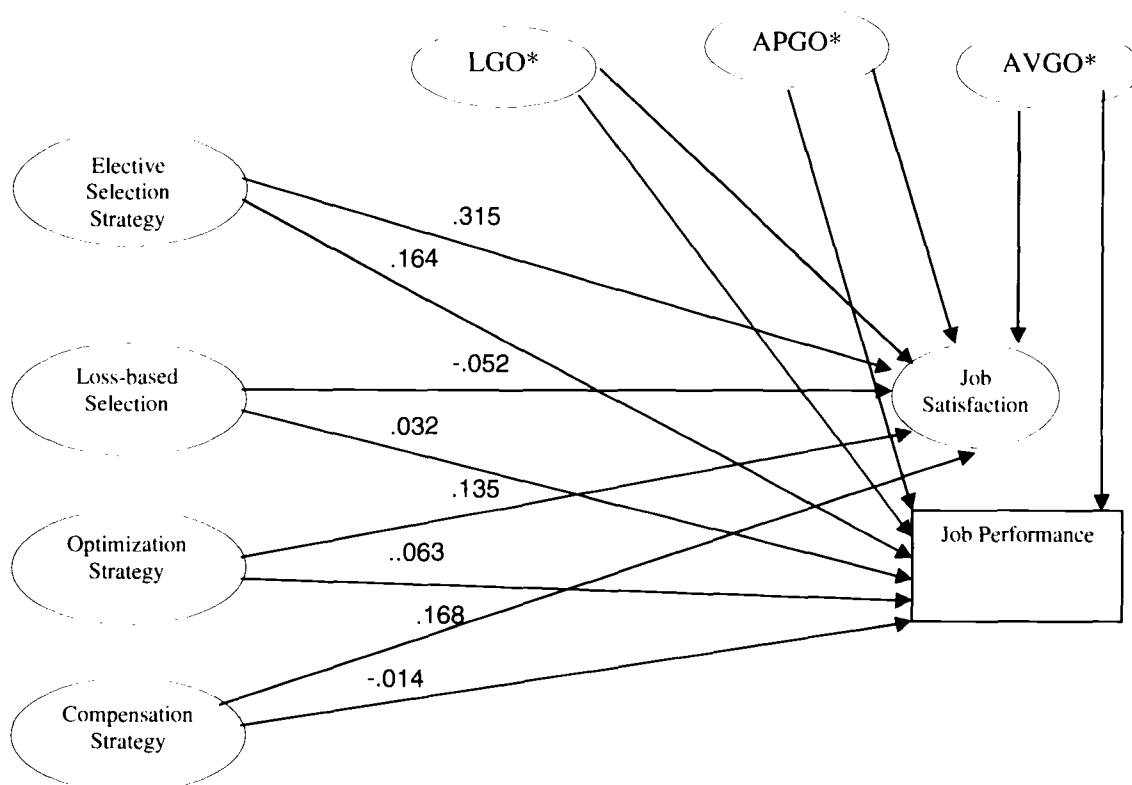
\*\*LGO: Learning Goal Orientation; APGO: Approach Performance Goal Orientation; AVGO: Avoidance Performance Goal Orientation

Figure 4.1 Proposed Model

### First-Order Model

As stated in Chapter III, in order to empirically strengthen the notion of a second-order Life Management System construct, the proposed second-order model is compared with the alternative first-order model (see Figure 4.2). The alternative first-order model represents the conceptualization previously advanced in the literature, and differs in a number of ways from the model proposed in the present research. First, this alternative model does not include the second-order construct, Life Management System. Instead, each of the four Life Management Strategies, namely elective selection strategy, loss-based selection strategy, optimization strategy and compensation strategy are directly linked with the two outcomes, specifically, job satisfaction and job performance. Previous research used only SOC-theory (Hillhouse, Adler, Drinnon, and Turrisi 1997; Stasson and Fishbein, 1990) as the reasoning for the expected linkages. The essence of the theory is that each strategy acts independently and may have diverse relationships with the outcomes. Since elective selection, loss-based selection, optimization and compensation strategy fall within the domain of goal-achievement and goal setting, this theory argues that they are likely to influence individual's performance outcomes such as job satisfaction and job performance directly.

The two models are compared on the following parameters as suggested by Bagozzi and Yi (1988): (1) overall fit indexes as assessed by CFI and GFI; (2) parsimony, as measured by the parsimonious normed fit index (PNFI) (James, Mulaik, and Brett 1982); (3) RMSEA (Root Mean Square Error of Approximation), discrepancy per degree of freedom (Steiger and Lind 1980).



\*Control Variables

\*\*LGO: Learning Goal Orientation; APGO: Approach Performance Goal Orientation; AVGO: Avoidance Performance Goal Orientation

Figure 4.2 First-Order Model

The CFI and GFI for the alternative first-order model are lower than that of the proposed second-order model (CFI = 0.993 versus 0.995; GFI = 0.911 versus GFI = 0.920). Because CFI does not account for parsimony differences, we examine PNFI of both models (Mulaik et al. 1989). The second-order model's PNFI of 0.886 exceeds the first-order model's 0.882. The RMSEA for the first-order model is higher than the second-order model suggesting that there is incongruity in the models (RMSEA = .021 versus .019). Additionally, the Chi-Square statistic for the proposed model is much lower compared to the first-order model's for the corresponding degrees of freedom (Chi Square = 750.026<sub>df = 651</sub> versus 769.752<sub>df = 649</sub>).

Other important measures of fit, such as AIC (Akaike Information Criteria), may be used for non-hierarchical comparisons (Bozdogan 1987; Steenkamp and Baumgartner, 1998). Models can be compared on AIC and the model with lower AIC is considered to have better fit. The comparison of the proposed model AIC (932.12) and first-order model AIC (988.12) clearly indicates that the proposed model is favored over the first-order model.

Although the many of the fit indices (i.e. CFI, GFI and AGFI) for the first-order model is comparable to the second-order model, only 3 of 8 (37.5%) of its hypothesized paths are supported at the  $p < .05$  level. Table 4.8 provides the unstandardized coefficient and t-value for the path estimated in the first-order model. In contrast, all the hypothesized paths in the second-order model are supported at the  $p < .05$  level. The lack of support for the relationship in the first-order model indicates that the second-order model is more eloquent than the first-order model (Morgan and Hunt, 1994).

Table 4.8 First-order Model Path Coefficients

	<b>Unstd. Coefficient</b>	<b>t-value</b>	<b>p-value</b>
<b>Satis &lt;----- C</b>	0.168	4.111	<.05
<b>Satis &lt;----- ES</b>	0.315	8.857	<.05
<b>Satis &lt;----- OP</b>	0.035	.813	>.05
<b>Satis &lt;----- LS</b>	-0.052	-1.046	>.05
<b>realperf &lt;----- C</b>	-0.014	-0.330	>.05
<b>realperf &lt;----- ES</b>	0.164	5.137	<.05
<b>realperf &lt;----- OP</b>	0.063	1.765	>.05
<b>realperf &lt;----- LS</b>	0.032	0.624	>.05

Additionally, the first-order model has less explanatory power compared to the second-order model. The first-order model's SMC for job satisfaction =.426 and job performance =.019. In comparison, the second-order model's SMC for job satisfaction =.546 and job performance =.081. The decrease in the SMC is .120 (for job satisfaction) and .062 (for job performance) suggesting the there is significant difference in explanatory power of the two models (Hair et al., 1998). Hence, the second-order model has superior explanatory power than the first-order model.

Table 4.9 provides the comparison, which clearly suggests that the proposed second-order model is an improvement over the alternative first-order model.

Table 4.9 Model Comparison

	<b>Second-order Model</b>	<b>First-Order Model</b>
Chi-Square	750.026	769.752
Degrees of Freedom	651	649
GFI	0.913	.911
AGFI	0.901	.898
CFI	0.994	.993
PNFI	0.886	.882
RMSEA	0.019	.021
HOETLER'S N	395	384
AIC	932.12	988.12

#### Test for Social Desirability

Social desirability response set and common scale formats may have influenced participant's responses. Social desirability implies responding in a way that the participant believes will be viewed favorably. An 8-item social desirability measure was embedded in the instrument (Manganelli Rattazzi, Canova, and Macorin, 1999; Crowne and Marlowe, 1964), and was used to statistically control social desirability

bias related to self-report measures. Correlation between the measures of target constructs examined in this study and summated scores of social desirability scales were calculated. Social Desirability Scores showed no significant correlations with the target variables indicating that the absence of significant social desirability bias. Table 4.10 lists the correlation between social desirability scores and the measures of the other constructs. Plausibly, the relationships examined in this research study were free from social desirability bias.

Table 4.10 Social Desirability Check

	<b>Correlation</b>	<b>p-value</b>
Social Desirability*Compensation	0.056	0.251
Social Desirability*Elective Selection Strategy	0.007	0.888
Social Desirability*Loss-based Selection Strategy	-0.008	0.870
Social Desirability*Optimization Strategy	0.018	0.713
Social Desirability*Job Satisfaction	-0.054	0.271

Overall, all the hypothesized relationships are significant at  $\alpha < .05$  (Arbuckle 1995) supporting all six hypotheses. The critical ratio for the paths from the second-order LMS to the first-order constructs range were greater than 1.96 supporting H1 to H4. Additionally, the paths from the second-order Life Management System construct to the outcome variables, job satisfaction and job performance, were significant, supporting hypotheses H5 and H6. Based on this pattern of results, it is reasonable to conclude that elective selection strategy, loss-based selection strategy, optimization strategy and compensation strategy are significant first-order indicators of the second-order Life Management System (LMS). Furthermore, Life Management System has a significant relationship with job satisfaction and job performance.

### Summary of Chapter

The purpose of this chapter was to explain the results of the test outlined in Chapter III of this study. The first part of the chapter addressed the methods for assessment reliability and validity of the constructs. Next, this chapter focused on explanation of primary test analysis, utilizing Anderson and Gerbing's (1988) two step approach to structural equation modeling. The Confirmatory Factor Analysis demonstrated that the scales incorporated in the model were both reliable and valid. The structural model test was then performed and support was provided for all six hypothesized relationships. Given these findings, the final chapter of this research addresses the significance and implications of these research findings.

## CHAPTER V

### CONCLUSIONS

The objective of this chapter is to present implications of the findings illustrated in Chapter IV. The implications include prescriptive and descriptive insights for both academe and industry. This chapter explicates the ramification of the relationship that were theoretically conceptualized and empirically supported. Furthermore, this chapter attempts to elucidate the germaneness of exploring the life management strategies in a personal selling context. This chapter is divided into four sections. First, a detailed discussion of the results of analysis reported in Chapter IV is provided. Second, the implications of the finding are presented. Third, the limitations of the research study are acknowledged. Fourth, the opportunities for future research are identified.

#### Discussion of Results

The discussion of the results of this study will first cover explanation of the findings of each of the relationships hypothesized within the conceptual model of LMS. This discussion will embrace explication of the ramification of the relationships that were supported. This explanation will be followed by discussion of the relevance and application of various theories employed in this study to develop the conceptual model. Next, attention will be afforded to the six research questions presented



Chapter I, which were the basis of this research study. This elucidation will be followed by discussion pertaining to how the results of this study can provide aid to addressing those questions. Additionally, the prescriptive and descriptive insights are offered for industry.

The primary purpose of this research endeavor was to theorize and conceptualize the second-order construct of Life Management System (LMS). First, this study attempts to explore if there truly is a second-order LMS construct, which captures the goal-oriented behavior of salespeople. Second, this study intends to scrutinize the influence of LMS on the performance outcomes of the salespeople. The support of H1-H4 provides satisfactory evidence that the second-order LMS construct exists and, therefore, there is need to reassess the extant literature on goal orientation. It may be prudent to take a step backward and shift the research focus from dissecting the construct of goal-orientation to integrating the multitude of conceptualization and theorization under a comprehensive framework. In examining the goal orientation, this study suggests a shift from reductive-analytic strategy to a holistic-analytic strategy. This study suggests that Life Management Strategies may provide such a comprehensive framework. This framework not only offers a mechanism of integrating disparate and contradictory paradigms and models but also offers a superior explanatory power in explaining the performance outcomes of individuals. This inference is affirmed by the overwhelming support for all the relationships posited in this study.

First, it is noteworthy that, without exception, all the paths between the second-order LMS and its first-order indicators were significant. Also, the hypothesized paths

between LMS and the two outcomes, namely job satisfaction and job performance were significant. Higher LMS uniformly resulted in significantly and substantially (1) higher job satisfaction and, (2) increased job performance. Second, the second-order LMS construct explains a salesperson's job satisfaction and job performance above and beyond goal orientation. The following is an attempt to address the research questions that steered this scientific inquiry.

The first research question proposed the existence of the second-order Life Management System construct. This question necessitates exploring the first-order indicators of the second-order LMS construct. The second question aims to identify and proffer the first-order indicators of the second-order LMS construct. The hypotheses pertaining to the relationship of elective selection strategy, loss-based selection strategy, optimization strategy and compensation strategy with the second-order LMS construct addresses these questions. Elective selection strategy, loss-based selection strategy, optimization strategy and compensation strategy were hypothesized as first-order indicators of the second-order LMS construct. This notion is in concurrence with Higgins (1998; Brockner and Higgins, 2001) who posits that individual's regulatory focus shapes the individual's goal selection and subsequent goal pursuit.

This regulatory focus can be thought of as a dispositional variable as well as situationally induced (Thorsteinson and Highhouse, 2003; Van-Dijk and Kluger, 2004). Moreover, Higgins (1999) points out that the effects of regulatory focus are comparable regardless of whether it varies as a function of persons (i.e., a dispositional variable) or situations. Indeed, research has shown that situational

features can make one or the other regulatory focus more accessible (at least temporarily) and thereby influence the goals that people set and their persistence and achievement (Roney, Higgins, and Shah, 1995). Overall, the second-order LMS construct proposed in this study is conceptualized and theorized as a regulatory strategy, thus encapsulating the individual's regulatory focus. LMS is considered to be a regulatory strategy which shapes individual's goal selection, goal pursuit and goal maintenance decisions.

Results of the analysis provided overwhelming support for hypotheses H1-H4 suggesting that the second-order LMS construct exists and elective selection strategy, loss-based selection strategy, optimization strategy and compensation strategy are its first-order indicators.

The results are consistent with the three supporting theories purported in Chapter II. First, results of the analysis concur with Achievement Goal Theory, which suggests that an individual's goal-setting and subsequent goal pursuit germinate from social-cognitive illation. The second-order LMS construct captures the core these social-cognitive illation, thus, providing direction and motivation for goal-oriented behavior (Elliott and Church, 1997; Bandura, 1993; 1997; Schunk, 1984a; 1984b).

Second, the results are consistent with Social Learning Theory, which posits that an individual's overall goal orientation creates perceptual-cognitive frameworks that guide approach, interpretation, and response to achievement situations (Barron and Harackiewicz, 2000; Duda, 2001; Janssen and Van Yperen, 2004; Pintrich, 2000; Van Yperen, 2003a; 2003b). This study postulates that the second-order LMS integrates the inconsonant paradigms of goal orientation, thus capturing its essence.

Furthermore, the second-order LMS construct manifests goal selection (both elective selection and loss-based selection strategy), resource optimization to pursue those goals (Optimization Strategy) and compensatory mechanism to adjust goals when confronting hindrances (Compensation Strategy).

Third, the results are consistent with Cognitive Orientation Theory, which suggests that behavior is a function of cognitively shaped motivational disposition (Kreitler and Kreitler, 1982). The cognitive orientation enables an individual to analyze a given task and appraise if its selection and pursuit is warranted (Goel and Pirolli, 1989; Spector et al., 1993). In this study, the second-order LMS construct is postulated as an overarching strategy, which guides the goal-oriented behavior. Thus, in accordance with the cognitive orientation theory, the second-order LMS construct steers the individual's goal selection and the subsequent pursuit of the selected goal.

The third and fourth research question pertain to examining the influence of the second-order LMS construct on salesperson's job satisfaction and job performance. The logic for the relationship was drawn from two major studies. First, Bajor and Baltes (2003) found that life management strategies were positively related to performance. Second, Wiese et al. (2000) found that life management strategies positively related to general satisfaction. In this research study, the hypotheses related to relationship of the second-order LMS construct with job satisfaction and job performance address the third and fourth research questions. Since goal orientation was used as a control variable, it can be stated that the second-order LMS construct explains the salesperson's job satisfaction and job performance above and beyond goal orientation. The support for hypotheses five clearly suggests that the second-order

LMS construct is a significant predictor of a salesperson's job satisfaction. This relationship is logical because more apposite life management leads to improved job satisfaction. These conclusions corroborate the findings of Bajor and Baltes (2003) and Wiese et al. (2000).

### Implications

Researchers have proposed that motivation should be studied within the domain of goals (Locke, 1991; Locke and Latham, 2004). This proposition is particularly important as extant literature demonstrates the importance of goals in individual decision-making (Knight, Durham, and Locke, 2001). Furthermore, the idea that goals will contribute to higher work motivation and performance provides a strong impetus for examining and understanding the goal-oriented behavior of individuals (Bluedorn and Denhardt, 1988).

One construct that has been a focal point of attention for researchers is goal orientation. Goal orientation is defined as the manner in which people are motivated to engage and pursue different kinds of goals. Past researchers have investigated the relationship between goal orientation and various performance outcomes with mixed results (Seijts, Latham, Tasa, and Latham, 2004; Vandewalle et al., 2001). However, many issues pertaining to the conceptualization and theorization of goal orientation need to be addressed. As previously mentioned in Chapter II, the first and foremost issue is to explore whether goal orientation is best conceptualized as a dispositional or situational construct. Dweck (1983; Dweck and Elliott, 1983) has argued that goal orientation is a relatively stable disposition. On the other hand, several researchers have provided evidence inconsistent with the aforesaid contention, and suggested that

goal orientation is a situational construct (Elliott and Dweck, 1988; Mueller and Dweck, 1998). There is a paucity of research which illustrates conditions under which situationally induced motives and trait effects occur concomitantly (Seijts, Latham, Tasa, and Latham, 2004). Given the lack of consensus on whether goal orientation is a “trait” or a “state,” research is needed to address this ongoing debate.

Indeed, past researchers have proposed a unifying framework for conceptualizing goal-orientation. Also, researchers have consensually agreed that the most important task at hand is to establish a common paradigm for goal orientation research to progress within. As it currently stands, comparing the results between studies is an almost impossible task, and this lack of comparability severely slows down both theoretical progress and applicability of the goal orientation construct to real world settings (Carr et al., 2001; Donovan, 1998; Vandwalle, 1997; VandeWalle, Brown, Cron, and Slocum, 1999). The findings of this study provide a unifying framework for examining goal orientation based on the second-order LMS construct.

Baltes and Baltes (1990) model of life management strategies was employed as a theoretical framework to proffer an integration of several competing paradigms of goal orientation. The action-theoretical specification of this model (Freund and Baltes, 2000) proposes that personal goals play a central role in the active management of life. Furthermore, apposite life management provides direction for goal setting and ensuing goal pursuit. Selecting goals, however, is only the first step to attaining them. Shaping one’s development in aspired directions furthermore requires the investment of effort and other suitable resources into the pursuit of one’s goals (optimization), as well as into the counteraction of goal-relevant losses (compensation). Overall, in concordance

with Carr et al. (2001), the second-order LMS construct is conceptualized and theorized as situationally-influenced trait, thus extending an integrative framework for studying goal orientation.

Past research suggests that selection strategy primarily pertains to goal selection decisions from the perspective of competing personal and contextual values (Riedeger et al., 2005). In other words, selection strategy incorporates both dispositional and contextual influence. Similarly, optimization strategy is concerned with the best resource allocation for pursuing the selected goal, while considering that both the environment (contextual variable) and personal efficacy (dispositional variable) influence the selected goal (Riediger and Freund, 2004; Lerner, Freund, Stefanis, and Habermas, 2001). Likewise, compensatory mechanisms are principally concerned with offsetting losses (both ephemeral and permanent) to maintain goal pursuit, dependant on personal and contextual factors (Baltes and Baltes, 1990; Freund and Baltes, 2000). Thus, the meta-model of Life Management Strategies provides a superincumbent framework for capturing the goal-oriented behaviors by integrating the disparate and conflicting paradigms (i.e. trait and state) of goal orientation.

Past research indicates that, in the process of life management, people often use their own subjective standards as points of reference (Baltes and Carstensen, 1996). Evaluations of how well one is managing one's life are reflected in one's sense of well-being, which therefore is often used as a subjective indicator of effective life management. As hypothesized, the present study demonstrated that the second-order LMS construct is associated with job satisfaction, which can be considered to be a facet of psychological well-being. Additionally, the objective indicator of effective life

management in this study was the managerial evaluation of the performance of salespeople. The significant positive association between second-order LMS construct and job performance suggests that apt life management significantly improves performance.

Obviously, if an organization is to be successful, employees must contend with performance standards, production schedules, deadlines, and other goal-embedded benchmarks for job performance. However, rather than focusing on external referents of behavioral outcomes, which are an integral part of any job (Button et al., 1996), managers should direct attention to effort, personal improvement, development, and growth. Managers may engage in a developmental approach to employee training by providing psychological work environments in which employee's life management strategies are emphasized.

In line with the model of action phase theory (Gollwitzer, 1996), goals are selected followed by goal-directed behaviors through goal-striving and resource planning. Life management strategies include cognitive orientations, affective components, and volitions targeted upon the mental and physical activities needed to achieve a goal. Developing appropriate life management may help improve behavioral outcomes necessary for general well being and satisfaction (Freund and Baltes, 2002). Therefore, managers should constantly make endeavors to offer a work environment that fosters development of life management strategies, as it may not only help employees facing high workloads reduce their fatigue at the end of a working day - but also make employees feel more satisfied.



The SOC instrument can assist managers in matching individual capabilities, inadequacies and aspirations with job design or specific job tasks. Sales managers can use the SOC instrument as a selection device and when assigning a sales associate to an appropriate department or functional area. This strategy is consistent with the vast database of research concerning person-job fit. Past research demonstrates that person-job fit significantly influences the performance outcomes (Cable and Judge, 1996; Chatman, 1991; Kristof, 1996). The study of life management strategies using the SOC instrument can enable managers to more precisely assess the fit between the salesperson and the job. Given that there is a multitude of sales-related jobs it may be important to consider whether the salespeople are hired into sales positions that are a good fit for them. Most sales-related jobs require goal setting, resource allocation for pursuit of those goals and goal adjustment when faced with challenges. Hence, the SOC instrument can be used to assess the individual's goal selection, goal striving and goal maintenance strategy, providing a mechanism estimating the fit between the person and a sales job.

Different sales jobs require different levels of decision-making pertaining to goal selection, resource optimization and compensatory mechanisms. Using the SOC instrument, managers can make more apposite selection decisions by evaluating the fit between type of sales job and individual's life management strategies. Using the SOC instrument will depend on the further investigation of its validity in relation to the sales performance and must be done within framework of workplace law.

Also, the study of life management strategies may aid managers in optimizing performance and reducing risks of losses concomitant to dissatisfaction, efficiency,

and other sub-optimal individual states of being. For instance, understanding the life management strategies can enable sales managers to set appropriate goals for sales targets for sales associates. The optimal goal setting may foster improved performance and job satisfaction (Locke and Latham, 1990). Those individuals who employ an apt goal setting strategy exhibit greater job satisfaction and job performance (Pearson, 1987). Studying the life management strategies of salespeople, managers can set more appropriate sales targets for the salespeople. This inquest may not only reduce sub-optimal performance but also may improve the job satisfaction of the salespeople. In general the study of life management strategies may enable salespeople and sales managers to better prioritize their goals and values and to better perceive the consequences of different types of priorities.

Furthermore, understanding individual's life management can foster improved communications and job interfaces between managers and their employees, thereby improving satisfaction and performance. If managers attempt to examine the life management strategies of the employee, there may be improved communication pertaining to connection between company's goals and employee's personal goals. Managers may more effectively communicate with sales associates regarding relationship between achievement of various sales goals and career advancement. In other words, managers can spell out to the employees how their goal orientation influences achievement of their personal goals, which in turn, improve the overall performance of the organization. Expedient communication practices of the sales manager may improve the performance outcome (Johlke, Duhan, Howell and Wilkes, 2000). Overall, by exploring the life management strategies, sales managers will have

a much greater likelihood of successfully transferring accumulated knowledge to the organizations than what they have today, perhaps resulting in more well designed programs for training and motivating employees.

In general three major conclusions can be drawn from the present study: (1) Studying goals and goal-directed behavior is an important path understanding how individuals actively influence performance outcomes by their orientation towards goals. This conclusion is in concurrence with the action-theoretical specification of the Baltes and Baltes's meta-model of life management strategy. (2) In order to understand the goal-oriented behaviors a more holistic approach is appropriate. Such approach embodies an individual's overall goal-orientation, unlike the previous approaches which offer a more fragmented view of goal orientation. This holistic view of goal-orientation is best understood by examining the life management strategies that capture the essence of how people influence their own goal selection, resource allocation, and apply compensatory mechanism to overcome constraints. (3) In this view, selecting appropriate goals, allocating appropriate resources and utilizing relevant compensatory mechanism are characteristic of apposite life management.

Overall this study was an attempt to fill the gap between goal-oriented behaviors and performance outcomes. To overcome the incomplete paradigmatic structure of goal orientation in the extant literature, the SOC model may be adopted. The SOC model combines the two competing paradigms of goal orientation: dispositional and situational, thus, extending the concept of goal orientation. Additionally, the SOC model may be used to investigate and analyze how people select and accomplish goals, and also how they overcome impediments in the process

of achieving their goals in various domains. Finally, the study of life management strategies can be used to predict individual's performance outcome.

### Limitations

Like all the academic research studies, there are a number of limitations in this research study. This study introduces an interdisciplinary meta-model in the marketing domain. Ideally, the most appropriate manner to introduce and examine such a meta-model in a new domain would be to conduct a longitudinal study. This study is cross-sectional thereby limiting the ability to make strong causal inferences. Longitudinal designs may be more appropriate to draw more robust and precise conclusions. However, past research indicates that although cross-sectional studies suffer from innate limitations regarding time-related issues, they can still be useful in improving our understanding of a phenomenon. However, longitudinal designs require enormous investments of time and resources.

Another limitation of this research study is the setting and nature of the respondents of the study. This research study was aimed to introduce the SOC-model in a personal selling domain. However, the study focused on a single industry, namely that of retail specialty stores. Retail sales is a specialized area within the personal selling domain and is somewhat different from other sales areas. Studying a single industry limits the external validity or the generalizability of the findings. Furthermore, the sample was drawn from retail sales associates. The job profile of retail sales associate is slightly different from other salespeople (e.g., pharmaceutical agents, insurance agents, real estate agents). Due to the nature of the respondent, the study may offer limited external validity. Despite this limitation, the study still offers

benefit by providing a theoretical and conceptual model that future research may attempt to replicate in other settings.

In addition, the measurement of job satisfaction was mainly based on a self-reported affective attitudinal component and the job performance measure was a single item, global, evaluation of the overall performance of the salesperson by the department manager. The self-reported measure of job satisfaction does not capture the organizational component and the compensation component. The job satisfaction measure used in this study capture only the intrinsic factors related to satisfaction at work place. Furthermore, the job performance measure employed in this study was the department manager's overall rating of the salesperson. This overarching measure of job performance does not discretely capture performance pertaining to various dimension of the salesperson's job. Considering that salesperson's job entails various functions and tasks, future studies should select a broader set of performance outcomes.

This study is based on a self-report measure of personal goals, combining an idiographic with a nomothetic methodology. Although such a procedure presumably has high ecological validity, personal-goal researchers have recently started to discuss the possibility that self-report methodologies may fail to assess those aspirations that are not easily accessible to consciousness (Brunstein et al., 1998). Hence, future studies on work-related goals and work-related progress should pay more attention to the underlying motivational structures of a person, which may or may not correspond with what is consciously aspired.

Another limitation of this study is that the present analysis does not consider some potentially important variables. The research study posits a linear relationship between the second-order LMS construct and the two outcomes. However, the relationships may need further scrutiny. It would be important to assess whether a variety of personality traits other than learning goal orientation, performance-approach goal orientation and performance-avoidance goal orientation could be used as control variables to assess more precisely the unique influence of the second-order LMS construct on the outcomes. Some personality traits that may moderate this relationship include competitiveness, self efficacy, locus of control and Machiavellianism.

Furthermore, this study posits an aggregated measure of LMS (second-order construct), which captures the core of individual's goal orientation. The influence of LMS was examined on single dimension measures of job performance and job satisfaction. Future researchers may employ multi-dimensional measures of job performance and job satisfaction. The multi-dimensional assessment of job satisfaction and job performance would allow for parceling the influence of the second-order LMS construct.

#### Research Extensions

Some of the limitations of this study could render venues of future research endeavors. First, the Selection, Optimization and Compensation Model may require closer examination and empirical testing. The SOC model provides a value added, integrative conceptual framework for guiding research related to goal-oriented behaviors. It encapsulates various goal-related processes, namely goal selection (Selection), goal striving (Optimization) and goal maintenance (Compensation). In this

study the SOC instrument was introduced in the personal selling domain. Future researchers may refine the SOC instrument for applicability in various other domains. Also, the setting for this research study was the retail area. Plausibly, future research may attempt to apply this model towards understanding of goal-oriented behaviors in other setting.

Another possible research extension of this study is to compare and contrast the applicability of this model, when individuals select or pursue conflicting goals. This research examines how individuals select multiple goals, optimally allocate resource to pursue those goals and regulate those goal (relinquish or adjust) when faced with impedances. However, the basic assumption in this study is that the goals are non-conflicting. The goals could well be related and overlap, but still be conflicting. It may be interesting to examine the application of the meta-model of life management strategies in the personal selling domain when salespeople select conflicting goals. Also, future researchers can examine how life management strategies could be instrumental in instilling and maintaining balance between conflicting goals (Emmons, 1989; Little, 1983). It may be interesting to explore the application of SOC theory to fathom the issues related to goal congruence and the effects of conflicting goals on individual goal orientation.

Incongruence between goals may arise from conflict between work and family. Past researchers have demonstrated the applicability of the meta-model of life management strategies to understand work-family in industrial-organizational domain (Baltes and Dickson, 2001). Future researchers may attempt to understand work-

family conflict by utilizing the overarching framework of the meta-model of life management strategies in a work-family and family-work domain.

Conceptually, future research should focus on additional variables that are central to the organizational perspective. For organizations, it is important to know whether individuals are willing to select appropriate goals, optimally utilize resources to pursue the selected goals and adjust goals in the face of impediment. This research study proffers that the second-order LMS construct is significantly related to job satisfaction and job performance, but it may be interesting to examine whether the second-order LMS construct is related to outcome variables such as organizational commitment, productivity, role clarity and turnover rates (Maier and Brunstein, 2001; Singh and Rhoads, 1991). Furthermore, it might be investigated whether the link between the second-order LMS construct and such organizationally relevant outcome measures is also influenced by moderator variables such as individual self efficacy and locus of control. In the same spirit, the relationship between the second-order LMS construct and the performance outcome may be examined controlling for the Big Five personality characteristics (Openness to Experience, Conscientiousness, Extraversion, Agreeableness, and Neuroticism).

Overall, goal orientation research requires a strong theoretical basis to enable researchers to adopt a common framework for their research. In order to develop a coherent and robust framework, researchers will need to provide clear definitions, addressing the “trait” versus “state” issue and develop valid measures that passably capture the core of the goal orientation constructs. The present study provides an



integrative framework for examining goal orientation and addresses all of the aforesaid concerns.

In conclusion: the present study contributes to understanding the complex processes involved in the relationship of individual's overall goal orientation and performance outcomes in a personal selling context. In contrast to simple models that posit several dimensions of an individual's goal orientation, with each one having disparate relationships with performance outcomes, this research has found evidence supporting a second-order construct of LMS, which captures the essence of an individual's goal orientation. More specifically, the second-order LMS construct emerged as an important determinant of salespeople's performance outcome above and beyond the goal orientation.

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