



# Impact of competitiveness on salespeople's commitment and performance <sup>☆</sup>

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## ABSTRACT

This study analyzes the work performance of salespeople with a competitive disposition. The results show a positive link between dispositional competitiveness and discretionary performance, and suggest that salespeople's affective commitment to their organization mediates this link. The relationship between dispositional competitiveness and affective commitment is more positive when salespeople perceive their psychological work climate to be competitive. The findings add to the research on dispositional competitiveness and affective commitment among sales staff.

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Complacency and lack of effort among sales staff are major obstacles to organizational success (Hart, Moncrief, & Parasuraman, 1989; Murphy and Dacin, 1998; Stein, 2005). To prevent complacency and create a competitive culture, sales managers often reward top-performing salespeople through internal competitions and by conferring status to boost their effort and performance (Churchill, Ford, & Walker, 1997; McMaster, 2002). Numerous surveys and empirical studies show a competitive personality to be a desirable personality characteristic in sales (Brewer, 1994; Schwepker and Ingram, 1994). Accordingly, research suggests several methods to increase the competitiveness of sales staff (e.g., Moncrief, Hart, & Robertson, 1988). Despite this emphasis on competition in the management of salespeople, however, research has yet to reveal whether and why competitiveness contributes to sales performance (the studies of Brown, Cron, & Slocum, 1998 and Brown & Peterson, 1994 are exceptions).

The personality trait of competitiveness is a good fit for salespeople, because the trait promotes a relentless drive to win and outperform rivals (Brewer, 1994). The most successful salespeople are often competitive and assertive (Plotkin, 1987). In a sample of medical sales personnel, Brown et al. (1998) find the trait of competitiveness to be related to individual sales records. Hurley (1998), in contrast, finds that sales personnel with agreeable personalities tend to receive higher service ratings because they are cooperative and caring individuals. As competitive individuals focus on the outcome rather than the process, they may be less capable of dealing with loss and often

“experience less happiness, subjective well-being, and satisfaction” (Van de Vliert & Janssen, 2002, p. 321). If this finding is generally prevalent, then individuals with a high level of dispositional competitiveness would actually be a poor fit for employment in sales occupations. These contradictory findings suggest a need to revisit the role of the competitive personality in the sales arena.

Building on the work of Spence and Helmreich (1983) and Roberts (1989) on intrinsic achievement motivation, this study explains how dispositional competitiveness is related to salespeople's discretionary performance. In studying successful sales personnel, Brewer (1994, p. 85) reports the individual characteristics most often cited by sales managers to be a burning need to close the deal and an internal drive to perform. However, despite this claim, research has paid little attention to the intrinsic motivation of competitive salespeople. An exception is the work of Brown and Peterson (1994), who report that dispositional competitiveness is related to sales performance, but effort is not a significant mediator of the relationship. They conclude that other channels may mediate the competitiveness-performance relationship. This study hypothesizes that competitive salespeople commit more affectively to their employers due to the congruence between their personal motivation and the characteristics of the sales job, and that affective commitment mediates the relationship between dispositional competitiveness and discretionary performance. To gain a better understanding of the work context of sales personnel, this study also examines the moderating role played by a competitive psychological climate. If the sales context does indeed influence the affective commitment of competitive individuals, then the effect will be more pronounced if they perceive the work climate to be competitive. The following sections present the theoretical background to these hypothesized relationships and the results of two studies that test the relationships in two samples of salespeople.

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## 1. Theoretical background and hypotheses

### 1.1. Dispositional competitiveness and discretionary performance

Discretionary performance in this context is the extent to which salespeople are willing to perform voluntary activities that are above and beyond the call of duty (Bettencourt & Brown, 1997) in facilitating the overall functioning of the organization (Podsakoff, MacKenzie, Paine, & Bachrach, 2000). Bettencourt and Brown (1997) describe discretionary performance as “delighting the customer by providing little extras, extra attention, and spontaneous exceptional service” (p. 41). Previous research suggests that discretionary performance often makes the difference between satisfied and dissatisfied customers (Beatty, Mayer, Coleman, Reynolds, & Lee, 1996; Hartline & Ferrell, 1996), and may also affect the extent to which customers make voluntary efforts to help the service provider (Bove, Pervan, Beatty, & Shiu, 2009).

Dispositional competitiveness is a personality trait that describes the human desire to outperform others (Roberts, 1989) and entails “the desire on the part of an individual to be number one” (Kohn, 1992, p. 4), with competitive desire constituting “the enjoyment of interpersonal competition” (Spence & Helmreich, 1983, p. 41). In competitive contexts, individuals with this characteristic exert more energy to improve their performance levels, and their effort further increases when they realize they can showcase their superior performance in front of others. Previous studies generally show a positive association between dispositional competitiveness and individual performance (e.g., Helmreich, Spence, Beane, Lucker, & Matthews, 1980).

Based on the intrinsic motives of sales personnel, this study hypothesizes that salespeople who are more competitive are more likely to perform discretionary activities to satisfy customers. Intrinsic motivation refers to the positive affect that individuals experience (e.g., enjoyment, excitement) when performing activities they find interesting and challenging (Deci & Ryan, 1985; Izard, 1977). The concept of “I” is an important aspect of understanding the intrinsic motivation of competitive individuals. These individuals like to contrast themselves with others in judging their own performance (i.e., *I* versus *you*), and are more likely to display behavior that is consistent with a distinctive image of “I” (Stapel & Koomen, 2005). The important role of “I” in intrinsic motivation stems from the need for self-determination or from the desire for freedom and choice in deciding what and how to do something (Deci & Ryan, 1985). Individuals with a strong sense of self-determination prefer to see themselves as causal agents in making things happen, and are more likely to attribute the origin of their behavior to “I” rather than to others.

The need for self-determination suggests that competitive salespeople are more likely to engage in discretionary activities to fulfill their internal motive to achieve a distinct “I.” The discretionary activities of salespeople include voluntary activities that are beneficial to the organization and to customers, such as coaching newly recruited members of the sales team and offering advice to top management to improve customer satisfaction (Podsakoff et al., 2000). Salespeople need to exercise greater judgment and choice in deciding whether and how to perform discretionary activities. Companies do not usually make the performance of discretionary activities mandatory for sales personnel, and thus the self-determination of sales staff influences their decisions as to whether they perform these activities. Companies also generally give few instructions about the performance of discretionary activities relative to the guidance they provide on in-role tasks. Salespeople thus need to actively consider how they will perform discretionary activities if they choose to engage in such behavior. If individuals perform discretionary activities successfully, then they can attribute that success to themselves (i.e., “I” am responsible) rather than to others. This attribution is stronger and more valuable when the discretionary activities benefit the entire sales

team (Dixon, Gassenheimer, & Barr, 2003). Therefore, performing discretionary activities is consistent with the intrinsic desire of competitive salespeople to achieve a distinct “I.” These factors lead to the following hypothesis.

**H1.** *Dispositional competitiveness is positively related to discretionary performance among salespeople.*

### 1.2. Mediating role of affective commitment

Affective commitment is “the employee’s emotional attachment to, identification with, and involvement in the organization” (Meyer & Allen, 1991, p. 67). Past studies show that affective commitment is crucial to understanding the sales occupation (e.g., Babin, Boles, & Robin, 2000; Brashear, Boles, Bellenger, & Brooks, 2003; DeConnick, 2010; Flaherty & Pappas, 2000) due to the degree of autonomy that salespeople need to assume at work (Jaramillo, Mulki, & Marshall, 2005).

This study proposes that dispositional competitiveness relates to affective commitment because of the fit between personality and organizational requirements (Meyer, Stanley, Herscovitch, & Topolnytsky, 2002). The sales work context has similarities to other competitive arenas. Brown et al. (1998, p. 89) refer to the work of salespeople as “sales contests,” because sales managers frequently use competitive quotas to set goals for their sales teams and to identify the top and bottom performers (Churchill et al., 1997). The competitive nature of the tasks and reward structures of salespeople (Beatty et al., 1996) renders the atmosphere in which they work particularly intense (Beltramini & Evans, 1988; Moncrief et al., 1988). This type of work environment is attractive to competitive individuals, because the process of social comparison makes them appear to be more competent than their peers (Roberts, 1989). As the job requirements of sales positions match the intrinsic need of competitive individuals to achieve excellence relative to others, such individuals are likely to develop a high degree of affective commitment to the organization if employed in a sales position.

Affective commitment affects employees’ discretionary performance because of the role of relational and social exchanges (Shore, Tetrick, Lynch, & Barksdale, 2006). Employees with a high level of affective commitment consider their relationship with the organization to be relational rather than transactional, and are thus more likely to engage in discretionary activities on the organization’s behalf. Several empirical studies support the link between affective commitment and discretionary performance (e.g., Jaramillo et al., 2005; Meyer et al., 2002).

Accordingly, this study posits that

**H2.** *Affective commitment mediates the positive relationship between salespeople’s dispositional competitiveness and their discretionary performance.*

### 1.3. Moderating effect of a competitive psychological climate

The psychological climate refers to the way in which employees perceive their work environment with regard to “the practices, procedures, and kinds of behaviors that get rewarded and supported in a particular setting” (Schneider, 1990, p. 384). In a competitive psychological climate, employees perceive the organization to measure performance in relative terms and to reward individuals accordingly (Kohn, 1992). Although many studies treat psychological climate as an organizational phenomenon, individual perceptions of that climate can vary (James & Ashe, 1990) due to perceptual biases toward organizational methods of distributing rewards and managerial methods of motivating staff. Clearly, different salespeople are likely to perceive their psychological climate differently. Brown et al. (1998) identify individual differences in perceptions of the competitiveness of the

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