

**INTRODUCTION TO THE THREE STUDIES THAT COMPRISE
THE RESEARCH REQUIREMENTS FOR THE
EXECUTIVE DOCTOR OF MANAGEMENT PROGRAM**

Sales force can be directly linked to revenue generation capabilities of almost all commercial enterprises. It is amazing to note how successful salespeople are effective in adapting their selling approaches specific to the selling situations. In industrial markets where products are approaching commoditization, salespeople play a crucial role in architecting value propositions that resonate with the buyers and thereby differentiating themselves from the competition. Diverse selling behaviors of salespeople may result in different customer experiences, even surpassing the intentions of organizational marketing strategies. At the same time, individualistic sales behaviors may also result in negative unintended consequences such as a salesperson's lone wolf tendencies, utility maximizing behaviors, lack of empathy for customer needs, etc.

Scholars and practitioners look to different sources of knowledge for insights into diverse selling behaviors. Extant academic literature explains selling behaviors using various lenses in a kaleidoscopic view that does not equip practice with actionable knowledge. Furthermore, practitioner knowledge is based on a myriad of prescriptive recommendations acquired in form of patented sales frameworks and implementations of commercial sales force automation software packages that address different selling styles, control mechanisms and other tactics. Yet, there is agreement among both scholars and practitioners that successful salespeople have the capability to adapt to a wide variety of buyers expectations and needs and craft their sales behaviors effectively to accomplish success in their jobs.

The problems in practice are two fold, (1) sales managers constantly strive to achieve a balance between individualistic behaviors of their salespeople and their organizational market positioning strategies, and (2) organizations lack a way to align the individual selling approaches to overall customer positioning strategies. Among gaps in knowledge that confound practice, are questions regarding the usefulness of individual selling behaviors as lead indicator for sales performance, and if so how can we effectively manage these capabilities. Our research goal was to investigate the nature of variation in selling approaches, with a particular interest in what salespeople vary across different selling situations.

The first study, “Sales Opportunity Crafting: Job Crafting in Business-to-Business Sales” is a conceptual treatment of the problem of practice and the research goals stated above. This paper draws upon extant literature and researcher’s own experiential insights to identify possible explanations for diverse selling behaviors and factors contributing to individual variations. In our preliminary conceptual model, we hypothesized that the mechanisms salespeople use to adapt may be multi-faceted— they may respond to different selling situations by actively reconfiguring the physical, cognitive, and relational boundaries in their jobs. This conceptual model was based on synthesizing adaptive selling literature, cognitive information processing theories, and other concepts like routines, improvisation, job crafting, etc. This conceptualization paved way for future qualitative and quantitative fieldwork that included iterative revisions of findings and theory development.

The second study, “Sales Opportunity Crafting: Explaining How Salespeople Craft Value Propositions In Business-To-Business Selling” is a result of grounded theory analysis of interviews of experienced salespeople and sales managers at eight Fortune 500 companies. This qualitative inquiry highlighted the importance of the nature of buyer-seller relationships and

shifted our focus from task level variations to relationship level selling behaviors. Moreover, we were able to identify discernible “patterns” of behaviors among the salespeople concurrent across their several exchange relationships.

The third study, “Unraveling Adaptive Selling: An Empirical Analysis Of Underlying Relational Behaviors” is a quantitative analysis of a model further refined based on findings we analyzed in our prior step. In this model, we identified underlying behavioral mechanisms that salespeople adapted to different selling situations that manifested as the patterns narrated by the interviewees during our qualitative inquiry. We referred to these as relational behaviors and posited that salespeople alter these depending on the nature of relationship they attempt to build with their buyers. Extending this proposition, we considered a salesperson’s adaptive selling capacity is the extent to which they can vary their relational behaviors across different relationships. Using primary (salesperson self reported) data and secondary data from a host organization providing technology and operations services to the financial services industry, we employed sophisticated quantitative analytical techniques to test the hypotheses of final conceptual model.

The following introduction briefly reviews the purpose, methods, and conclusions of each study, and the relative strengths of the methods employed. We also summarize in an integrated fashion the implications for sales management practice and future research.

PURPOSE, METHODS, AND CONCLUSIONS OF EACH STUDY

A. The Conceptual Study

The purpose of this research study was to develop a conceptual framework from which to study individual variations in selling behaviors across various situations. A conceptual model

was developed through a synthesis of relevant literature and by applying researcher's own expertise in this area. Because there is no singular theoretical explanation that offers insights into underlying mechanism of selling behaviors, we reviewed a wide body of literature derived from various disciplines including psychology, sales and marketing, and organizational development and change.

As a result, our preliminary conceptualization had its basis on multiple theoretical perspectives. First, relational marketing theories suggest that the nature of dyadic relationship between the seller and the buyer is a determinant of behaviors exhibited by salespeople. Second, information processing and learning models offer an explanation on how salespeople may attempt to cognitively assess the customers' needs and intentions, in order to decide on an appropriate response to a selling opportunity. Third, organizational learning and improvisation perspectives seem to indicate that it is possible for individual salespeople to vary their selling behaviors at various levels, i.e. shifting the boundaries of their tasks, cognitive assessments, or their relationships across different selling situations.

This highly reflective conceptual exercise was aimed at narrowing our proposed research interest to operational proportions suitable for fieldwork in steps to ensue. This study closed with two broad based research questions: (1) how, when and why does a salesperson improvise on the existing organizational routines, and (2) what determines different levels of improvisation in different situations. It is worthwhile to note that we initially posited that differences in sales approaches are primarily due to variations in processes (i.e. "routines") across different selling opportunities that individuals get involved with.

B. The Qualitative Study

In our pursuit of answers to the research questions posed above, the conceptual model served as a springboard for a qualitative data inquiry involving collection of experiential data from practitioners. We randomly selected sixteen experienced sales professionals from twelve different Fortune 500 companies, and interviewed them individually about their experiences about differences in exchange relationships, buyer needs, and the nature of selling approaches taken in each of these selling situations. We employed a semi-structured interview protocol with a set of five open-ended questions. The resulting transcripts were ultimately analyzed using a range of techniques such as mind mapping diagrams, coding (manual and software based), iterative refinement of axial codes and other ground theory approach to surface abstractions that offered explanations to the phenomena under study.

This study revealed that scripted approaches were ineffective in industrial selling involving complex products and services. We learnt that salespeople intuitively combined different elements of prescribed organizational sales methodologies with that of their own from prior experience. By doing so they were able to craft an approach that deemed appropriate to the selling situation. As a departure from the conceptual work that focused primarily on task routines and improvisation as a source of individual variations, the qualitative inquiry surfaced the central role of buyer-seller relationships as a basis for accounting for specific “patterns” selling behaviors.

We further realized that these patterns could be characterized based on emphasis salespeople place on (1) the quality of relationship with their buyers, and/or (2) on the value of the solution being sold to meet the needs of the respective buyers. The quality of relationship between seller and a buyer is characterized by factors such as trust between the exchange partners, sellers’ customer orientation, and buyers’ commitment to the seller, etc. Salespeople

used the terms, “hunting” to refer to new business development responsibilities that might involve short-term interactions with customers, and “farming” to indicate salespeople exhibiting higher levels of customer orientation, typically in relationships with a longer-term orientation. With regard to the exchange value, salespeople may operate with an objective of merely closing the sale (i.e. “transactional behavior”) or adopt proactive efforts to develop “customer solutions” of higher business value delivered in manner that it uniquely fits the business needs of the buyer (“i.e. “consultative behavior”). By varying the emphasis on these two facets, relationship and solution value, salespeople were able craft different “patterns” of selling behaviors: (i) transaction-oriented hunting, (ii) relationship-oriented farming, (iii) consultative hunting, and (iv) consultative farming. Each of these patterns led to different value propositions and consequentially determined the nature of salesperson’s relationship with the buyer.

These findings led us to revise our earlier conceptualization on two fronts. First, selling behaviors could be viewed more granularly as relationship building and solution building efforts. Second, salespeople are able to craft their buyer relationships by altering the two facets of selling behaviors. Existing marketing literature acknowledges that selling involves different configurations encapsulating some of the differences in selling behaviors, remaining silent as to whether these ‘sales roles’ are played by different individuals or the same in an organization. The literature is also not clear on the implications if same individual plays these roles concurrently. Our qualitative findings enabled us to posit that higher levels of variations in selling behaviors is indicative of a salesperson’s adaptive selling capability, and it may have positive influence on their job performance. In this study, we also identified a set of factors (e.g. salesperson’s motivation, organizational support aspects, influence over buyers’ decisions, etc.) that impacted selling behaviors of the salespeople.

C. The Quantitative Study

The main purpose of our final study was to find empirical support to our propositions on individual selling behaviors, adaptive selling and its capabilities to predict outcomes such as sales effectiveness and job performance. *Trust* and *customer value* viewed as significant components of exchange relationships in relational marketing theories offered us a basis for measuring the selling behaviors. We considered trust building and value-creating efforts (i.e. *relational behaviors*) of the salespeople as excellent proxies to measure various patterns of selling behaviors involving relationship building and solution building emphasis. We also developed a taxonomy that categorized buyer-seller relationships as (a) personal friendships, (b) collaborating partners, (c) purely business relationships, and (d) discrete transactional exchanges. By using standardized definitions of these relationship categories in our data collection, we were able to compare and contrast the relational behaviors between these categories for a salesperson, and also across different salespeople specific to a category. Relevant preexisting measures found to be valid and reliable in past literature were used for most of our constructs. Due to the incipient nature of customer value literature, our efforts also included development of a new reflective scale to measure the value-creating efforts of the salespeople specific to a relationship category.

We, then, developed a test model with the following constructs: (1) salesperson's motivation and supervisory controls as independent variables, (2) salesperson customer orientation as the first level mediator, (3) relational (trust building and value-creating) behaviors as second level mediators, and (4) sales effectiveness and job performance as outcome variables. Our survey design involved salesperson level data (i.e. motivation, supervisory orientation, customer orientation, job performance) and also at relationship category level (trust building

efforts, value creating efforts, relationship sales effectiveness). Statistical aggregation techniques enabled our model to include relational behaviors in two forms—as *representative* behaviors to indicate typical behaviors exhibited by the salesperson regardless of the customer, and as *adaptive* behaviors or the extent to which salesperson can vary the relation behavior across different customer categories. This design helped us to analyze the mediating effects of both specifications of relational behaviors simultaneously in the same model.

After establishing support for the measurement hypotheses, we employed structural equation modeling techniques to test for significant causal relationships in the hypothesized model. We found that an interaction effect between two (challenge and recognition orientation) of the three motivation dimensions to have positive effect on customer orientation, while none of these dimensions showed significant effect individually. Of the supervisory controls, we found only capabilities based control to positively influence customer orientation, with end-results based control showing no significant effect. Customer orientation, in turn, had a positive influence on representative relational behaviors (trust building and value-creating) and as well as the adaptive selling behaviors of the salespeople. With respect to relational sales effectiveness, representative trust building behavior had a positive effect, while adaptive value-creating behavior had a negative effect. We found representative and adaptive trust building behaviors to influence positively salesperson's job performance. Similarly, relationship sales effectiveness was also a strong predictor of the job performance.

The final study is the culmination of three-step inquiry into the phenomenon of diverse selling behaviors of the salespeople. We believe that our postulation of salespeople attempting to craft their relationships with their buyers by altering two aspects of relational behaviors would not have been so compelling were it not for the rigor of multi pronged approach—first working

with extant academic and practitioner literature, followed by a more open yet rigorous grounded theory development, and establishing support for hypothesized *a priori* using sophisticated quantitative analyses.

IMPLICATIONS FOR PRACTICE AND FUTURE RESEARCH

This research provides practitioners and scholars with better understanding of sales behaviors in industrial context. We expect that sales managers will benefit equally from our findings, as the seemingly diverse relational behaviors can be viewed using trust building and value creating lens. The findings also provide organizations a framework to align their respective sales methodologies to their customer-segment specific market positioning strategies. We contribute to theory by extending current knowledge on the conceptualization and empirical measurement of adaptive selling behaviors.

1. Relational behaviors are a better framework to manage capabilities of salespeople.

As stated earlier, diverse selling behaviors are largely problematic in practice for sales managers as their consequences are unclear. Sales management control theory highlights that supervisors manage their sales force, using controls based on end-results, sales activities or sales capabilities. In practice, we usually see managers use a mix of end-results and activities based controls, as these are tangible sales metrics. Almost all of the commercially available sales force automation software packages use these two types of controls for the same reason. In theory, capabilities based controls emphasize development of selling skills and abilities of the salespeople. In practice, however, there is no common understanding on the exact skills to foster in salespeople beyond consideration of generic individual capabilities associated with the sales process, i.e. prospecting, communicating, negotiating, etc.

We posited that if trust and customer value are seen as fundamental blocks in exchange relationships by relational marketing theories, then the salespeople should be capable of building trust and creating value at the interpersonal level as well. We suggest that these two relational behaviors might be useful for sales managers to effectively manager their sales force capabilities as they have direct impact on performance outcomes.

2. Adaptive selling capabilities increase performance and effectiveness of salespeople.

The second important contribution of this study is the fact that we were able to use the same relational behaviors to explain another dimension of individual selling capability, adaptive selling. Adaptive selling is widely accepted both in theory and practice, as a capability of salespeople to alter their relational behaviors depending on customer relationships. However, adaptive selling was traditionally considered within the context of a particular exchange relationship, but never as effectiveness of the salespeople to deal with a wide variety of customer relationships at the same time. We believe that this disconnect in conceptualization might be problem that yielded mixed results and opinions on the consequences of this vital capability in salespeople.

We posited that if buyer-seller relationships are characterized by different socio-economic objectives, then the salespeople should be capable of varying their relational behaviors appropriate to each customer relationship. With our findings providing support for this revised conceptualization of adaptive selling, we were able to establish its ability to predict overall job performance of the salespeople.

From an academic standpoint, we consider conceptualization of relational behaviors as trust building and value-creating efforts and empirical measurements of these constructs an important contribution to knowledge. The relational behaviors advance theoretical knowledge

closer to, and offer better explanations to existing sales (i.e. relationship selling and solution selling) methodologies seen in practice. We consider our quantitative techniques to use the same measures to specify both *representative* and *adaptive selling* specifications of the relational behaviors in our model ingenious and effective. This was made possible by a nested two level unit of analysis and aggregation techniques explained above. We found support for differential validity of such specifications in our model, with each of these four variables showing different coefficients, effects and significance levels for paths leading in and out of them.

CONCLUSION

In summary, the sequential journey of these three inquiries offered a highly disciplined approach to state a problem we face in practice, conceptualize a model to bridge the gap between theory and practice and adopt rigorous inquiry methodologies to build new insights into diverse selling behaviors. This approach also demonstrates how reflexive relationship between theory and practice contribute to knowledge by adding new insights. The three studies, conducted within a period of three years, also illustrates the nature of practitioner-scholar research that starts with a problem of practice that is real and relevant in the lived world and ends with dissemination of the new knowledge to both academic and practitioner community.

This integrated body of work provides sales managers with a framework to encourage and better manage individual capabilities in salespeople to actively craft their relationships with their respective buyers. While in some ways our inquiry has contributed to additional knowledge, it also poses more questions than before. We unraveled the adaptive selling long considered a dubious predictor of performance to establish its underlying behavioral mechanisms and its effect on business outcomes. Despite these important theoretical contributions, we consider our

study to be at best a good start for future inquiries to develop robust models that can be used in sales management.

Note to the reader: Each of the three research reports was created as a stand-alone document per specific EDM publication guidelines. Two separate submittals were made to the American Marketing Association Winter Educators Conference 2008 and the Academy of Management Annual Conference 2009. As such, there is a certain degree of content as necessary background repeated in the opening sections of each study.