The Effect Of Self-Efficacy And Adaptability On Salesperson Orientation And Customer Orientation And On Job Performance And Customer Satisfaction

Martin Feinberg, Palm Beach Atlantic University, USA
Jeffrey Kennedy, Palm Beach Atlantic University, USA

ABSTRACT

The importance of the effect of self-efficacy and adaptability on salesperson orientation and customer satisfaction (SOCO) and on job performance and customer satisfaction is an issue of major importance. As an application of this issue, the relationships among self-efficacy and adaptability involved with telemarketing customers is utilized. Self-efficacy is operationalized as the extent to which telemarketers feel confident about their job skills and abilities. Employee Adaptability is operationalized as the ability of telemarketers to adjust their behavior on the job. The measure is adapted from the 16-item adaptive selling scale. Job Performance is operationalized as the number of applications filed by the salesperson, the dollar amount of premiums, and the service quality. Customer Satisfaction is operationalized as a post choice evaluative judgment concerning a specific purchase selection. The justifications for eight hypotheses are provided.

INTRODUCTION

It can be seen that there is a scarcity of salesperson orientation and customer orientation (SOCO) articles that have dealt with telemarketers. There is a gap in the literature regarding the issue of personality characteristics of salespeople with respect towards the personality characteristics self-efficacy and adaptability and their effect on SOCO and on job performance and customer satisfaction.

Thus, this paper is important because it can help answer the question dealing with what causes the telemarketers to be salesperson oriented versus customer oriented. The fact that the costs of hiring sales telemarketers can be very large adds to the importance of this question. This paper can also help answer the question of how salesperson orientation versus customer orientation impacts job performance. It can be deduced that this research can be of significant value to telemarketing companies.

LITERATURE REVIEW

Leong, Busch and John (1989) research the effects of SOCO on salesperson effectiveness. This major study uses a two-dyadic dataset empirical approach. The effect of social values on salesperson performance is carefully analyzed in Swenson and Herche (1994). Further research has identified a dyadic perspective on customer-sales employee encounters (Van Dolen and Lemmink 2002). In addition, the effect of customer orientation salesperson behavior on relationship outcomes is thoroughly conducted in Ramsey and Sohi (1997).

The influence of salesperson selling behaviors on customer satisfaction with automobiles has been conducted in Goff, Boles, Bellenger and Stojack (1997). Selling behaviors have been shown to have a relationship with performance (Boles 2000). Furthermore, moderators often have some effect on performance and sales effectiveness (Balduf and Cravens 2002). Swan and Oliver (1991) utilized automobile salespeople. An interactive emphasis of the effect of sales force behavior on customer satisfaction is provided by Grewal and Sharma (1991). The relative effects of salesperson interpersonal process attributes on customer satisfaction are cogently depicted in Humphreys and Williams (1996). The relationship between personality characteristics and customer satisfaction is comprehensively conducted in Westbrook and Oliver (1991).

The use of the dyadic dataset has been pioneered in Evans (1963). The two-dyadic dataset approach is done in a commendable manner in Leong, Busch and John (1989). In addition, the specific personality characteristic, self-efficacy, is developed in Gist and Mitchell (1992). Hartline and Ferrell (1996) use the structural equation modeling methodology to study self-efficacy. Jex and Gudanowski (1992) show the relationship between self-efficacy and work stress. The effect of self-efficacy on risk taking is provided by Kruger and Dickson (1994). The utilization of path analysis to study self-efficacy is effectively accomplished by Pajares and Miller (1994).

It can be seen that the specific personality characteristic adaptability is analyzed in Hartline and Ferrell (1996). Furthermore, there have been indications of perceptual aspects with regard to sales training (Wilson, Strutton and Farris 2002). Spiro and Weitz (1990) meticulously analyze the measurement, reliability and validity in regards to the adaptability selling scale. Weitz, Sujan and Suajn (1986) develop several hypotheses in regards to antecedents and consequences of adaptive selling. These hypotheses can be examined in order to substantiate nomological validity.

Organizational and individual learning can benefit a telemarketer salesforce (Chonko and Dubinsky 2003). Furthermore, different organizational leadership styles affect salesperson performance (Mackenzie and Podsakoff et al. 2001). Research has also indicated that the elements within organizational performance appraisals impact telemarketer satisfaction in several ways (Pettijohn et. al. 2001). Beyond organizational factors that influence telemarketers, are situational factors which impact salesperson decision-making abilities about ethical issues (Ross and Robertson 2003). Schweper (2003) investigated the relationship between ethical conflict and salesperson performance. Compensation may also have a great deal to do with telemarketer performance and honesty (Wilson, Strutton and Farris 2002).

OPERATIONALIZING THE CONSTRUCTS

X1 = Self-efficacy is operationalized as the extent to which telemarketers feel confident about their job skills and abilities. The self-efficacy measure uses an eight-item scale adapted from Hartline and Ferrell (1996) and has a Cronbach's alpha = .67. The results of the cross-construct correlations provide evidence for the discriminant validity of the measure. However, the factor loadings for the self-efficacy scale are relatively low.

X2 = Employee Adaptability is operationalized as the ability of telemarketers to adjust their behavior on the job. The measure is adapted from the 16-item adaptive selling scale developed by Spiro and Weitz (1990). The Cronbach's alpha in Spiro and Weitz (1990) is = .85. The relationship between adaptability and performance is inconclusive. To test the nomological validity of the scale, Spiro and Weitz examined the simple correlation between adaptability and performance.

The measures of interpersonal flexibility, experience, intrinsic motivation, and management supervisory style support the nomological validity of this adaptability scale. The authors note that norms for the scale should be established. These norms are relevant for telemarketers involved in different sales environments and at different stages in regards to their career life cycles.

Y1 = Salesperson Orientation is operationalized using the 12 negatively stated items in the Saxe and Weitz (1982). The Cronbach's alpha for the personality characteristic scale for the first sample of salespeople was .86. It

can be seen that an administration of the 24-item personality characteristic scale for the second sample resulted in an alpha of .83.

Saxe and Weitz (1982) assert that the use of a broad and representative range of items and a standard method of item selection provides a scale with adequate content validity. The lack of correlations with the Marlow-Crowne Social Desirability Scale shows evidence of discriminant validity. The authors provide evidence of construct validity by examining the relationship between the personality characteristic measure and other variables conceptually related to the use of customer-oriented selling. The relationship between the personality characteristic and performance across sales situations provides the strongest evidence of nomological validity.

.Y2 = Customer Orientation is operationalized as the practice of the marketing concept at the level of the individual salesperson and customer (Saxe and Weitz 1982). The measure used is adapted from the 21 point scale in Tadipalli (1995) and in Goff, Boles, Bellenger and Stojack (1997). Cronbach's alpha for Goff, Boles, Bellenger and Stojack is .52. Coefficient alpha for Tadipalli is .94.

Convergent and discriminant validity of scale items for Tadipalli (1995) were evaluated by examining the Spearman factor to factor loadings. Tadipalli (1995) states that if items measuring a construct loaded more highly on their parent factor than on other factors, the items were assumed to have met the requirements of convergent validity.

It can be seen from Tadipalli (1995) that the lower loadings on factors other than the present factor were interpreted as evidence of discriminant validity. In all cases in Tadipalli (1995), Customer Orientation scale items were found to load more on their parent factor and less on other factors.

Y3 = Job Performance is operationalized as the number of applications filed by the salesperson, the dollar amount of premiums, and the service quality, using a four-point scale in Table 5. In addition, persistency, the number of applications that remain active each year will be included as the fourth criterion and will be based on a percentage scale. No reliability or validity checks have been conducted.

Y4 = Customer Satisfaction is operationalized as a post choice evaluative judgment concerning a specific purchase selection (Westbrook and Oliver 1991). Research has indicated that customer service may be influenced by other factors such as salesperson mood and shopper behavior, among other factors (Swinyard 2003). The measure is adapted from the six-point scale of Oliver (1980). The coefficient alpha reliability of this scale is .82. Validity checks need to be conducted on this measure.

HYPOTHESES

H1: Higher self-efficacy leads to a higher level of salesperson orientation as perceived by salespersons.

The justification of this hypothesis is from Pajares and Miller (1994). Self-efficacy is grounded in self-concept and salesperson orientation is indirectly related to self-concept. Indirect analysis of this hypothesis is also found in Eden and Aviram (1993), and Chusmir and Lynn (1991).

H2: Higher self-efficacy leads to lower level of customer orientation as perceived by customers

The justification of this hypothesis is from Jex and Gudanowski (1992). It can be seen that if one is stressed out, customer orientation will decrease. Stress is indirectly related to higher self-efficacy in this article.

H3: Higher adaptability leads to a lower level of salesperson orientation as perceived by salespersons.

The justification of this hypothesis is from Fine and Gardial (1990). From indirect analysis, self-monitoring is related to adaptability. The justification is also provided to a limited indirect extent in O'Hara, Boles and Johnston (1991).

H4: Higher adaptability leads to a higher level of customer orientation as perceived by customers.

The justification of this hypothesis is from O'Hara, Boles, Johnston (1991). Organizational commitment can be indirectly related to customer orientation. O'Hara, Boles and Johnston's research on two different samples of sales personnel, revealed that organizational commitment is significantly related to selling style. Organization commitment is the only factor in this study consistently associated with customer oriented selling.

H5: Higher salesperson orientation leads to a higher level of job performance.

The justification of this hypothesis is from Dubinsky and Hartley (1986). The increase in salesperson orientation increased the performance of retail employees. Justification of this hypothesis thru indirect analysis is also provided in Swenson and Herche (1994).

H6: Higher salesperson orientation leads to a lower level of customer satisfaction.

The justification of this hypothesis is from Goff, Boles, Bellenger and Stojack (1997). The increase in salesperson orientation lowered the level of customer satisfaction in automobile purchasers. This indirect analysis can also be inferred from Lagace (1991) in regards to reciprocal trust.

H7: Higher levels of customer orientation lead to higher levels of job performance.

The justification of this hypothesis is from Tadeballi (1995). The modified scale provides sales managers a means of assessing better the long-term aspects of a salesperson's performance.

H8: Higher customer orientation leads to a higher level of customer satisfaction.

The justification of this hypothesis is from Oliver (1980). The higher customer orientation strengthens the level of customer satisfaction indirectly. Evidence of this hypothesis is also provided in Ramsey and Sohi (1997). The criterion is satisfied sales telemarketers due to the fact that even though there are many highly successful and professionally certified telemarketers, questions about professional competency have been prevalent (Leong, Busch and John 1989).

DATA COLLECTION

Additionally, data for telemarketer selling will be collected in order to obtain the spectrum of telemarketers' activities in the company or organization. This second dyadic dataset will also provide an internal replication of the results as it did in the Leong, Busch and John (1989) study.

The sample of telemarketers should be $n_1 = 500$ and the respective sample of customers is $n_2 = 500$. Hence, there will be two separate samples of exchange. There are two clients with two different products, providing two different dyadic datasets.

Performing the questionnaire on the customers needs to be justified. This justification is provided by Brown, Widing and Coulter (1991). The customer sample data will be obtained thru the telephone questionnaire utilizing the extensions of Brown, Widing and Coulter (1991). Due to the relative shortness of the customer questionnaire, the telephone survey here is appropriate.

The telemarketer sample data will be obtained by having the sales managers distribute the printed surveys to the telemarketers. The telemarketers will subsequently mail the questionnaires back to the author in order to prevent bias which would result from having the company sales managers see the completed questionnaires. In regards to the pretest questionnaire, there will be a pretest on a small sample of customers and salespeople utilizing the phone and mail respectively. This process will include obtaining the telemarketers' signed consent.

The descriptive data regarding the telemarketers will include their age, full-time company sales experience and their gender. It can be seen that in an analogous fashion to Leong, Busch and John (1989), several criteria will be utilized in order to qualify the available pool of subjects. These criteria will include a minimum criterion of effectiveness for low effective telemarketers.

STATISTICAL METHODOLOGY

The hypotheses will be tested with structural equation modeling. AMOS 7.0 will be used to validate the underlying structure of the instrument.

FUTURE RESEARCH

Future research on this issue will include two additional independent variables. The two additional variables are X3, empowerment and X4, need for achievement. The issue of empowerment has been studied in Fulford and Enz (1995). The variable of need for achievement is analyzed in Hartline and Ferrell (1999). An additional future research issue is whether bilingual telemarketers would moderate this theory.

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