

University of Groningen

To Go or Not to Go for the Sell

Hamstra, Melvyn R. W.; Rietzschel, Eric F.; Groeneveld, Denise M.

Published in:
Journal of Personnel Psychology

DOI:
[10.1027/1866-5888/a000134](https://doi.org/10.1027/1866-5888/a000134)

IMPORTANT NOTE: You are advised to consult the publisher's version (publisher's PDF) if you wish to cite from it. Please check the document version below.

Document Version
Publisher's PDF, also known as Version of record

Publication date:
2015

[Link to publication in University of Groningen/UMCG research database](#)

Citation for published version (APA):

Hamstra, M. R. W., Rietzschel, E. F., & Groeneveld, D. M. (2015). To Go or Not to Go for the Sell: Regulatory Focus and Personal Sales Performance. *Journal of Personnel Psychology*, 14(2), 109-112. <https://doi.org/10.1027/1866-5888/a000134>

Copyright

Other than for strictly personal use, it is not permitted to download or to forward/distribute the text or part of it without the consent of the author(s) and/or copyright holder(s), unless the work is under an open content license (like Creative Commons).

The publication may also be distributed here under the terms of Article 25fa of the Dutch Copyright Act, indicated by the "Taverne" license. More information can be found on the University of Groningen website: <https://www.rug.nl/library/open-access/self-archiving-pure/taverne-amendment>.

Take-down policy

If you believe that this document breaches copyright please contact us providing details, and we will remove access to the work immediately and investigate your claim.

Downloaded from the University of Groningen/UMCG research database (Pure): <http://www.rug.nl/research/portal>. For technical reasons the number of authors shown on this cover page is limited to 10 maximum.

To Go or Not to Go for the Sell

Regulatory Focus and Personal Sales Performance

Melvyn R. W. Hamstra,¹ Eric F. Rietzschel,² and Denise M. Groeneveld²

¹University of Amsterdam, The Netherlands, ²University of Groningen, The Netherlands

Abstract. Selling products and services is a central function in organizations. Although explaining sales success has mainly been approached from broad trait perspectives, tactical decision-making potentially explains additional variance in this crucial outcome. We propose and find that promotion focus positively predicts sales agents' success, while prevention focus negatively predicts sales success. These relations were significant while controlling for five-factor traits. Predictors were measured before participants started on the job; outcome was the total number of sales participants made. As such, results evidence incremental validity of regulatory focus in predicting objective sales performance.

Keywords: regulatory focus, sales performance, performance prediction

Selling remains a prevalent and important task in modern organizations (Vinchur, Schippmann, Switzer, & Roth, 1998). It is important, therefore, to understand factors contributing to high sales performance. Literature on work performance, including sales performance, largely focuses on chronic individual differences, such as cognitive ability or personality. In terms of the Five Factor Model (FFM; McCrae & Costa, 1987), conscientiousness has emerged as a robust predictor of generalized performance assessments. Extraversion predicts sales performance particularly (Vinchur et al., 1998).

Rewards sales agents receive are often contingent on the number of products sold. Therefore, in most sales contexts, pursuing the greatest number of “hits” (in signal-detection terms) seems the most successful tactic. Broad personality traits may not capture the strategic and tactical behaviors involved in specific aspects of sales task-performance (Ashton, 1998); self-regulation may offer additional explanatory power in predicting this aspect of sales. Working from regulatory focus theory (Higgins, 1997), we propose promotion-focused self-regulation, associated with an eager strategic orientation, positively predicts sales agents' success. In contrast, we propose prevention-focused self-regulation, associated with a vigilant strategic orientation, negatively predicts sales success. Moreover, we investigate whether regulatory focus predicts sales beyond broad personality traits.

Regulatory focus theory distinguishes two orientations: promotion and prevention focus (Higgins, 1997). Promotion-focused self-regulation directs attention toward realization of aspirations and coincides with a tendency toward *eager* goal pursuit. In contrast, prevention-focused self-regulation directs attention toward fulfillment of responsibilities and coincides with a tendency toward *vigilant* goal pursuit. These strategies elicit “fitting” decisions at the tactical level (Scholer & Higgins, 2011).

In signal-detection terms, eagerness implies the desire not to miss an opportunity for gain and inclines individuals toward ensuring hits and ensuring against omission errors – toward making the decision to “go.” Conversely, vigilance implies the desire not to incur a loss and inclines individuals toward ensuring against commission errors and ensuring correct rejections – toward making the decision to “not go.” Accordingly, promotion elicits a risky bias and a tendency to respond quickly, while prevention elicits a conservative bias and a tendency toward longer response times.

Performance in sales situations in which any person is a potential new client benefits from quickly making contact with potential buyers and doing so frequently rather than hesitating to respond to a possibility to make a sell. Particularly when selling involves directly approaching people in the streets, sales agents are unlikely to get a second chance at making the sell, because buyers are passersby. Accordingly, such a situation benefits from a “now or never” approach. Extrapolating the tactical decisions associated with promotion focus to the sales domain suggests that promotion-focused eagerness will make sales agents more inclined to quickly and frequently make contact with potential customers, because any person is a potential “hit.” As such, promotion focus should positively predict direct selling performance. In contrast, prevention-focused vigilance may make sales agents more inclined to wait longer before making contact and doing so less frequently as any person is a potential “loss.” Hence, prevention focus should negatively predict direct selling performance.

Because individuals can be chronically high in both promotion *and* prevention motivation, recent meta-analytic work on regulatory focus and work-related outcomes has called for investigation of interaction effects of promotion and prevention (Lanaj, Chang, & Johnson, 2012). In direct selling, it seems that the “not going” tactic generally resulting from prevention might be buffered when individuals are

also high in promotion. That is, one might also expect that prevention focus is particularly detrimental to sales success when individuals are low in promotion focus.

A significant relation between regulatory focus and sales would be interesting in its own right. Yet, from an applied perspective, this becomes important particularly if it has incremental value over broader traits known to predict sales. Conscientiousness is a strong predictor of performance across domains and extraversion explains additional variance in sales (Vinchur et al., 1998). However, conceptually comparing conscientiousness and extraversion with regulatory focus shows they concern different types of psychological constructs. Promotion and prevention might predict sales as these have a direct and proximal relationship to tendencies to “go” versus “not go.” However, dimensions from the FFM reflect global behavioral tendencies that, while relevant, are much more distal to actual sales behavior.

Meta-analytic work (Gorman et al., 2012; Lanaj et al., 2012) also suggests regulatory foci mediate the effects of broader personality traits on performance indices. Combining those insights with our hypotheses, it is likely that promotion focus will partly mediate the effect of conscientiousness on sales performance. Extraversion mostly bears on interpersonal situations, whereas regulatory focus concerns behavioral tendencies that can be displayed in different kinds of situations. Thus, extraversion will probably still (independently) predict sales performance when including promotion and prevention, due to its connection with being sociable and assertive.

Method

Participants

Participants were 80 Dutch sales employees (55% female) who worked summer jobs for an event organizer in Greece. Participants, whose age ranged from 18 to 26 years ($M = 20.27$, $SD = 1.59$), all had the same task: Selling event tickets to people in the city. As it was a holiday location, most clients were tourists with whom the sales persons could either speak in English or in Dutch. The events were also geared at tourists. They did this for between 4 and 12 weeks ($M = 5.32$, $SD = 1.77$). Note that new events occurred regularly and the customer base (tourists) also renewed itself periodically, which implies the market for event tickets should not get saturated and, as such, that individuals who worked an earlier period have just as much chance of success compared with those who worked later periods of the summer. Twelve of the 80 participants (15%) had done the same job the preceding summer.

Procedure

All the Dutch sales agents who worked in the company agreed to participate in the study. Before starting their jobs,

participants completed questionnaires assessing five-factor traits and regulatory focus. After the summer, their responses to preperformance questionnaire were connected to their objective sales performance over the entire period.

Measures

Five-factor traits were measured using the scale developed by Shafer (1999). This measure assesses each dimension using six bipolar items. Each item pits two trait descriptions against each other, and all items were measured on 5-point scales. For example, neuroticism ($M = 1.96$, $SD = 0.57$; $\alpha = .70$) was assessed by pitting “self-assured” against “insecure,” extraversion ($M = 4.23$, $SD = 0.63$; $\alpha = .81$) with “quiet” versus “talkative,” openness ($M = 3.34$, $SD = 0.65$; $\alpha = .72$) with “down to earth” versus “imaginative,” agreeableness ($M = 3.78$, $SD = 0.53$; $\alpha = .66$) with “hostile” versus “amenable,” and conscientiousness ($M = 3.72$, $SD = 0.64$; $\alpha = .73$) with “lazy” versus “hard-working.”

Regulatory focus was assessed with the Regulatory Focus Questionnaire (Higgins et al., 2001; Semin, Higgins, de Montes, Estourget, & Valencia, 2005). Six items (e.g., How often have you accomplished things that got you psyched to work even harder?) measured promotion ($M = 3.97$, $SD = 0.65$; $\alpha = .85$); six items (e.g., “Growing up, would you ever cross the line by doing things you parents would not tolerate”; reversed) measured prevention ($M = 2.71$, $SD = 0.62$; $\alpha = .78$). Responses were recorded on a scale from 1 (*completely disagree*) to 5 (*completely agree*).

Sales performance was defined as the number of event tickets participants sold ($M_{\text{tickets}} = 1,010.14$, $SD_{\text{tickets}} = 745.87$) in their entire working period, divided by the number of weeks ($M_{\text{weeks}} = 5.32$, $SD_{\text{weeks}} = 1.77$) they worked ($M_{\text{performance}} = 184.28$, $SD_{\text{performance}} = 91.53$).

Results

Table 1 presents descriptives and correlations. For our hypothesis test, multiple regression analysis was performed. FFM measures were added first, promotion and prevention second. Analyses were also carried out using control variables (age, gender, previous experience). These variables did not affect our hypothesized relations, nor did they exhibit relations to sales performance, $ps > .17$. As inclusion of control variables reduces statistical power, we did not include these in the main reported analysis.

Table 2 presents the results of our hypothesis test. The central conclusions are discussed below. Step 1 showed extraversion, $\beta = .44$, $t(74) = 3.54$, $p = .001$, and conscientiousness, $\beta = .34$, $t(74) = 3.33$, $p = .001$, positively predicted sales, while agreeableness negatively predicted

Table 1. Descriptive statistics

Variable	Mean	SD	1	2	3	4	5	6	7
Promotion	3.97	0.65	.85						
Prevention	2.71	0.62	-.30	.78					
Neuroticism	1.96	0.57	-.28	.11	.70				
Extraversion	4.23	0.63	.37	-.01	-.56	.81			
Openness	3.34	0.65	.26	.03	.17	.29	.72		
Agreeableness	3.78	0.53	-.18	.19	-.30	.06	-.20	.66	
Conscientiousness	3.72	0.64	.68	.00	-.32	.31	.26	-.09	.73
Sales performance	184.28	91.53	.58	-.30	-.20	.43	.11	-.28	.44

Note. Cronbach's alpha presented in bold. $r_s > .25$; $p_s < .05$; $r_s > .29$; $p_s < .01$; $r_s > .42$; $p_s < .001$.

Table 2. Results of hierarchical multiple regression analysis

	Step 1			Step 2		
	B	SE _B	β	B	SE _B	β
Step 1						
Intercept	-42.94	140.40		-116.37	133.97	
Neuroticism	15.94	20.99	.10	27.75	19.74	.17
Extraversion	64.19	18.14	.44**	60.90	17.02	.42**
Openness	-22.52	15.22	-.16	-26.41	12.13	-.19°
Agreeableness	-48.68	17.04	-.28**	-32.24	16.34	-.19°
Conscientiousness	49.13	14.74	.34**	25.14	17.79	.17
Step 2						
Promotion focus				44.21	18.45	.32*
Prevention focus				-25.99	14.08	-.18°
R ²	.38**			.49**		
ΔR ²	.38**			.11**		

Note. ° $p < .1$; * $p < .05$; ** $p < .01$.

sales, $\beta = -.28$, $t(74) = -2.85$, $p = .006$. Step 2 showed, as expected, promotion positively predicted sales, $\beta = .32$, $t(72) = 2.40$, $p = .02$, whereas prevention negatively predicted sales, $\beta = -.18$, $t(72) = -1.85$, $p = .07$. Most relations that were significant at first, became less strong when promotion and prevention were added, except for the link between extraversion and sales, $\beta = .42$, $t(72) = 3.58$, $p = .001$. Most notably, the relation between conscientiousness and sales, which was previously strong, was no longer significant when promotion and prevention were added, $\beta = .17$, $t(72) = 1.41$, $p = .16$.

In addition to these main effects, additional analysis showed a trend toward an interaction between promotion and prevention, $\beta = .20$, $t(71) = 1.58$, $p = .12$ (Figure 1), which indicated that the negative relationship between prevention and sales was only significant when promotion focus was low (-1 SD), $\beta = -.42$, $t(71) = -2.32$, $p = .02$, not when promotion was high ($+1$ SD), $\beta = -.03$, $t(71) = -0.21$, $p = .84$.

Finally, we also examined whether (part of) the effect of conscientiousness was mediated by promotion focus. Bootstrapping analysis (Hayes & Preacher, 2014) supported this, $B = .19$, $SE_B = .08$, CI 95% [.03; .37]. We did not find any other evidence of regulatory focus functioning as a mediator of the effects of the broader personality traits, as all other bootstrapping confidence intervals included zero.

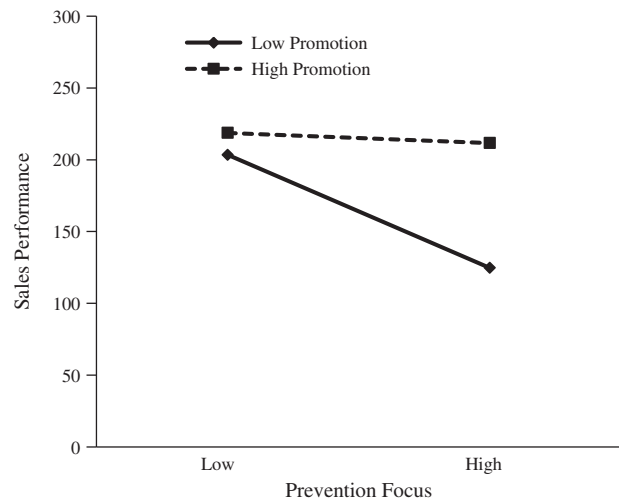


Figure 1. Interaction between promotion and prevention on sales performance.

General Discussion

This study found a positive relationship between promotion focus and sales success, and a negative relationship between

prevention focus and sales success, while controlling for FFM traits. Extraversion remained a robust predictor, but conscientiousness did not and results suggested promotion focus mediated the effects of conscientiousness. We also found suggestive evidence that promotion focus could buffer the negative effect of prevention focus on sales success. Although not hypothesized, agreeableness negatively predicted sales. This may not be as surprising, as this type of sales context could be viewed as a negotiation situation and agreeable individuals tend to do worse in negotiations.

A strength of this research is that we controlled for FFM measures in testing the links between regulatory focus and sales as it shows that this concept does not simply predict sales performance due to its overlap with broader or other established concepts. We focused on general conceptualizations of regulatory focus. It seems likely that studying more specific “work” foci would result in even greater explained variance in sales performance.

Another strength is the use of objective performance data, rather than self-reports or ratings from supervisors who could be biased by unknown variables. A limitation of the study is its correlational nature; therefore, we cannot make the strongest claims about causality. Nevertheless, we employed a longitudinal design in which predictor variables were measured before individuals actually started their jobs, after which actual sales performance was measured across a period of several weeks.

Another point that should be mentioned is limited generalizability due to the sample size and due to selection bias: promotion-focused individuals (vs. prevention-focused individuals) may be more likely to seek (or be accepted for) this kind of job. The relatively high zero-order correlation between promotion focus and sales may be seen as an indication of this point, suggesting that future research into this relation is certainly warranted. Likewise, highly extraverted individuals may be more likely to take this kind of job. Then again, such a selection bias would be at least as likely to lead to a restriction of range in our predictor variables, attenuating relations with the dependent variable. Moreover, even if selection bias is an issue in these data, one might argue this means our results reflect the effects of personality and regulatory focus within the relevant population (salespeople), rather than the total population. Nevertheless, future research might take into consideration the possibility of randomly selecting individuals or manipulating regulatory focus.

These results might tempt one to view promotion focus as the ideal regulator of job performance. Note, however, that “overall” job performance also requires prevention (Lanaj et al., 2012), and our hypotheses and results pertain specifically to this direct selling situation. In this situation, any person is a potential client. Although this may characterize a majority of sales situations, other types of sales situations are likely more complicated. For a first investigation into the relations between regulatory focus

and sales, we limited our research to this straightforward sales situation and are curious to see research explore potential moderators or reversals.

References

- Ashton, M. C. (1998). Personality and job performance: The importance of narrow traits. *Journal of Organizational Behavior, 19*, 289–303.
- Gorman, C. A., Meriac, J. P., Overstreet, B. L., Apodaca, S., McIntyre, A. L., Park, P., & Godbey, J. N. (2012). A meta-analysis of the regulatory focus nomological network: Work-related antecedents and consequences. *Journal of Vocational Behavior, 80*, 160–172.
- Hayes, A. F., & Preacher, K. J. (2014). Statistical mediation analysis with a multicategorical independent variable. *British Journal of Mathematical and Statistical Psychology, 67*, 451–470.
- Higgins, E. T. (1997). Beyond pleasure and pain. *American Psychologist, 52*, 1280–1300.
- Higgins, E. T., Friedman, R. S., Harlow, R. E., Idson, L. C., Ayduk, O. N., & Taylor, A. (2001). Achievement orientations from subjective histories of success: Promotion pride versus prevention pride. *European Journal of Social Psychology, 31*, 3–23.
- Lanaj, K., Chang, C., & Johnson, R. E. (2012). Regulatory focus and work-related outcomes: A review and meta-analysis. *Psychological Bulletin, 138*, 998–1034.
- McCrae, R. R., & Costa, P. T. (1987). Validation of the five-factor model of personality across instruments and observers. *Journal of Personality and Social Psychology, 52*, 81–90.
- Shafer, A. B. (1999). Brief bipolar markers for the Five Factor Model of personality. *Psychological Reports, 84*, 1173–1179.
- Scholer, A. A., & Higgins, E. T. (2011). Promotion and prevention systems: Regulatory focus dynamics within self-regulatory hierarchies. In K. D. Vohs & R. F. Baumeister (Eds.), *Handbook of self-regulation: Research, theory, and applications* (pp. 143–161). New York, NY: Guilford.
- Semin, G. R., Higgins, E. T., de Montes, L., Estourget, Y., & Valencia, J. F. (2005). Linguistic signatures of regulatory focus: How abstraction fits promotion more than prevention. *Journal of Personality and Social Psychology, 89*, 36–45.
- Vincur, A. J., Schippmann, J. S., Switzer, F., & Roth, P. L. (1998). A meta-analytic review of predictors of job performance for salespeople. *Journal of Applied Psychology, 83*, 586–597.

Melvyn Hamstra

Work and Organizational Psychology
University of Amsterdam
Weesperplein 4
1018 XA
Amsterdam
The Netherlands
Tel. +31 20 525-5818
Fax +31 20 525-6585
E-mail m.r.w.hamstra@uva.nl