

**How HRM Control Affects Boundary-Spanning
Employees' Behavioural Strategies and Satisfaction:
The Moderating Impact of Cultural Performance Orientation**

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Abstract

This study examines how cultural performance orientation moderates the influence of human resource management (HRM) controls on boundary-spanning employees' behavioural strategies and satisfaction. Based on primary data obtained from 1,049 salespeople in six countries and secondary data on cultural performance orientation, multilevel regression analyses show that national culture has a strong effect on the way boundary-spanning employees allocate their effort in response to HRM control. In particular, our results suggest that the more behaviour controls are used with boundary-spanning employees, the less attention they pay to customers and the more emphasis they place on their supervisors and non-selling tasks. Specifically, cultural performance orientation is shown to moderate significantly those relationships. Furthermore, results indicate that cultural performance orientation heightens boundary-spanning employees' job satisfaction resulting from behaviour control. Preliminary explanations for the differing impact of HRM control efficiency across cultures can be proposed.

Keywords HRM control; national culture; performance orientation; boundary-spanning employees; salespeople.

Introduction

Global companies often want to install global human resource management policies and practices across all business units. These help managers to align and control the behaviour of employees across all locations. Many global firms also rely intensively on their salespeople, who constitute a unique class of boundary spanning employees, to bridge the space between companies and their customers, all of which may be located in different countries. This leads sales managers to install sales force control systems to guide salespeople's activities so they achieve strategic objectives.

Scholars however are finding that firms are under increasing pressure to align their human resource management (HRM) practices with national culture differences (Bloom et al. 2003; Black et al. 1999; Mendenhall and Oddou 2000; Palich and Gomez-Mejia 1999; Sparrow 1999). The desire to standardize management systems is blunted by the reality that cultural norms can impose serious impediments to importing foreign practices. This is perhaps one of the drivers for the increasing research on the impact of national culture on HRM practices (Ayman 2005; Bae et al. 1998; Bloom et al. 2003; Gully et al. 2003).

Reviewing a wide range of disciplines, Chenhall (2003) concludes that most contingency-based research about the influence of culture on HRM control is still exploratory and typically focuses only on managerial-level employees. Furthermore, Liao (2006) points out the importance of investigating how firms strategically manage different occupational groups of employees. Therefore examining the impact of national culture on HRM practices, focused below managerial level, offers the opportunity to extend our understanding and assist executives in designing global management practices.

In this paper we examine the effect of HRM control systems on salespeople in international environments. Specifically we study how the implementation and effectiveness of sales force control models are influenced by national culture. This study contributes to the

field in several ways. First, we extend the control literature by examining the impact of HRM control on employees' behavioural responses in an international environment. Prior research on HRM control, largely within human resource management, management and accounting examined the influence of culture on HRM control, ignoring employee behavioural responses, while much of the marketing control research examined the impact of HRM control on employee behavioural responses ignoring the cross-cultural aspect. We integrate the fields of HRM, management, accounting, and marketing to develop a conceptual framework investigating the role of HRM control on employee behavioural responses across cultures.

Second, our research uses a recently discovered cultural dimension, namely performance orientation (House et al. 2004), that is intuitively appealing in the management control context. Performance orientation is the degree to which a community encourages and rewards its members for innovation, excellence, and performance improvement (House et al. 2004). In the management control arena, the importance of cultural performance orientation is underscored by the notion that firms manage employee performance.

This leads to the third reason to examine this issue, namely that the performance of salespeople (i.e., a major group of boundary-spanning employees) is critical to the success of firms (Aldrich and Herker 1977; Cross and Cummings 2004; Tushman and Scanlan 1981). In many Business-to-Business (BtoB) sectors, salespeople are mostly responsible for the firm's revenue line of profit and loss statements. Because boundary spanning personnel are, by definition, at the interface between companies and customers, they face competing demands from their company, supervisor and customers. To the best of our knowledge, the impact of HRM control on the way salespeople respond to those demands has never been studied empirically, let alone in a cross-cultural framework. Lloyd and Newell (2001) emphasize the paucity of research on the control of salespeople despite the size of their occupational group. Research on this group of employees is also scarce in the HR literature.

Fourth, our study is the first to investigate the effect of HRM control on salespeople's satisfaction in an international environment. Because turnover is recognized as a major concern for sales managers (Darmon 1990), salespeople's satisfaction is crucial to firm success. Moreover, although salespeople's satisfaction with job or supervisor was investigated (Challagalla and Shervani 1996; Cravens et al. 1993; Oliver and Anderson 1994), few researchers deal with salespeople's satisfaction with job promotions despite its importance in turnover decisions.

The results of our research indicate that culture should be an important element in the design of a sales force control system. We find that a culture's dominant performance orientation moderates the relationship between HRM control and boundary-spanning employee behavioural strategies and satisfaction. In particular, our results suggest that cultural performance orientation has a strong impact on the types of (1) behavioural strategies used by boundary-spanning employees and (2) satisfaction experienced by boundary-spanning employees, in response to HRM control. These are new insights that can help executives better manage their international sales force.

Theoretical background

Overview of theoretical model

The basic premise of this study is that (1) HRM control influences the behavioural strategies and satisfaction of boundary spanners (i.e., salespeople) and (2) the nature of this influence is contingent on a country's performance orientation. This premise stems from the fact that more and more firms organize their sales forces into territories that are not constrained by national boundaries. These environmental changes raise many questions about managing sales forces across countries (e.g., Birkinshaw et al. 2001).

The model in Figure 1 offers a new, relatively unexplored view of culture as a moderator of the relationship between HRM control and employee behavioural strategies and satisfaction. The model includes four relationships. The first relationship describes the effect of HRM control on salespeople’s behavioural strategies. Specifically, our model suggests that salespeople, faced by competing pressures (i.e., company’s, supervisor’s, and customers’) make tradeoffs regarding the demands they address. We are guided by a number of studies investigating the influence of HRM control on dimensions of salespeople call activity (i.e., Cravens et al. 1993; Oliver and Anderson 1994). The second relationship examines the effect of HRM control on salespeople’s satisfaction with job, supervisor, and promotion possibilities. This relationship draws on insights from HRM control in marketing (e.g., Challagalla and Shervani 1996). Finally, the third and fourth relationships represent the moderating effects of national culture on the two aforementioned relationships. Note that our model controls for the impact of companies’ effort on sales, the industrial sector, and selling experience of salespeople.

Place Figure 1 about here

Human resource management (HRM) control

In keeping with Lloyd and Newell’s research on pharmaceutical sales reps (2001), we take as our point of departure the most widely used conceptualization of HRM control applied to salespeople, Anderson and Oliver’s (1987), which is based on organizational, psychology, and economic theories. A sales force management control is defined as the “organization’s set of procedures for monitoring, directing, evaluating, and compensating its salespeople” (Anderson and Oliver 1987, p. 76). We use their conceptualization of HRM control- a

continuum anchored on two ideal (polar opposite) philosophies: outcome and behaviour control. In outcome control environments, the achievement of results is largely the responsibility of the salesperson who is free to select her/his methods for achieving results. Thus, the salesperson is like an entrepreneur, bearing considerable risks, operating with much autonomy, accountable for outcomes (i.e. sales results) and receiving variable compensation tied to the results achieved. In contrast, in behaviour control environments, the main responsibility for results is on the company's management. Managers require salespeople to conform to a given process (e.g., selling technique) in the belief that results will follow. For their obedience, salespeople are rewarded largely by fixed salary.

HRM control and salesperson behavioural strategies

Because they operate at the interface of firms and their customers, salespeople are often facing simultaneous and competing pressures. As a result, salespeople must make decisions regarding the way they allocate their effort across the competing demands of their company, supervisor, or customers. Most research in this area examines three behavioural strategies: call planning (e.g., Cravens et al. 1993), call activity (e.g., Oliver and Anderson 1994), or call strategy (e.g., Oliver and Anderson 1994). None, however, examines the way salespeople actually respond to the competing demands of companies, supervisors and customers. Our contention is that a salesperson's decision to focus on administrative tasks, supervisors or customers depends on the type of HRM control s/he faces.

As noted earlier, following the prescribed selling procedures is the major component of behaviour control. Faced with this reality, the salesperson will likely devote more attention to his or her supervisor. Also, the fact that behaviour control minimizes the immediate pressure to sell and encourages long-term planning predisposes salespeople to invest more effort in non-selling and administrative tasks such as learning about new products and filling

out sales call reports (Anderson and Oliver 1987). Consequently, behaviour controlled salespeople are less likely to focus on customers. Conversely, in outcome control environments, job and remuneration security are often tied to sales results. Hence under such systems, salespeople have a greater incentive (compared to their counterparts under behaviour control) to focus on customers. Thus, they might resist if the supervisors pull them in a contrary direction (Anderson and Onyemah 2006). They also tend to neglect administrative and other non-selling tasks (Cravens et al. 1993). Based on the foregoing discussion, we hypothesize:

Hypothesis 1:

The more the HRM control is behaviour-based,

- the more salespeople focus on their supervisors (H1a),
- the more salespeople focus on their administrative tasks (H1b),
- the less salespeople focus on their customers (H1c).

HRM control and salesperson's satisfaction

Behaviour controls minimize the pressure associated with achieving short-term results at the expense of salesperson professional development (Anderson and Oliver 1987). As a result, behaviour control is likely to foster salespeople's satisfaction with promotion possibilities.

To the extent that the intense coaching provided by supervisors improves salesperson competencies and growth potentials, behaviour controls are also likely to engender greater satisfaction with job and supervisor (Challagalla and Shervani 1996; Oliver and Anderson 1994; Piercy et al. 2006). Thus, we hypothesize:

Hypothesis 2:

The more the HRM control is behaviour-based, the higher is salespeople's satisfaction with their:

- supervisor (H2a),
- job (H2b),
- promotion possibilities (H2c).

Cultural performance orientation

One of the most comprehensive studies conceptualizing and measuring culture is the Global Leadership and Organizational Behaviour Effectiveness (GLOBE) research program (House et al. 1999; House et al. 2004; Chhokar et al. 2007), based on the study of 62 societies. It is also the most recent study of culture and as such it addresses several conceptual and methodological limitations of prior research (Fu et al., 2004). In this paper, we focus on one dimension identified by the GLOBE project, namely, performance orientation. Cultural performance orientation reflects the degree to which a collective encourages and rewards group members for performance improvement and excellence (House et al. 2004). We picked the cultural dimension that is most germane to the group of boundary spanners under investigation, i.e., salespeople. This is because salespeople write the top line of firms' income statements (Colletti and Fiss 2006; Zoltners et al. 2001), thereby leading management to pay close attention to their performance (Rich et al. 1999). Consequently, the performance orientation dimension of national culture seems particularly relevant to our study.

Performance orientation is associated with internal locus of control (House et al. 2004). The internal locus of control (i.e., a belief in individual responsibility) is related to societal values such as ambition, drive, thirst for learning and improvement, and high standards of performance (Hofstede and Bond 1988; McClelland 1961), variables that also characterize societies that score highly on performance orientation. Individuals from societies with high internal locus of control tend to be tenacious and industrious in pursuing their goals (Fyans et al. 1983). Societies with strong performance orientation tend to be competitive and proactive: exhibiting a desire to dominate rather than submit. Consequently, the tendency to focus on supervisors under behaviour control is likely to be heightened when salespeople operate in societies with strong performance orientation values. The drive to achieve higher performance and hence the reward and recognition tied to it, compels salespeople to focus on

sales results. Behaviour control tends to counter this tendency and encourage salespeople to focus on non-selling and administrative tasks. Thus the influence of behaviour control on salespeople's focus on customers and administrative tasks will be weaker in societies that score highly on performance orientation. Therefore, we hypothesize:

Hypothesis 3:

The effect of behaviour control on salespeople's focus on:

- their supervisor will be stronger in countries characterized by a high level of performance orientation (H3a),
- administrative tasks will be weaker in countries characterized by a high level of performance orientation (H3b),
- customers will be weaker in countries characterized by a high level of performance orientation (H3c).

The closeness of supervisors to salespeople and the high accessibility of supervisors in behaviour control environments create a high level of mutual involvement. This involvement should make it easier for salespeople to influence and manage their supervisors, a major determinant of salesperson performance evaluation. Thus the positive relationship between behaviour control and satisfaction with the job and supervisor should be stronger in societies with strong performance orientation. Finally, the intense coaching and feedback provided in behaviour control environments should, in principle, improve salespeople's competencies. This combined with the influence exerted by salespeople on supervisors (in societies with strong performance orientation) is likely to increase the likelihood of being promoted. Consequently, the effect of behaviour control on salespeople's satisfaction with promotion possibilities is likely to be stronger in countries where performance orientation is stronger.

On the basis of the preceding discussion, we predict as follows:

Hypothesis 4:

The effect of behaviour control on salespeople's:

- satisfaction with their supervisor will be stronger in countries characterized by a high level of performance orientation (H4a),
- job satisfaction will be stronger in countries characterized by a high level of performance orientation (H4b),

- satisfaction with promotion possibilities will be stronger in countries characterized by a high level of performance orientation (H4c).

Covariates

The sales force management literature suggests that the attitudes and behaviours of salespeople are influenced by factors such as selling experience, industrial sector, and the extent to which company efforts impact sales outcomes (e.g., Coughlan and Sen 1989; John and Weitz 1989; Rouziès and Macquin 2002). Thus, in our analyses, we include three covariates: (a) selling experience, (b) industrial sector, and (c) impact of company effort on sales.

Data collection and sample

Our primary data come from salespeople working in six countries (France, Ireland, Italy, Spain, United Kingdom, and the United States of America) and four industrial sectors (healthcare and pharmaceutical, information system and technology, fast moving consumer goods, and industrial goods). Companies the salespeople work for were contacted through participants at executive education seminars in two international business schools. For providing the contact details of their salespeople, the executives were promised a post-study report. Prior to mailing the questionnaire to salespeople, we asked a senior executive in each firm to inform their salespeople about the survey.

We created a first version of the questionnaire in English. We developed three alternative versions (Spanish, Italian, and French) using the standard back translation technique. First and second-wave mailings yielded 1049 usable questionnaires, representing a 50 per cent response rate. The number of responses per country is: France (90), Ireland (67), Italy (95), Spain (274), United Kingdom (57), and the United States of America (466). We excluded 20 questionnaires because they had missing responses. We also excluded

respondents from Belgium because only 10 questionnaires were returned. Analysis of non-response bias (Armstrong and Overton 1977) revealed no significant differences between early and late respondents. On average, respondents had eleven years of selling experience.

Measures and psychometric properties

Independent variables: control elements as perceived by salespeople

The objective here is to establish salespeople's perceptions of the control elements they experience. Some organizations might have a corporate level control philosophy. However, in practice, sales managers often adapt this overarching control philosophy to the heterogeneous circumstances of salespeople. Empirical studies of sales force controls often measure the constitutive elements as perceived by the individual salesperson (e.g., Cravens et al. 1993; Oliver and Anderson 1994) because the best informants about sales force controls (as is) are salespeople (e.g., Jaworski and MacInnis 1989; Kohli 1989). We generated several initial items corresponding to each element of a sales force management control (see Oliver and Anderson 1994 for details). Preliminary versions of these items were administered to convenience samples of salespeople and sales managers. Their feedback led to further revisions before arriving at the final set of items (Appendix). Except for compensation scheme (i.e., the proportion of salary in total compensation), each element was measured with multiple items: focus of performance criteria (five items), number of performance criteria (four items), degree of management intervention (four items), frequency of contact (four items), degree of management monitoring (six items), amount of coaching offered (five items), and transparency of evaluation criteria (five items). Since each item was anchored on a 7-point scale, the proportion of salary in compensation was transformed into a 7-point scale.

Dependent variables: salesperson behavioural strategies and satisfaction

The three facets of behavioural strategies (i.e., handling the supervisor, handling the customer, and handling the administrative aspects of the job) were each measured by the percentage of time the salesperson devotes to supervisors, customers, and administrative tasks respectively. Satisfaction with job and satisfaction with supervisor were each measured with three items (Appendix) while satisfaction with promotion possibilities was measured with two items (Churchill et al. 1974).

The coefficient alphas obtained for the multi-item scales suggest unidimensionality and are consistent with expectations derived from theory: focus of performance criteria (0.81), number of performance criteria (0.80), degree of management intervention (0.69), frequency of contact (0.82), degree of management monitoring (0.83), amount of coaching offered (0.80), transparency of evaluation criteria (0.86), satisfaction with job (0.84), and satisfaction with supervisor (0.79). Subsequently, a confirmatory factor analysis was conducted using LISREL 8. The analysis yielded overall fit statistics that are within acceptable limits: root mean square error of approximation (RMSEA) was 0.0638, confidence interval (CI 90 percent) ranged from 0.0615 to 0.0662, goodness of fit index (GFI), adjusted goodness of fit index (AGFI), comparative fit index (CFI) and non-normed fit index (NNFI) reached 0.91, 0.90, 0.87, and 0.86 respectively (Diamantopoulos and Siguaw 2000). Overall, these statistics suggest that our multi-item measures are unidimensional and possess adequate reliability.

The multi-country nature of our sample demands that we conduct a multi-group confirmatory factor analysis (Bollen 1989; Horn 1991; Steenkamp and Baumgartner 1998) to examine the: (1) equivalence of factor-structure, (2) equivalence of coefficients linking the latent to the observed variables, and (3) equivalence of measurement error variances across countries (France, Ireland, Italy, Spain, United Kingdom, and the United States of America). The results indicate equivalent factor structure across countries (RMSEA = 0.057; CI 90 percent ranges from 0.055 to 0.059; CFI = 0.87; NNFI = 0.86) which satisfies the first

objective. Secondly, we test whether the coefficients linking the latent to the observed variables are the same in all countries. The results indicate an adequate fit (RMSEA = 0.060; CI 90 percent ranges from 0.058 to 0.062; CFI = 0.86; NNFI = 0.84), indicating that the coefficients linking the latent to the observed variables are the same in all countries. For the third objective, the coefficients linking the latent to the observed variables and the measurement error variances are both constrained to be invariant across countries. The resulting fit statistics are within acceptable limits (RMSEA = 0.063; CI 90 percent ranges from 0.061 to 0.065; CFI = 0.85; NNFI = 0.84). The foregoing results suggest measurement invariance of our variables across the countries.

Since each salesperson experiences a control that is the totality of its eight elements, a formative indicator was used to establish the degree of behaviour control. Consistent with Anderson and Oliver (1994) and Krafft (1999), the scores on the eight elements were added and averaged to form an index of the degree of behaviour control (versus outcome control represented by lower scores). For example, an average score of “7” reflects a pure behaviour control (BC) system while an average score of “1” reflects a pure outcome control (OC) system. Average scores that fall between “1” and “7” reflect hybrid controls.

Finally, the data on performance orientation were obtained from the GLOBE Research Program (House et al. 2004). Performance orientation measures a society’s preference for excellence and performance improvement (coefficient alpha: 0.90). The scales and measures reported in the GLOBE project possess adequate psychometric properties (Javidan et al. 2006). With regards to the covariates: selling experience was measured in years; relative impact of company’s effort on sales results was measured by asking the respondents to split 100 points between the impact of their effort and that of the company (Appendix). Dummy variables were created for three of the four sectors. The reference sector is “healthcare and

pharmaceutical.” The means, standard deviations, and bivariate correlations of all the variables used in this research are presented in Table 1.

 Place Table 1 about here

Model specification and estimation

Estimation procedures

Based on the hypotheses previously proposed and the nature of our data, our conceptualization involves two levels of analysis (i.e., individuals are nested in countries), as follows.

For the salesperson behavioural strategy model, we specify:

Level 1:

$$\text{Equation (1) } \text{STRATEGY}_{ij} = \beta_{0j} + \beta_{1j} \text{CONTROL}_{ij} + \beta_{2j} \text{EXPERIENCE}_{ij} + \beta_{3j} \text{EFFORT}_{ij} + \beta_{4j} \text{SECTOR}_{ij} + r_{ij}$$

Level 2:

$$\text{Equation (2) } \beta_{0j} = \gamma_{00} + \gamma_{01} \text{P_ORIENTATION}_j + v_{0j}$$

$$\text{Equation (3) } \beta_{1j} = \gamma_{10} + \gamma_{11} \text{P_ORIENTATION}_j + v_{1j}$$

where:

Subscript i: salesperson

Subscript j: country

STRATEGY: Salesperson behavioural strategy (i.e., proportion of time devoted to handling the supervisor, the customer or the administrative aspects of the job)

CONTROL: Degree of behaviour control experienced by the salesperson

EXPERIENCE: Salesperson selling experience

EFFORT: Impact of company's effort on sales results

SECTOR: Industrial sector

P_ORIENTATION: Cultural performance orientation

Equation 1 specifies the salesperson-level model while equation 2 specifies the country-level model. We assume the error term r_{ij} to be centred and normally distributed. Moreover, we assume the random effects v_{qj} ($q= 0, 1$) to be centred, multivariate normally distributed over countries and to be the unique effect of country j on the parameters β_{qj} while controlling for the country-level predictor variables.

Similarly, for the salesperson satisfaction model, we specify:

Level 1:

$$\text{Equation (4) SATISFACTION}_{ij} = \beta_{0j} + \beta_{1j} \text{CONTROL}_{ij} + \beta_{2j} \text{EXPERIENCE}_{ij} + \beta_{3j} \text{EFFORT}_{ij} + \beta_{4j} \text{SECTOR}_{ij} + r_{ij}$$

Level 2:

$$\text{Equation (5) } \beta_{0j} = \gamma_{00} + \gamma_{01} \text{P_ORIENTATION}_j + v_{0j}$$

$$\text{Equation (6) } \beta_{1j} = \gamma_{10} + \gamma_{11} \text{P_ORIENTATION}_j + v_{1j}$$

where:

Subscript i : salesperson

Subscript j : country

SATISFACTION: Salesperson's satisfaction (i.e., satisfaction with job, supervisor, and promotion possibilities)

CONTROL: Degree of behaviour control experienced by the salesperson

EXPERIENCE: Salesperson selling experience

EFFORT: Impact of company's effort on sales results

SECTOR: Industrial sector

P_ORIENTATION: Cultural performance orientation

We used hierarchical linear modelling (HLM) (Raudenbush and Bryk 2002) to test our hypotheses because our data are multilevel. Thus, we centred the salespeople-level predictors within countries and grand-mean-centred the country-level predictors. HLM uses iterative maximum likelihood estimation to simultaneously estimate the relationships of variables at several levels.

Results

Table 2 presents the results for the HLM models of salespeople's behavioural strategies while Table 3 shows the results for the HLM models of salespeople's satisfaction.

Salespeople's behavioural strategies

Hypothesis 1 posits that the more the sales force control is behaviour-based, the more salespeople focus on their supervisor (H1a), administrative tasks (H1b), and the less salespeople focus on their customers (H1c). Consistent with this hypothesis, the results depict: (1) the positive effects of behaviour controls on salespeople's focus on supervisors ($\beta = .02, p < .001$) and administrative tasks ($\beta = .04, p < .001$), and (2) the negative effects of behaviour controls on salespeople's focus on customers ($\beta = -.09, p < .001$). In addition, we hypothesized that the effects of behaviour controls on salespeople's focus on supervisors will be stronger in countries characterized by a high level of cultural performance orientation (H3a). As anticipated, this interaction effect is significant ($\gamma = .05, p < .05$). We also predicted that the effects of behaviour controls on salespeople's focus on the administrative aspects of their job will be weaker in countries characterized by a high level of cultural performance orientation (H3b). As expected, this interaction effect is significant ($\gamma = -.12, p < .01$). Next, H3c predicts that the effects of behaviour controls on salespeople's focus on customers will be weaker in countries characterized by a high level of cultural performance

orientation. In line with this hypothesis, the results provide evidence for a significant interaction effect ($\gamma = .13, p < .05$).

Place Table 2 about here

Salespeople's satisfaction

Hypothesis 2 suggests that the more the sales force control is behaviour-based, the higher is salespeople's satisfaction with their supervisor (H2a), job (H2b), and promotion possibilities (H2c). The results support this hypothesis ($\beta = .78, p < .001$ for H2a; $\beta = .40, p < .001$ for H2b; $\beta = .88, p < .001$ for H2c). In Hypothesis 4, the effect of behaviour-based sales force control on salespeople's satisfaction with their supervisor (H4a), with the job (H4b), and with promotion possibilities (H4c) is expected to be stronger in countries characterized with a high level of performance orientation. H4a is supported ($\gamma = 1.01, p < .001$) whereas H4b is not supported ($\gamma = -.07, p > .05$). In contrast, the results corresponding to the test of H4c are contrary to our prediction ($\gamma = -1.19, p < .01$).

Place Table 3 about here

Discussion

Salespeople are boundary-spanning employees whose performance is critical to firms' success. In many BtoB sectors, salespeople play another crucial role- that of being the shortest link between firms and their customers. Importantly, cultural performance

orientation seems to be a particularly relevant issue in sales force management since one of the most pressing issues concerns their performance. Needless to say, questions related to their HRM control are pertinent, even more so in international contexts. This pertinence however is not reflected by previous theoretical and empirical research. The importance of the foregoing is underscored by trends that push firms to become more global. The framework we present draws on insights from HRM, accounting, marketing and management literature to examine both salespeople's behavioural strategies and satisfaction in response to HRM control. Based on existing theory, we developed and tested a number of hypotheses about how cultural performance orientation influences HRM control effect on salespeople's focus and satisfaction.

HRM control and salespeople's behavioural strategies

The results of this research suggest that cultural performance orientation serves as a catalyst when salespeople, in response to behaviour controls, focus on supervisors. This is not surprising given Oliver and Anderson's (1994) findings that behaviour controls enhance salespeople's acceptance of authority/direction. Thus, behaviour controls seem to push salespeople to focus on their supervisor, which is likely since supervisors, not customers, evaluate and reward them. This is also consistent with the LMX (leader-member exchange) perspective that attributes members' outcomes to the quality of their relationships with their supervisors (Sparrowe and Liden 2005). In other words, the more salespeople are behaviour controlled, the more they will try to create a good relationship with their supervisor, even more so when they are more concerned about their performance— as cultural performance orientation induces them to be. All in all, we suspect that behaviour controlled salespeople are more likely to manage their supervisor, even more so in countries that are rated highly on performance orientation.

Conversely, cultural performance orientation dampens the negative impact of behaviour controls on salespeople's customer focus. Cravens et al. (1993) suggest that behaviour controls support salespeople's customer orientation. To reconcile this apparent contradiction, we must take into account the fact that Cravens et al. (1993) measure how managers perceive salespeople (generally working in the field, far from supervision) handle their customers, not how salespeople *actually* handle their customers. In contrast, our research sheds light on salespeople's account of their *actual* behaviour in response to the degree of behaviour controls experienced. Then, it comes as no surprise that salespeople under behaviour controls emphasize their customers less, as customers neither evaluate nor reward them. On the other hand, salespeople under outcome controls depend on their customer relationships to achieve their selling objectives, and consequently focus on their customers. In other words, salespeople under outcome controls focus on the voice of the market because it is the market, not the supervisor that decides their fate. This is especially true in organizations where customers are "kings" (Anderson and Onyemah 2006). This is reinforced by cultural performance orientation that induces salespeople to be even more concerned with their performance.

The same explanatory mechanism applies to the tendency of salespeople under behaviour controls to focus on administrative tasks. Those results are supported by Cravens et al. (1993). We surmise that cultural performance orientation weakens this positive relationship since administrative tasks are not directly linked to salespeople's performance. In other words, salespeople, in performance oriented societies, are less likely to perform administrative tasks in response to behaviour control policies. This is because administrative tasks are considered as impediments to the achievement of their sales objectives.

The results of this research offer insights on HRM control of sales forces operating globally. They support the recent arguments of researchers regarding the "national

institutional embeddedness of firms" as a major factor influencing HRM practices (Gooderham et al. 1999), specifically in the sales force context (e.g., Segalla et al. 2006). However, we draw attention to the possibility that this relationship may not be as simple as originally assumed. Thus, this study suggests cultural performance orientation moderates the relationship between the HRM control system in place and the behavioural strategies exhibited by salespeople.

HRM control and salespeople's satisfaction

For many BtoB companies, the turnover of salespeople represents a major concern as it is associated with high opportunity costs, recruitment costs and training expenses. Because salespeople's satisfaction is expected to lower salespeople turnover (Churchill et al. 2006), our study sheds some light on different aspects of salespeople's satisfaction.

Our contention is that compared to their counterparts under outcome controls, salespeople who face behaviour controls are more likely to be satisfied (i.e., with their supervisor, job and promotion possibilities). This finding is consistent with Oliver and Anderson's results (1994). Moreover, our research shows that cultural performance orientation increases the ability of behaviour control to engender greater salespeople's satisfaction with their supervisor. Thus, we suspect that salespeople under behaviour controls are more likely to be satisfied with their supervisor, even more so in countries that are rated highly on performance orientation. This is not surprising given the foregoing discussion on the way behaviour controls enhance salespeople's focus on their supervisor. In keeping with the LMX (leader-member exchange) perspective that attributes members' outcomes to the quality of their relationships with their supervisor (Sparrowe and Liden 2005), we infer that, relative to outcome controls, behaviour controls are more likely to create a closer bond between salespeople and sales supervisors. Consequently, as salespeople are more concerned

about their performance (i.e., as cultural performance orientation induces them to be), salespeople's satisfaction with their supervisor is likely to be even higher in response to behaviour controls. Taken together, it is plausible that salespeople who face behaviour controls are more likely to manage their supervisors and be satisfied with her/him, even more so in countries with high performance orientation levels.

Contrary to our prediction, our findings indicate that cultural performance orientation weakens the positive relationship between behaviour controls and salespeople's satisfaction with promotion possibilities. One might speculate that cultural performance orientation supports merit-based promotion, thereby reducing internal promotion possibilities. This is consistent with Rouziès et al.'s (2003) finding that Latin managers are less willing to select external promotion candidates, as Latin countries, compared to Anglo Saxon countries, score low on cultural performance orientation.

Finally, the finding that more experienced salespeople are more satisfied with their job but less with their promotions supports prior work by Cron and Slocum (1986) and Cron et al. (1988). Similarly, the finding that they focus more on administrative tasks might be explained by the fact that more tenured salespeople tend to work harder (Cron and Slocum 1986; Cron et al. 1988). A seemingly intriguing finding is that the relative impact of company's effort on sales has a negative effect on a salesperson's satisfaction with the job. However, a larger impact of company's effort implies a smaller impact of salespeople's effort on sales. Since most sales organizations set sales goals to salespeople, we surmise that salespeople feel less satisfied with their job because they have little control on the attainment of assigned sales objectives. As Zoltners and colleagues note: "Salespeople are responsible only for their own efforts, but they are accountable for the company's efforts" (2001, p.256). In addition, the finding that salespeople who sell information systems and technology, compared to salespeople who sell pharmaceutical and healthcare services/products, spend less

time on administrative activities is consistent with the work of Churchill et al. (2006, p. 50) who speculate that the efficiencies gained from advances in communication technology help offset the sheer number of additional activities salespeople perform today. Finally, we found that, compared to salespeople in pharmaceutical and healthcare sector, salespeople in industrial goods sector tend to focus more on customers. This finding is not surprising since those customers are likely to be larger and to engage in extensive decision-making processes (Churchill et al. 2006, p.50), thereby requiring more time.

Limitations and conclusion

Our study has limitations that should be addressed in future research. First, we sampled mainly BtoB salespeople. Whether our results are generalizable to other employment groups remains to be demonstrated. Indeed, we hope future research will investigate our model using samples from a variety of boundary-spanning populations. Another limitation of our study is that it investigates one single cultural dimension (i.e., performance orientation), albeit the most pertinent for salespeople. Further research should examine other cultural dimensions. Finally, one should not generalize results based on investigations restricted to the US and some Western European countries, especially since a sizeable portion of international business growth takes place in emerging economies (e.g., China, India). Future research should set out to investigate other environments.

This paper has some far-reaching implications for the management of boundary-spanning employees. Indeed, continuous changes in the environment challenge salespeople's and executives' capacity to adapt and perform to meet rising standards (Jones et al. 2005). As a result, salespeople are increasingly responsible for completing complex cross-functional, cross-organizational, or cross-national tasks, thereby assuming new and important roles in

their organizations. We have demonstrated that firms implementing HR behaviour control induce salespeople to be internally focused, even more so in countries characterized by high levels of performance orientation. Accordingly, in attempting to manage their supervisor and non-selling tasks, salespeople's customer focus wanes under behaviour control. As previous investigations reported behaviour control had a positive effect on firm performance (Liao 2006; Snell and Youndt 1995), we surmise that previous research findings do not apply to boundary-spanning employees who need to be externally focused in order to drive organizations to become adaptive and responsive to change. Hence, HRM practices used to manage different groups of employees are likely to vary (Jackson et al. 1989). Another practical implication of this study for managers is that they may be better off using outcome control with their sales forces, especially in countries scoring low on performance orientation, in order to focus their teams on customers. All in all, executives and academics should pay more attention to the HRM practices at the sales force level because of its crucial impact on a firm's performance.

Table 1. Summary statistics

<i>Variable</i>	<i>Mean</i>	<i>SD</i>	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>	<i>10</i>	<i>11</i>	<i>12</i>	<i>13</i>
1. Sales Force Management Control	4.03	0.58	1.00												
2. Job Satisfaction	5.46	1.05	.23 ***	1.00											
3. Satisfaction with Promotion	4.00	1.57	.31 ***	.34 ***	1.00										
4. Satisfaction with Supervisor	4.83	1.29	.40 ***	.43 ***	.46 ***	1.00									
5. Performance Orientation	5.98	.17	.07 *	.06	.05	.12 ***	1.00								
6. Salesperson's Handling of Supervisor	.06	.07	.23 ***	.10 ***	.17 ***	.21 ***	.21 ***	1.00							
7. Salesperson's Handling of Customer	.77	.20	-.25 ***	-.08 *	-.08 *	-.13 ***	-.02	-.64 ***	1.00						
8. Salesperson's Handling of the Administrative Aspects of the Job	.13	.13	.17 ***	-756×10^{-5}	766×10^{-5}	.01	840×10^{-5}	.38 ***	-.84 ***	1.00					
9. Salesperson's Selling Experience	11.00	8.39	.02	.16 ***	-.07 *	.03	-.21 ***	-.03	-.06 *	.06 *	1.00				
10. Impact of Company Effort on Sales	37.20	18.55	.11 ***	-.04	-.02	.03	-.25 ***	-.01	-.09 **	.08 *	.13 ***	1.00			
11. Dummy Information System and Technology	.32	.47	-.32 ***	-.16 ***	-.16 ***	-.19 ***	-.24 ***	-.07 *	.09 **	-.07 *	-.25 ***	927×10^{-5}	1.00		
12. Dummy Fast Moving Consumer Goods	.17	.37	.04	.06	-.03	.03	-.46 ***	-.09 **	-.05	.02	.40 ***	.28 ***	-.31 ***	1.00	
13. Dummy Industrial Goods	.09	.29	.11 ***	-788×10^{-5}	.06	-.06	-.32 ***	-.11 ***	.09 **	-.06	.12 ***	.02	-.22 ***	-.14 ***	1.00

Note: N= 1049 for individual-level variables; N= 6 for the country-level variable (i.e., performance orientation). *** p<.001 **p<.01 *p<.05

Table 2. Effect of management control on boundary-spanning employees' behavioural strategies: the moderating impact of performance orientation

	Salesperson Focus on Supervisor			Salesperson Focus on Administrative Aspects of the Job			Salesperson Focus on Customer		
	Hypothesized Effect	Unstandardized Coefficient		Hypothesized Effect	Unstandardized Coefficient		Hypothesized Effect	Unstandardized Coefficient	
Intercept		.06	**		.17	***		.77	***
<u>Sales Force Management Control</u>	+ (H1a)	.02	***	+ (H1b)	.04	***	- (H1c)	-.09	***
<u>Performance Orientation</u>		.05			-.12			0.11	
<u>Moderating Effect of Country Characteristics</u> Sales Force Management Control * Performance Orientation	+ (H3a)	.05	*	- (H3b)	-.12	**	+ (H3c)	0.13	*
<u>Covariates</u>									
Salespers. Selling Experience		294 x 10 ⁻⁶			1029 x 10 ⁻⁶	*		-140 x 10 ⁻⁵	
Impact of Comp. Effort on Sales		65 x 10 ⁻⁶			370 x 10 ⁻⁶			-50 x 10 ⁻⁵	
Dummy Information System and Technology		-307 x 10 ⁻⁵			-.04	***		.02	
Dummy Fast Moving Cons. Goods		-538 x 10 ⁻⁵			-.04			-.02	
Dummy Industrial Goods		-1973 x 10 ⁻⁵			-.07	***		0.08	*

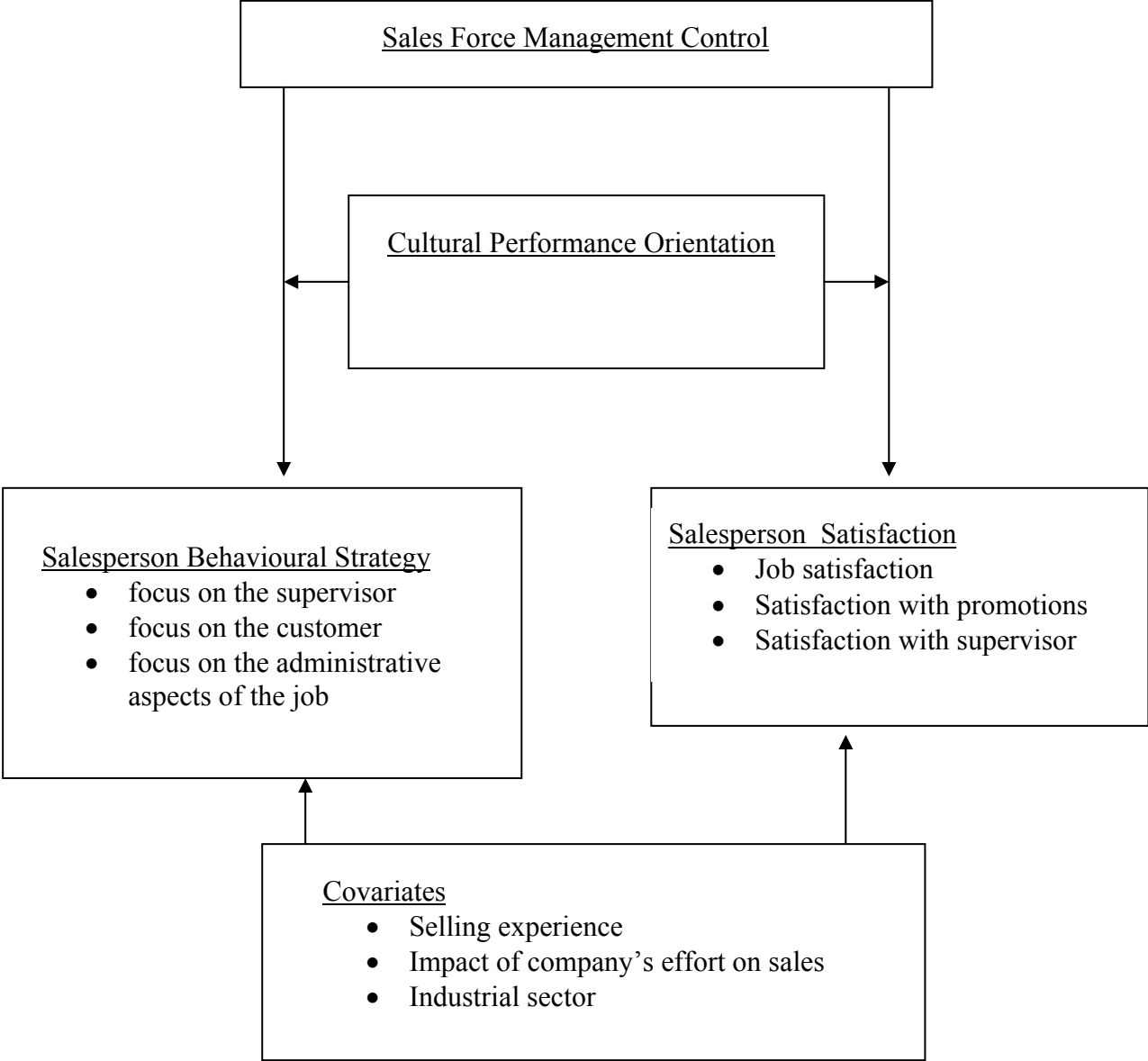
Note: N= 1049 for individual-level variables; N= 6 for the country-level variable (i.e., performance orientation). *** p<.001 **p<.01 *p<.05

Table 3. Effect of management control on boundary-spanning employees' satisfaction: the moderating impact of performance orientation

	Salesperson Satisfaction with Supervisor			Salesperson Satisfaction with the Job			Salesperson Satisfaction with Promotions		
	Hypothesized Effect	Unstandardized Coefficient		Hypothesized Effect	Unstandardized Coefficient		Hypothesized Effect	Unstandardized Coefficient	
Intercept		4.44	***		5.22	***		3.49	***
<u>Sales Force Management Control</u>	+ (H2a)	.78	***	+ (H2b)	.40	***	+ (H2c)	.88	***
<u>Performance Orientation</u>		.55			.16			-.13	
<u>Moderating Effect of Country Characteristics</u> Sales Force Management Control * Performance Orientation	+ (H4a)	1.01	**	+ (H4b)	-.07		+ (H4c)	-1.19	*
<u>Covariates</u>									
Salespers. Selling Experience		4653 x 10 ⁻⁶			.02	***		-.02	**
Impact of Comp. Effort on Sales		1598 x 10 ⁻⁶			-358 x 10 ⁻⁵	*		-335 x 10 ⁻⁵	
Dummy Information System and Technology		.20			.11			.31	
Dummy Fast Moving Cons. Goods		.32			.21			.47	
Dummy Industrial Goods		-.08			.01			.56	

Note: N= 1049 for individual-level variables; N= 6 for the country-level variable (i.e., performance orientation). *** p<.001 **p<.01 *p<.05

Figure 1. Conceptual framework.



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Appendix. Scale items.

Focus of performance criteria.

1. I think that what really matters most to management is the results I achieve, rather than how I achieve them (R*).
2. I think management does not care a great deal about my input into the job, instead they focus on my output (R*).
3. In my opinion, management puts a lot of emphasis on the outcome of my effort, but puts little weight on the effort itself (R*).
4. Only my tangible results matter to my management (R*).
5. No matter how well I behave and how well I struggle to achieve results, at the end of the day my promotion and career progress depend mostly on my bottom line (R*).

Anchor: 1 (completely disagree) to 7 (completely agree).

Number of Performance Criteria.

1. When management rates my performance, they take many things into consideration.
2. I think management considers only a handful of things when determining my performance evaluation (R*).
3. To get a favorable performance evaluation I only need to pay attention to a few factors (R*).
4. In my opinion, there are just a couple of requirements I need to meet to get a good performance evaluation (R*).

Anchor: 1 (completely disagree) to 7 (completely agree).

Degree of management intervention.

1. Management grants me a great deal of autonomy (R*).
2. Management allows me to do almost as I please (R*).
3. I make the final decision on practically everything that has to do with my selling assignment (R*).
4. Management allows me freedom to organize my work (R*).

Anchor: 1 (completely disagree) to 7 (completely agree).

Frequency of contact.

1. I don't get day-to-day contact with management (R*).
2. I have many opportunities to interact with management.
3. I'm isolated from management (R*).
4. Management doesn't spend time with me (R*).

Anchor: 1 (completely disagree) to 7 (completely agree).

Degree of management monitoring.

1. Management tracks my activities.
2. Management keeps a close watch on how I spend my time.
3. Management takes my call and activity reports seriously.
4. Management carries out a detailed examination of my call and activity reports.
5. Management here stays informed of my activities.
6. Management checks to see if I'm following its instructions.

Anchor: 1 (completely disagree) to 7 (completely agree).

Amount of coaching offered.

1. I receive a lot of coaching from my boss or those I report to.
2. Management provides a lot of on-the-job suggestions and tips on ways they think I can improve my selling skills and abilities.
3. There are senior salespeople designated by management who offer me a lot of coaching.
4. Management makes sure I know how to carry out my assigned tasks.
5. Management gives me training intended to improve my productivity.

Anchor: 1 (completely disagree) to 7 (completely agree).

Transparency of evaluation criteria.

How would you describe the criteria management seems to use in evaluating your performance?

1. Not at all clear...Very clear (R*).
2. Very Imprecise...Very precise (R*).
3. Very Vague...Not at all Vague (R*).
4. Subjective...Objective (R*).
5. Very partial...Highly impartial (R*).

Compensation scheme: Proportion of salary in compensation.

Satisfaction with Job. (Churchill, Ford, and Walker 1974).

1. My work gives me a sense of accomplishment
2. My job is exciting
3. My work is satisfying

Anchor: 1 (completely disagree) to 7 (completely agree).

Satisfaction with Supervisor. (Churchill, Ford, and Walker 1974).

1. Management has always been fair in dealings with me
2. Management gives me credit and praise for work well done
3. Management lives up to its promises to me

Anchor: 1 (completely disagree) to 7 (completely agree).

Satisfaction with Promotion Possibilities. (Churchill, Ford, and Walker 1974).

1. My opportunities for advancement are limited (R*).
2. I have a good chance for promotion

Anchor: 1 (completely disagree) to 7 (completely agree).

Selling experience: number of years of general selling experience

Impact of company's effort on sales: "How much do you think your effort impacts? Indicate this by splitting 100 points between the following two influences:

a. My efforts (calls, ability, skill, service, etc.)	----
b. Company activities (advertising, promotion, product quality, order processing and dispatch, etc.)	----
Total	100

Note: R* denotes reverse-scored.