# An Exploratory Salesforce Study of the Relationship between Leader-Member Exchange and Motivation, Role Stress, and Manager Evaluation

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### Abstract

With the movement in the U.S. economy toward a total quality environment, there will be a greater focus on relationship building within an organization. This study sought to empirically explore the association between sales manager - salesperson relationships and salesperson motivation, stress, and evaluation of the manager. Results suggest that cadres (high quality relationships) are higher on extrinsic and intrinsic instrumentality, extrinsic valence, and evaluation of their manager. Cadres are lower on role overload, role insufficiency, role ambiguity, and role conflict. Implications of these findings and suggestions for future research are offered.

### Introduction

Total <u>quality</u> is rapidly becoming the preferred managerial philosophy within the U.S. economy. One principle of this movement is that everyone has a customer, therefore, there will be greater emphasis on internal relationship building, along with the more traditional external focus.

One of these internal dyads which has received very little attention in marketing research is the sales manager - salesperson team. This dyad is especially critical to the organization, since they are the initial link from the buyer to the selling organization. The success of the entire organization may well depend upon the performance of sales managers and salespeople. Therefore, it is essential to better understand these dyads and how their interactions impact each other. Our attention in this study is on the affect of this relationship on salespeople, since they are the primary revenue - generating source in the organization.

There is very little research in this area, and a better understanding of the effect of sales managers behaviors on salespeople has been suggested (Kohli 1989; Kohli 1985; Tyagi 1982; Teas 1981). The focus of our study, then, is to investigate the relationship salespeople have with their sales managers and the impact of those

relationships on relevant variables. Specifically, leadermember exchange (Graen and Schiemann 1978; Castleberry and Tanner 1986), which proposes that employees may be classified as cadres or hired-hands, may well impact the subordinate's motivation, role stress, and evaluation of the sales manager.

# **Background**

While there may be a multitude of variables where cadres and hired-hands differ, the ones included in this study come primarily from the Walker, Churchill and Ford (1977) model of performance. These were chosen because this model has been the basis for the majority of sales research to date.

### Leader-Member Exchange

Leader-member exchange (LMX) is based on the conception of leadership as a continuum of processes that vary in dyadic cooperativeness from enforced, written rule compliance (hired hand) to innovative exchanges (cadre). The major thrust of this construct is the quality of resource exchange between leader and member, and LMX is the result of this reciprocal dyadic process. Gabarro (1978) portrays the importance of

understanding the quality of the sales manager - salesperson dyads:

...the broad topic of interpersonal relationships, how they are formed and how they develop has been studied extensively by social scientists. However, relatively few studies have focused on the development of working relationships per se, and even fewer on how managers, in particular, develop working relationships with their subordinates. (p. 290)

The vertical (leader-member) exchange construct is a relatively recent addition to the sales management literature. Castleberry and Tanner (1986) provided an overview of vertical exchange relationships and their impact on both salespeople and sales managers. Basically, the theory suggests that sales managers interact with and treat their salespeople differently based on the strength of the relationship they share. For example, some salespeople (often labeled "hired-hands" or "outs") have a poor relationship with the sales manager, with resulting negative outcomes.

Cadres (the "in" group) may receive more support, longer training, better territories, and quotas that are attainable. Through the efforts of the sales manager, the cadre may also become more visible and thus more promotable. The communication between the sales manager and the cadre may be more frequent, more positive, more motivational and perhaps more intimate. The cadre may be taken into the confidence of the manager, and be more knowledgeable of company information that is not readily accessible. On the other side of the continuum, the hired-hand may see fewer beneficial leadership activities. Performance ratings tend to be lower, territories may be more difficult to maintain. Both formal and informal communications are less frequent, and, in fact, the hired hand may feel isolated. In general, far less mentoring is provided to the hired hand.

While Castleberry and Tanner (1986) posited a number of propositions regarding vertical exchange, research to date has explored very few of them. The quality of the relationship in sales research has been shown to be positively related to organizational commitment (Castleberry and Tanner 1989, Tanner and Castleberry 1990), positively related to job satisfaction (Tanner and Castleberry 1990), and negatively related to role conflict and role ambiguity (Tanner and Castleberry 1990).

### Motivation

Motivation is (1) the choice to initiate effort toward

a certain task, (2) the choice to expend a certain amount of effort on that task, and (3) the choice to persist in expending effort over a period of time (Campbell and Pritchard 1976, p. 65). Put in sales terms, motivation is "the amount of effort a salesperson desires to expend on each of the activities or tasks associated with his or her job" (Walker, Churchill and Ford 1977, p. 162). These "activities" effect such critical organizational variables as sales volume, profitability, account generation and retention. Therefore, a clear understanding of salesperson motivation is necessary by management.

Typically, salesperson motivation has been studied using expectancy theory as developed by Vroom (1964). This theory of motivation is particularly relevant for studying salesperson work attitudes because of its ability to successfully explain cognitive processes which influence actual behavior (Campbell et al. 1970). Expectancy theory has essentially three major components: (1) expectancy (the salesperson's estimate of the probability that expending a given amount of effort on a task will lead to an improved level of performance, (2) instrumentality (the belief that a given level of performance will lead to an outcome), and (3) valence (the importance of that outcome to a salesperson) (Walker, Churchill and Ford 1977; Teas 1981; Tyagi 1982). The resulting model is generally expressed in the following manner:

$$M = f \left[ E_j x \sum_{k=1}^{n} (V_k x I_{jk}) \right]$$

However, as suggested by Walker, Churchill and Ford (1977) and empirically tested by Tyagi (1982), valence and instrumentality are further divided into an intrinsic or extrinsic dichotomy, with intrinsic outcomes being internally induced where the salesperson rewards him or herself, and extrinsic rewards are provided externally. While traditionally these four components of motivation have been studied in the aggregate, some researchers have posited that intrinsic/extrinsic valence and intrinsic/extrinsic instrumentality should be investigated separately (Mitchell and Albright 1972; Oliver 1974; Tyagi 1982). Indeed, when studied as unique but interrelated constructs, very different results are found than when aggregated. For example, Tyagi (1982) found intrinsic valence (IV) correlated with organizational identification and management concerns while extrinsic valence (EV) showed no relationship; EV did correlate with task conflict and leadership consideration but IV did not. Extrinsic instrumentality (EV) had no relationship with task conflict, role overload, organizational identification and management concerns while intrinsic instrumentality (II) was correlated. Therefore, this extended model is reflected by the following formula (see Figure 1):

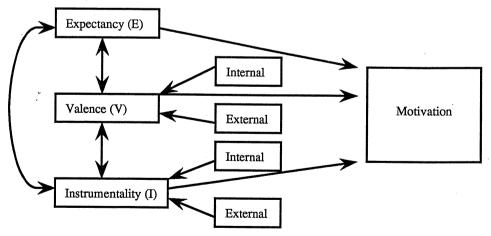
$$\mathbf{M} = f \left[ \mathbf{E}_{j} \times \left\{ \left( \sum_{k=1}^{ni} \mathbf{V}_{ki} \mathbf{x} \mathbf{I}_{jki} \right) + \left( \sum_{k=1}^{ne} \mathbf{V}_{ke} \mathbf{x} \mathbf{I}_{jke} \right) \right\} \right]$$

The sales manager, often times, is the catalyst needed to inspire and motivate salespeople. As suggested by Ebel (1991), "Motivation and dedication are supported through encouraging people, acknowledging efforts, and providing equitable rewards for significant accomplishments" (p. 15). It seems intuitively appealing that cadres, receiving much more positive interactions would be more motivated by their managers. Various aspects of supervisory behavior have been found to impact salesperson motivation. For example, Kohli (1985) found contingent approval behavior from the manager was positively related to extrinsic instrumentalities but not correlated with intrinsic instrumentalities, while upward influencing behavior was positively related to intrinsic instrumentalities. Additionally, supervisory behavior related to expectancy but indirectly through self-esteem. Teas (1981) found supervisor consideration to be positively related to extrinsic instrumentality while initiation of structure was negatively correlated with intrinsic instrumentality. Tyagi (1982) found organizational climate dimensions such as leadership consideration to be strong positive predictors of intrinsic instrumentality and extrinsic valence.

There seems to be little consistency in the research results of sales manager's influence on salesperson motivation. Perhaps the reason being that sales managers attempt to motivate different types of salespeople in different ways. Although pure speculation, it seems that since cadres receive better territories, better training, more advice and communication, more praise and respect, they would be more motivated by both intrinsic and extrinsic rewards. However, when studied as instrumentality (the belief that a given level of performance would lead to an outcome), or valence (the importance of that outcome) results may differ. Cadres should be higher on both intrinsic and extrinsic instrumentality than their hired-hand peers since they receive the assistance to actually attain both types of outcomes. With valence, however, hired hands may well perceive that no matter what they do they will not receive extrinsic rewards such as respect from the sales manager, special awards and recognition, or high earnings, so these are somewhat unimportant to them. However, hired hands may feel intrinsic rewards are more under their control, such as a sense of being creative and imaginative in their work, or personal growth and development, and therefore, these rewards may be more important to them. In fact, these may be the only significant source of recognition for hired hands.

Figure 1
Motivation Component

$$\mathbf{M} = f[\mathbf{E}_{\mathbf{j}} \times \sum_{k=1}^{n} (\mathbf{V}_{k} \times \mathbf{I}_{\mathbf{j}k})]$$



M = the individual salesperson's motivation

j = the performance level

k = the outcome as a result of the performance level i

n = total number of outcomes

E<sub>j</sub> = the salesperson's subjective estimate that his or her

efforts will lead to performance level i

Ijk = the instrumentality of the performance level i

required for the outcome k

 $V_k$  = the valence of the outcome k

Expectancy, however, is completely under the control of the salesperson. There is no reason to believe that cadres and hired hands should differ on the effort to performance ratio. Therefore, the following are hypothesized:

- H<sub>1</sub>: Cadres will have higher levels of extrinsic and intrinsic instrumentality, and extrinsic valence.
- H<sub>2</sub>: Hired-hands will have higher levels of intrinsic valence.
- H<sub>3</sub>: Cadres and hired hands should have the same expectancy levels.

# Role Stress

A number of studies have explored the relationships between role stress variables (e.g. role conflict, role ambiguity) and outcome variables (e.g. job satisfaction, performance, turnover). Role stress variables are important as evidenced by the meta analysis of 116 articles by Churchill, et al. (1985) which indicated that this group of variables has the largest impact on performance.

Osipow and Spokane (1983) have identified five dimensions of role stress: role conflict, role overload, role ambiguity, role insufficiency, and role responsibility. Role overload measures the extent to which the demands of the job exceed personal and firm-provided resources. Role insufficiency measures the extent to which the salesperson's skills, experience, education and training are appropriate for their job. Role ambiguity measures the extent to which the salesperson has a clear set of priorities, expectations, and evaluation criteria. Role conflict measures the extent to which the salesperson is experiencing conflicting loyalties and demands in the job. Role responsibility measures the amount of stress a person feels because he/she feels responsible for the welfare of co-workers.

Tanner and Castleberry (1990) found the quality of the relationship (leader-member exchange) to be negatively related to role conflict and ambiguity. These findings along with the tenants of the theory (Castleberry and Tanner 1986) lead to the following hypotheses:

- H<sub>4</sub>: Cadres will exhibit lower levels of role ambiguity.
- H<sub>5</sub>: Cadres will exhibit lower levels of role overload.
- H<sub>6</sub>: Cadres will exhibit lower levels or role insufficiency.
- H<sub>7</sub>: Cadres will exhibit lower levels of role conflict.
- H<sub>8</sub>: Cadres will exhibit lower levels of roles responsibility.

# Evaluation of Sales Manager

Undoubtedly, the performance of the sales manager will impact the sales manager-salesperson dyad. If the

manager is perceived to be competent in his or her managerial capabilities such as planning or using good judgement, the salesperson will more likely support his/her decisions. If the salesperson is performing poorly, he/she may place the causal responsibility for the poor performance on the sales manager (Teas and McElroy 1986). Because of the high quality relationship a cadre shares with his/her manager it is expected that the cadre will perceive the manager as an overall good performer. Thus the following is hypothesized:

H<sub>9</sub>: Cadres will rate their sales manager higher on managerial performance.

# Methodology

Subjects

The sample consisted of business-to-business salespeople who were members of a professional sales organization. A wide variety of industries were represented, including computers, advertising, pharmaceuticals, packaging, commercial insurance and real estate. At a monthly meeting subjects agreed to participate in the project. Surveys were mailed to each individual with a postage-paid envelope. One hundred fifty-five completed surveys were returned (80% response rate).

Prior research has found differences in the managerial techniques of men and women. Specifically, female supervisors are higher in initiation of structure (Bartol and Wortman 1975), less willing to share information (Donnell and Hall 1980), and closer in their supervision and more prone to playing favorites (South et al. 1982). In order to eliminate significant interaction effects, we therefore included only salespeople with male sales managers (the majority of our sample, and the more typical situation in business-to-business sales). To verify this possibility, we ran t-tests on LMX and the gender of the manager, and the gender of the salesperson. There was no significant difference for gender of the salesperson, but a highly significant difference when gender of the manager was studied (t=10.420, p=.002), with cadres more likely to have a female sales manager.

Of the 118 salespeople then remaining in the analysis, 60% were male, over half had a college degree, with the average number of years in sales being 6.96 years.

Additionally, prior research has hypothesized a middle ground on the cadre - hired-hand continuum. A procedure for eliminating a middle-set of subjects has also been suggested by methodologists in order to have clear subgroups reflecting high and low scores (Goldfeld and Quandt 1965). This technique has been followed by other sales researchers (cf. Kohli 1989). After eliminating this middle group of the original subjects, 88 subjects remained in the analysis, 46 cadres and 42 hired-hands.

### Measures

All measures have been used extensively. Each is discussed briefly.

# Leader-Member Exchange (LMX)

A seven-item scale was used in this study (Graen, Novak and Sommerkamp 1982). Other versions of LMX are available, and results should be compared accordingly. A five-point Likert scale was used with 5=highest and 1=lowest score.

# Valence and Instrumentality

Valence and Instrumentality scales were developed by Tyagi (1985). Expectancy theory research requires that the investigators be able to measure (1) the action alternatives, (2) outcomes, (3) the valence associated with a specific outcome showing the utility of the outcome, and (4) the instrumentality assigned to each action-outcome pair (Beckerer, Morgan and Richard 1982). Tyagi (1982) developed these statements through interviews with sales managers and a sales training Twelve salient rewards were identified including six intrinsic and six extrinsic outcomes. Valence was measured using a 5-point Likert scale with 1=extremely important outcome and 5=not important outcome. Instrumentality also utilized a 5-point Likert scale with 1=no chance of good performance leading to the outcome, 3=50-50 chance, and 5=good performance is certain to lead to the outcome.

# Expectancy

Expectancy was measured using a scale from Teas (1981). This is a seven-item scale formed from earlier work by Sims, Szilagyi and McKenney (1976) and probability estimates from the Teas (1981) work. This is a Likert scale with 1=no chance, 3=50-50 chance, and 5=certain to occur.

### Role stress

Role stress variables were measured using a series of scales developed by Osipow and Spokane (1983). Five dimensions of role stress were included: role conflict, role overload, role ambiguity, role insufficiency and role responsibility. A five-point Likert scale was used anchored with 5=most of the time and 1=rarely or never.

# Sales Manager Performance

Sales manager performance was measured using a seven-item scale developed by Graen et al. (1972). The scale uses a graphic rating format to assess several areas of managerial capabilities including planning, dealing

with people, judgement, dependability, and alertness. A score of 1 was the highest rating, while 5 ranked the manager at the lowest rating.

### Results

In order to test for differences between cadres and hired hands, multivariate analysis of variance (MANOVA) procedures were conducted for motivation and role stressors, while a t-test was performed for evaluation of manager. MANOVA evaluates mean differences on two or more dependent variables simultaneously. A t-test is used to determine if some single variable (in this case sales manager performance) is different between two groups. Reliabilities were calculated for all scales used and are listed in Table 1. All alphas are in the acceptable range (.60 - .92) (Nunnally 1978).

A MANOVA on the five motivational variables was significant (Hotellings t=.14, F=3.38, p=.007) (see Table 2). Univariate tests indicate hired-hands are lower on both intrinsic and extrinsic instrumentality, as well as being higher on extrinsic valence, thus  $H_1$  is supported. Intrinsic valence did not exhibit significant differences, therefore,  $H_2$  was not supported. There was no difference in expectancy, which supported  $H_3$ .

To determine if there were differences between cadres and hired-hands on the role stress variables, a MANOVA was run (Hotelling t=.374, F=6.14, p=.0001) (see Table 3). Univariate tests indicated a difference in role conflict, role ambiguity, role overload, and role insufficiency, supporting hypotheses  $H_4$ ,  $H_5$ ,  $H_6$ , and  $H_7$ . Hired-hands were higher on all four stress variables. Only role responsibility showed no difference, indicating a lack of support of  $H_8$ .

A T-test showed cadres rate their managers higher on managerial performance (t = 9.76, p = .0001). Cadres mean was 30.98 while the hired-hands mean was 20.02. Thus, hypothesis H<sub>9</sub> is supported.

# **Discussion**

The study sought to explore the impact of the salesperson - sales manager relationship on the salesperson's motivation, role stress, and manager evaluation. This section will provide a discussion of findings in each of these areas.

### Motivation

Cadres more than hired-hands believe that good performance leads to extrinsic rewards (e.g. increased job security, higher earnings). The same does not hold true for hired-hands however. Since hired-hands are less likely to see the relationship between good perfor-

Table 1 Construct Reliabilities			
Construct:	Items:	Alpha:	
Leader-Member Exchange	7	.90	
Intrinsic Valence	6	.85	
Extrinsic Valence	6	.60	
Intrinsic Instrumentality	6	.90	
Extrinsic Instrumentality	6	.78	
Expectancy	7	.78	
Role Overload	5	.73	
Role Insufficiency	5	.87	
Role Ambiguity	5	.60	
Role Conflict	5	.84	
Role Responsibility	.4	.76	
Evaluation of Manager's Performance	7	.92	

mance and external rewards they may be less motivated and exert less effort to achieve sales and service objectives. As a first step to correct this belief, sales managers may want to more clearly define performance and outcome goals with hired-hands. This can occur through field coaching, telephone and written communication and/or formal meetings. The result may be increased effort and greater sales from hired-hands. Another important sales management task is to teach hired-hands that performance actually does lead to coveted extrinsic rewards. This can be accomplished by sharing examples of others in the organization who have achieved extrinsic rewards directly tied to their performance.

Intrinsic rewards (e.g. feelings of worthwhile accomplishment, sense of being creative) are as important to cadres as to hired-hands. Cadres tend to feel more strongly that favorable performance leads to these intrinsic rewards. Thus, cadres not only expect to receive extrinsic rewards from their manager (as discussed earlier), they also fully expect to gain intrinsically Once again this finding is encouraging to managers who are hoping that salespeople directly tie reward systems to performance. Unfortunately, hiredhands do not perceive that link. The mechanism for solving this problem is not a simple one. For example, managers cannot simply state "if you perform well you will have feelings of worthwhile accomplishment". Perhaps the correct strategy for sales managers is to begin by offering hired-hands recognition and respect (extrinsic rewards) which may then lead to a greater sense of self-worth and hence greater likelihood of selfgenerated intrinsic rewards.

Extrinsic valence refers to the importance to the salesperson of externally provided rewards (e.g. job security, high earnings). Findings suggest that cadres place considerable value on such rewards. It should be noted that most of these rewards are significantly influenced by the sales manager. Hired-hands, presumably because of a poor relationship with the sales manager, not only see less chance of realizing sales manager influenced rewards they also do not value them as highly. What we do not know is which comes first, extrinsic valence or extrinsic instrumentality. example, one possibility is that a new salesperson may initially have high levels of extrinsic valence, but as the relationship unfolds the person has reduced levels of extrinsic instrumentality, which then leads to reduced levels of extrinsic valence. This is an area which future research needs to examine.

It was interesting and encouraging to find no differences in expectancy between the cadre and hired-hand. Once again using attribution theory, perhaps because the effort:performance ratio is, indeed, under the control of the salesperson much more so than being controlled by the sales manager, the salesperson - sales manager relationship does not impact expectancy. Obviously, it is from this point on in the motivation model, that the sales manager is perceived to have some influence.

It should be noted (see Table 2) that while intrinsic valence and expectancy did not attain the required .05

Table 2 Group Difference Motivation		
Motivation Variables. Hotellings $t = .14$ , $F = 3.38$ , $P = .007$		
Extrinsic Instrumentality	F = 7.12, p = .009	
Cadres	$\bar{x} = 25.5$	
Hired-Hands	$\overline{x} = 23.07$	
Intrinsic Instrumentality	F = 12.60, p = .001	
Cadres	$\bar{x} = 24.80$	
Hired-Hands	$\bar{x} = 21.63$	
Extrinsic Valence	F = 7.42, p = .007	
Cadres	$\frac{-}{x} = 12.98$	
Hired-Hands	$\bar{x} = 14.30$	
Intrinsic Valence	F = 3.05, p = .078	
Cadres	$\frac{-}{x} = 10.96$	
Hired-Hands	x = 11.93	
·		
Expectancy	F = 2.26 p = .10	
Cadres	$\frac{-}{x} = 26.06$	
Hired Hands	$\frac{-}{x} = 25.66$	

level of statistical significance, the probability levels of .078 and .10, respectively, suggest that these variables should be studied further to ascertain if there are actually differences.

# Role Stress

The results of this study also show clearly that managers should attempt to reduce role stressors, especially with hired-hands. As Crosby (1989) noted: "They key to everything in this employer-employee relationship is providing a clear job description and measurement system that both parties understand. If you take time to do these things, you can count on your turnover rate being among the most favorable in the industry and your work force being the most effective" (p.122).

Hired-hands have a higher level of role ambiguity. These individuals often report a lack of clear priorities,

expectations and understanding of performance evaluation criteria. Hired-hands also feel they are not supported with the needed resources to accomplish their work tasks and need more assistance in completing tasks to reduce role overload. Sales managers can help reduce role ambiguity and role overload by improving the quantity and quality of communication. This should include a thorough review with the salesperson of his/her individual job description, sales forecast, sales plan, and/or performance evaluation process. By clearly outlining job related priorities and expectations, hiredhand salespeople have a better understanding of where to invest their time and energy. This is reinforced by timely and constructive follow-up by the sales manager. Apparently this type of communication is already occurring between the sales manager and the cadre, providing a successful framework for how the manager should also interact with the hired-hand.

Table 3 Group Difference Role Stress		
Role Stress Variables Hotellings t = .37, F = 6.14, p = .0001		
Role Overload	F = 5.39, p = .023	
Cadres	$\overline{x} = 11.74$	
Hired-Hands	$\bar{x}$ = 13.93	
Role Insufficiency	F = 11.17, p = .0001	
Cadres	$\overline{x} = 10.20$	
Hired-Hands	$\bar{x} = 13.91$	
Role Ambiguity	F = 4.17, p = .037	
Cadres	$\overline{x} = 7.41$	
Hired-Hands	$\bar{x} = 8.5$	
Role Conflict	F = 21.14, p = .0001	
	$\overline{x} = 8.17$	
Hired-Hands	$\frac{-}{x} = 12.05$	
_		
Role Responsibility	F = 1.37, p = .244	
	$\frac{-}{x} = 8.85$	
Hired-Hands	$\overline{x} = 7.93$	

Hired-hands, more than cadres, feel their training skills and experience (i.e. role insufficiency) are inappropriate for their work. They report boredom, underutilization and lack of recognition. These findings provide several managerial implications. For example, as sales managers evaluate salesperson performance, this assessment can result in identifying individuals who potentially are poorly suited for their sales position (e.g. some hired-hands). If a person is perceived to be a poor fit and additional training or experience will not improve performance, then the best strategy for both the organization and the salesperson is to separate. A sales manager must constantly decide where to invest his/her most precious resources. An effective strategy is to develop salespeople who are experiencing a "good fit" and to carefully recruit others to replace those who leave. At the same time, sales managers need to be clear and consistent to both cadres and hired-hands regarding job expectations.

Hired-hands also have a less clear understanding of their role on the job and within the organization. Hired-hands often cite conflicting supervisory demands. This finding is consistent with earlier work (Tanner and Castleberry, 1990). Resolution of role conflict is not a simple matter. In reality, most salespeople experience some level of role conflict (Comer 1991). However, managers have the responsibility to ensure that hired-hands do not exhibit greater levels of role conflict than their cadre counterparts. Strategies to achieve this goal include more effective communication, as well as making sure hired-hands are not expected to perform job tasks which are inconsistent with job description or organizational guidelines.

# Manager Evaluation

Cadres report more effective managerial performance by their manager. Any measure of performance which is subjective can hardly help but have some amount of "subjectivity" included. The salesperson's evaluation of his or her manager may be partially a function of being either a cadre or a hired hand. Attribution theory suggests people try to find explanations such that the causes of a behavior are inferred from the observation of a behavior (Teas and McElroy 1986; Steers and Mowday 1981). A hired hand perceives that s/he is in the "out" group and rather than focus the blame on him/herself, the reason, "obviously," is that the sales manager is inept. It is not surprising that cadres rate their managers higher.

### **Summary**

Sales managers must be careful to provide the environment and support necessary for the maximum development of the best potential salespeople, both cadres and hired-hands. This includes engaging in adaptive leadership practices while attempting to understand the different motivational needs of each salesperson (Buzzotta and Lefton, 1982).

The reader may ask "why not just make all hired-hands into cadres?" Unfortunately it is not that simple. Some salespeople (often called "loners" or "lone wolves") do not desire to invest the time and energy necessary in order to achieve a cadre relationship. This could occur for a number of reasons. The salesperson is nearing retirement, the salesperson is actively looking for and/or engaging in other work, or the salesperson does not share similar beliefs/values with the manager. For whatever reason, it is unlikely that the hired-hand relationship will ever be completely eliminated (Castleberry and Tanner 1986). The manager's goal is to learn how to better manage this relationship and reduce its negative effects.

# Suggestions For Future Research

While results of this study offer considerable support for Vertical Exchange Theory several issues need to be further explored. Given the relationships shown between leader-member exchange, motivation, role stressors, and performance of the sales manager it seems imperative that criteria used in recruitment and selection of salespeople should be explored. That is, how should recruitment and selection practices be viewed in light of the exchange relationships between sales managers and salespeople?

In addition, what factors need to be considered when establishing training programs for both sales managers and salespeople? How can sales managers learn to develop cadres and more effectively support hired-hands? How can sales managers develop greater "coaching" skills given the significance of exchange relationships? How can salespeople and sales managers

learn to better understand and manage the dimensions of role stressors? How can salespeople learn to manage the exchange relationship and move towards becoming a cadre?

In conclusion, it is important that sales managers take the responsibility for developing quality relationships with their salespeople. Much of this leadership role comes with the need to understand that each salesperson is unique and requires his or her own unique relationship with the manager.

"The job of a supervisor is not to tell people what to do or to punish them but to lead. Leading consists of helping people do a better job and of learning by objective methods who is in need of individual help."

M. Walton from *The Deming Management Method*, 1986. p. 35.

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