SALESPERSON’S COMMITMENT TO THE ORGANIZATION: ASSOCIATIONS WITH PERFORMANCE, MOTIVATION, CONFLICT, SATISFACTION, AND RELATIONSHIP WITH THE MANAGER

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Abstract

A salesperson’s commitment to the organization is an important variable to study because of the proposed relationship with performance and other factors. In this study, organizational commitment was positively correlated with performance (whether measured objectively or subjectively), intrinsic motivation, job satisfaction, and the type of relationship with the sales manager. Role conflict and role ambiguity were negatively correlated with commitment. A discussion of the findings and suggestions for future research are offered.

Introduction

The performance of salespeople has long been an important topic of research (Churchill, Ford, Hartley, & Walker 1985) and many variables have been proposed to be related to sales performance. One such concept, organizational commitment (Chonko 1986), has great intuitive appeal. Long recognized among organizational behaviorists as an important factor (i.e. Kantor 1968), the concept is beginning to be applied to the management of the salesforce (Chonko 1986). This paper seeks to explore the relationships between organizational commitment and determinants of salesperson performance in the framework of the Churchill, Ford, & Walker (1985) model.

Organizational Commitment

Organizational commitment is of critical impor-

Organizational Commitment and the Determi-
nants of Salesperson's Performance

Chonko (1986), based on reported findings from studies in organizations such as hospitals and universities, proposed relationships between organizational commitment and several variables from the Churchill, Ford, and Walker (1985) model. It would seem that the most important relationship is that of organizational commitment with sales performance. Chonko (1986) proposed a positive relationship; that is, a strong commitment to the organization will lead to greater performance. A positive relationship was also hypothesized between organizational commitment and job satisfaction, and between organizational commitment and motivation.

Organizational commitment should be negatively related to role conflict and role ambiguity. Role conflict occurs when a salesperson is faced with choosing between competing roles while role ambiguity occurs because the salesperson is unsure of what the appropriate role is. In the case of role conflict, the relationship should be negative, because the salesperson will choose the role that best benefits the organization. (This proposition assumes that commitment to other entities, such as customers, is not as strong as that with the organization.) As to role ambiguity, this is also hypothesized to be negatively related to organizational commitment. A salesperson who is committed may be more sure of what the appropriate role should be perhaps because they are willing to expend energy to more fully identify what is expected of them. It may also be due to more and/or better communication from the manager.

Chonko (1986) proposed several antecedents to salesperson commitment including, among others, the relationship with the supervisor. The link between the supervisor's behavior and commitment has been found to be positive in several studies in non-sales settings (Katz and Kahn 1978; Morris and Sherman 1981; Bateman and Strasser 1984). The current study will see if this relationship holds true in a sales context using the vertical exchange relationship (i.e. VE) paradigm (Castleberry and Tanner 1986). VE reflects the manager's communication with and behavior toward the salesperson.

According to VE, the cadre salesperson, on one end of the continuum, receives more support and attention due to a high-quality exchange relationship with the sales manager. Those salespeople at the other end of the continuum, the hired-hands, have a low quality exchange and thus do not reap the same benefits. It is proposed that a positive relationship will exist between organizational commitment and VE.

Method

The sample consisted of two regions of a consumer packaged goods manufacturer's sales force. The regional sales manager in each region distributed the questionnaires to every salesperson and sales manager in the region. Completed questionnaires were sent directly to the researchers. The first distribution resulted in 39 out of 45 useable questionnaires being returned. Follow-up by the researchers resulted in the collection of the remaining six. It should be noted that the sample size in this study is comparable to other studies of this nature in other disciplines (e.g. Dansereau, Graen and Haga 1975; Wiener and Gechman 1977; Vecchio and Gobbel 1984) and reflects the rigid methodological restrictions imposed by VE research.

The questionnaire contained the Organization Commitment scale by Hrebiniaik and Alutto (1972), Role Conflict and Role Ambiguity scales developed by Behrman & Perreault (1984), Intrinsic and Extrinsic Motivation scales reported by Sujan (1986), the Leader-Member Exchange Scale (LMX) subordinate version by Graen (1986) which measures the vertical exchange, and the Job Satisfaction scale by Hafer & McCuen (1985).

Results

Those respondents who scored in the upper half of the range of scores on the Hrebiniaik and Alutto (1972) scale were identified as being organizationally committed. Organizational commitment was found to be positively related to performance, whether measured objectively or globally. The firm studied considers several objective measures of performance, and as noted in Table 1, total number of cases sold, extent of market coverage, number of point-of-purchase displays, and number of ads sold indicate rather strong associations with organizational commitment. The company also has a global performance measure which includes the measures just
mentioned adjusted for territory differences along with manager’s subjective appraisal of the salesperson’s ability and effort. The association between this global measure (which the firm feels is a superior indicator of performance and success) and commitment is .221 (p=.03). Thus, the positive relationship between performance and commitment hypothesized by Chonko (1986) was found.

A positive relationship was also predicted between motivation and organizational commitment. The relationship of commitment with intrinsic motivation was significant and in the direction hypothesized (r=.259, p=.05); however, the relationship was insignificant for extrinsic motivation (r=.020, p=.45).

There was a negative relationship between organization commitment and role ambiguity (r=-.267, p=.05) and also, for role conflict (r=-.296, p=.04). Thus, salespeople reporting higher degrees of commitment to the organization reported receiving significantly less role conflict and ambiguity.

Job satisfaction was found to be very positively related with organizational commitment (r=.53, p=.0005). This finding mirrors those found in the organizational behavior literature (e.g. Wiener and Gechman 1977; Bateman and Strasser 1984) and proposed by Chonko (1986) in a sales context.

Salespeople were identified as cadres or hired hands on a team-relative basis, the method suggested by Tanner & Castelberry (1988). For each set of reporting relationships, the person(s) with the highest LMX score for the team was labeled as cadre(s) and those with relatively lower LMX scores as hired-hand(s). Vertical exchange relationships were then overlaid with commitment designations. As proposed most cadre salespeople (79%) reported organizational commitment scores in the upper half of the range as compared to only 27% for hired hand salespeople. The Kendall’s tau correlation coefficient for vertical exchange with organizational commitment is .437 (p=.003). Thus a very strong positive relationship exists between the two variables. In fact, it appears that organizational commitment may be a fairly common precursor of a salesperson who desires a cadre relationship with his/her manager, although causal research is needed to assess the time-order of events. Findings of associations between organizational commitment and determinants of performance are summarized in Table 2.

Discussion

Organizational commitment has been demonstrated to be an important personal variable related to salesperson performance. This study found a significant positive relationship between the organizational commitment of a salesperson and his/her performance. This finding is important because the relationship was significant for every dimension of performance, including total cases sold, territory coverage, number of point of purchase displays, number of ads sold, and the global managerial assessment.

An even stronger relationship was found between organizational commitment and job satisfaction, which supports the results by Johnston et. al (1987). This finding is also important because of the relationship of job satisfaction with such factors as turnover which ultimately affect performance. When coupled with the strong relationship of organizational commitment and the global performance measure, it appears that organizationally-committed salespeople are performing well, and are quite happy doing it. They are more intrinsically motivated, and have less role conflict and role ambiguity. That is the kind of salesperson that every company would love to have.

Because of the strong relationships found one important research opportunity is to identify how salespeople become committed to the organization. Additionally, it is important to understand how to maintain that commitment. Managing the various factors that affect salespeople’s commitment to the company may be difficult, for in some situations the company must choose between building customer commitment or salesperson commitment (for example, in a case of alleged misrepresentation). Although difficult, the fact that organizational commitment is related to performance and job satisfaction behooves organizations to manage commitment.

While this study has indicated that organizational commitment is an important factor to consider when studying sales performance, the process by which organizational commitment
### TABLE ONE
ASSOCIATIONS OF ORGANIZATIONAL COMMITMENT AND PERFORMANCE

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<th>Performance</th>
<th>Kendall's tau</th>
<th>p-value</th>
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<tr>
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<td>.02</td>
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<tr>
<td>number of point of purchase displays</td>
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<tr>
<td>number of ads sold</td>
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<td>.09</td>
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<td>global measure</td>
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### TABLE TWO
ASSOCIATIONS OF ORGANIZATIONAL COMMITMENT AND DETERMINANTS OF PERFORMANCE

<table>
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<tr>
<th>Factor</th>
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<tr>
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<td>extrinsic motivation</td>
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<td>vertical exchange relationship</td>
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affects performance is not well understood. Organizational commitment could be considered as one of the personal variables that interact with organizational and environmental factors to determine sales performance (as per the Churchill, Ford and Walker (1985) model). However, organizational commitment, like motivation and role perceptions, should be treated as an intermediate factor. This distinction forces recognition that organizational commitment does not cause performance but behavior, which should lead to performance but may not because of other reasons such as poor product, poor territory, etc.

Some research in non-sales settings has indicated that supervisor behavior is related to organizational commitment (Bateman and Strasser 1984, Morris and Sherman 1981). This study found a significant association between the quality of exchange relationship (between salesperson and sales manager) and organizational commitment, which supports that notion. Casual research is needed to determine if organizational commitment determines the quality of vertical exchange relationship (i.e., because the rep is more committed to the organization, the manager seeks a higher quality of exchange relationship), if the exchange relationship determines the level of organizational commitment (i.e., because of the higher quality relationship, which includes more supportive behavior from the manager who represents the company, the subordinate becomes more organizationally committed), or if they actually work in unison (i.e., the same factors that lead to a high quality exchange relationship also lead to an organizationally committed sales rep). Understanding the time-order of events is important because it helps a sales manager know which factors to focus on in managing his/her salespeople. Such research should also shed light on findings such as those of Johnston et. al (1987) which found that organizationally committed salespeople were more satisfied with their work and their sales manager.

Indeed, as Chonko (1986) pointed out, the exchange paradigm may be more appropriate than expectancy in understanding salesperson performance. It is not unlikely that the level of organizational commitment is a function of the exchange relationship between the organization and the salesperson. Organizational commitment could be seen as one outcome of that relationship. As the salesperson makes investments in the organization and in the relationship with the organization, commitment grows, but only if the investments provide reasonable return.

Similarly, within the exchange paradigm, the notion of reciprocity and its affect on commitment (Chonko 1986) should be examined. For example, if a company makes a heavy investment to train a new salesperson, that rep may feel obligated to perform in order to pay off that "debt". But if the rep perceives that his/her investment into the relationship is equal to that of the company (equal to the training expenditure), then commitment may not become stronger. The company in this study does not provide a great deal of training but does offer several nice "perks" such as a company car. Thus reciprocity may have been operating in this study. Future research needs to explore this notion of reciprocity and various forms of "investments" (e.g. salary, commission, company car, benefits) that the company makes for the salesperson.

The association between organizational paraphernalia and identification by the salesrep with the company would also be an interesting area to be explored. For example, if reps are given such items as pens, coffee cups, etc. with the company logo prominently displayed, they may be likely to be more committed. It could be that items need to be things that customers are likely to see, such as lapel pins, in order to be effective. These, and many other questions, remain regarding the causes and outcomes of organizational commitment.

Conclusion

This study has empirically demonstrated the importance of organizational commitment. What remains to be determined is what specifically causes salespeople to become committed to the sales organization. Paradigmatically, there remain many questions about how organizational commitment and similar factors work to result in sales performance. It is hoped that this paper will spur discussion and research into the area of organizational commitment, especially in terms of the paradigmatic issues raised.

This manuscript was reviewed and accepted for publication before Professor Castleberry became marketing editor.
References


10. Leader-Member Exchange Scale, 1986.


