Helping teammates during product selling: when does it pay off?

HELPING TEAMMATES DURING PRODUCT SELLING: WHEN DOES IT PAY OFF?

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SUMMARY

Teams are important in complex sales environments as members can jointly execute tasks by helping and assisting each other (Ahearne et al. 2010a). In a sales context, individual employees generally are expected to both help colleagues *and* have high personal sales productivity. MacKenzie et al. (MacKenzie et al. 1999, p. 407) contend that "agents who are perceived to be the most effective are also the ones who are not only productive themselves but also make those around them more productive as well by helping." However, while helping teammates generally is considered beneficial for the performance of the sales team as a whole (e.g., Ahearne et al. 2010a), research indicates that it may go at expense of an *individual's* own task performance (Barnes et al. 2008). Allocating too much time and energy to helping teammates leads to neglecting individual's own task accomplishment. This is even more likely when selling new products. Given its non-routine nature (Ahearne et al. 2010b), helping teammates may take considerably more time for new products compared to existing products (i.e., more routine sales task). As such, a major challenge in new product selling is how to combine helping colleagues and achieving one's own task performance effectively. In many sales settings, this is particularly problematic as individual rewards dominate team rewards.

We aim to study under what conditions helping teammates will not harm (but even benefit) an individual salesperson's new product selling task accomplishment. Thus, the focus is on the *individual* salesperson in the team rather than on sales *team*'s performance as a whole. We contribute to the literature in the following ways. First, research on frontline employee team effectiveness has indicated the importance of task and social processes as drivers of team performance (Ahearne et al. 2010a; De Jong and De Ruyter 2004), but no research exists on the impact of both task and pro-social team behaviors of the *individual* salesperson in the team and how these behaviors affect his/her performance. We focus on *helping*, which is the most powerful social behavior (Podsakoff et al. 2000) and on *proactive selling* (cf., Pitt et al. 2002) as an important task-specific counterpart.

Second, while several studies have examined contingencies on either team-level process-performance (Ahearne et al. 2010a) or individual-level behavior-performance relationships (e.g., Ahearne et al. 2010b) few studies have considered these contingencies for individuals operating in team-based setting. We consider team diversity and task autonomy as moderators.

In our conceptual framework of new product selling, we investigate how the task-related (bottom layer of the figure) and social-related mechanisms (top layer of the figure) combine in their effect on an individual salesperson's sales performance for new products. First, we examine how salesperson's execution of proactive selling and helping impact his/her sales performance. In addition, our conceptual framework focuses on these two behaviors as joint predictors of a salesperson's performance selling newly developed products in a functional sales team setting. Second, we analyze the moderating influence of work design characteristics on these two behavior-performance relationships. In specific, we include task autonomy and team diversity in sales experience as moderators.

We selected a large information and communications technology (ICT) company to test our hypotheses. The company's product portfolio consists of ICT products, such as workspace management systems, connectivity solutions, and datacenters. The company under study markets products to the top 500 companies in Europe. Individual salespersons were organized in teams exclusively consisting of salespersons dealing with a particular customer type and technical specialty/product. The set of new products studied in this research were introduced in the last twelve months prior to the survey.

The data used in this study consisted of two data sources, collected data over two periods. In the first period, salesperson data were collected using a survey. This survey rendered 211 usable responses from 289 employees (response rate = 73%) from 31 units. In the second period – 6 months after distribution of the survey – we obtained each individual salesperson's sales results from company records. We operationalize all the latent constructs using existing scales (see Table 1). Sales

experience reflects salespersons' total years of relevant sales experience. Team diversity in sales experience was operationalized using the standard deviation. Sales performance for new products was an objective measure, which was defined as the actual revenue generated with the sale of new products by an individual salesperson.

We analyzed the data in two successive stages: (1) exploratory factor analysis and (2) confirmatory factor analysis. All scales have sufficient reliability, with composite reliabilities varying between .76 and .94. The variance extracted exceeded the .50 threshold for each construct, in support of convergent validity. Furthermore, the constructs had discriminant validity as the variance extracted exceeds the average variance shared with any other study construct. As the data had a multilevel structure we relied on multilevel regression analyses. We standardized the variables before entering them in the analyses to mitigate multicollinearity between the interaction terms and constituent parts. The maximum variance inflation factors (VIF) were all less than 2.4, indicating an absence of serious multicollinearity.

The key objective of our study was to analyze under what conditions helping colleagues adds to one's own task accomplishment. First, our results reveal that a joint helping and proactive selling effort increases performance. Helping makes a salesperson's proactive selling efforts more effective. In addition, the direction of the effect of helping on performance is fully contingent on the degree of proactive selling. If proactive selling is low, helping does not benefit the helper him/herself. In contrast, if proactive selling is high the helper clearly benefits. This study validates previous suggestions that the most effective salespeople are those that combine helping and task productivity (MacKenzie et al. 1999). Second, our findings indicate that team diversity in sales experience has a differential moderating effect on proactive selling and helping as predictors of sales performance. Our results show that a helper only benefits him or herself when working in a diverse team in terms of sales experience. In addition, team diversity in sales experience compensates for low levels of proactive selling and that sometimes proactive selling even is not needed. This result nuances conclusions of previous research that salespeople need to be proactive when selling new products (Atuahene-Gima 1997), Finally, our results report no moderating effects of task autonomy. Instead, task autonomy has a direct negative and non-linear effect on an individual's sales performance for new products. This is consistent with recent findings in a service setting, where Marinova et al. (2008) demonstrate that autonomy hurts performance effectiveness of service employees as it causes unnecessary variability, slows the speed of service delivery, and increases employees' cognitive burden for task selection and strategy. Future research should examine this effect. References are available upon request.

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