Chapter 6
CONCLUSION AND SUGGESTIONS

This chapter presents the conclusion derived from this study, managerial implications and directions for future research. It presents a description of how the findings of this study will add to the existing knowledge of salesforce control system and also how sales organizations and sales managers can use the findings of this study for improving salesforce performance and sales organization effectiveness.

6.1 Differences in the use of Salesforce Control System across Age, Educational Qualification and Experience

- **Age**: The results showed that there were significant differences across salesforce age for outcome based salesforce control system for both Medical Representatives and Area Managers.

- **Educational Qualification**: There were significant differences across salesforce educational qualification for outcome based salesforce control system for Area Managers.

- **Experience**: For Medical Representatives, there were significant differences across salesforce experience for behaviour based as well as outcome based salesforce control system. For Area Managers, there were significant differences across salesforce experience for outcome based salesforce control system.

6.2 Relationship of Salesforce Control System with Salesforce Characteristics

The summary of key findings is presented below.

1. Professional Competence

**MR**

- There is a positive impact of behaviour based salesforce control system on salesforce professional competence. The results are consistent with study by Cravens et al (1993) which found that behaviour based and outcome based salesforce control system have a positive salesforce professional competence.
The results also support the Anderson and Oliver (1987) proposition which stated that in a behaviour based salesforce control system salespeople are likely to be more professionally competent.

- There is a positive impact of outcome based salesforce control system on salesforce professional competence.

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- There is a negative impact of behaviour based salesforce control system on salesforce professional competence.

- There is a positive impact of outcome based salesforce control system on salesforce professional competence.

2. Intrinsic Motivation

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- There is a positive impact of behaviour based salesforce control system on salesforce intrinsic motivation. The findings are in line with Cravens et al (1993), Piercy, Cravens and Morgan (1997), Baldauf, Cravens and Grant (2002) and Theodosiou and Katsikea (2007) as they also found a positive relationship between behaviour based salesforce control system and intrinsic motivation. Miao, Evans and Zou (2006) found that capability control positively influences task enjoyment (an affective component of intrinsic motivation), indicating a positive relationship between behaviour based control and intrinsic motivation. They also found positive impact of activity control on challenge seeking (cognitive component of intrinsic motivation).

- There is a positive impact of outcome based salesforce control system on salesforce intrinsic motivation. As far as the positive relationship between outcome based salesforce control system and intrinsic motivation is concerned, the results by Miao and Evans (2012b) support it as they found that outcome control has a positive effect on intrinsic motivation. This finding is contrary to Anderson and Oliver (1987) proposition.
There is a negative impact of behaviour based salesforce control system on salesforce intrinsic motivation. The study by Miao and Evans (2012b) support the negative relationship between behaviour based salesforce control system and intrinsic motivation as they also found activity–capability control combination to be negatively related to intrinsic motivation (they segregated behaviour based salesforce control system into activity and capability control). Assessing the impact of activity control and capability control separately on intrinsic motivation, Miao and Evans (2012b) found no direct effects.

There is a positive impact of outcome based salesforce control system on salesforce intrinsic motivation.

3. Extrinsic Motivation

There is no significant impact of behaviour based salesforce control system on salesforce extrinsic motivation.

There is a positive impact of outcome based salesforce control system on salesforce extrinsic motivation. The result is in line with the findings of Mallin, Asree, Koh and Hu (2010).

There is a negative impact of behaviour based salesforce control system on salesforce extrinsic motivation. The results agree with the findings of Anderson and Oliver (1994) which revealed that behaviour based salesforce control system is associated with the lack of extrinsic motivation suggesting that behaviour based control system and extrinsic motivation are negatively related.

There is a positive impact of outcome based salesforce control system on salesforce extrinsic motivation.
4. Customer Orientation

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➢ There is a positive impact of behaviour based salesforce control system on salesforce customer orientation. The results are in line with the findings of Craven et al (1993) who found customer orientation to be positively related to behaviour based salesforce control system. The study by Evans, Landry, Li and Zou (2007) also found process controls as well as capability control to have a positive and significant effect on customer orientation (Behaviour based salesforce control system was segregated into process and capability control).

➢ There is a positive impact of outcome based salesforce control system on salesforce customer orientation. The results are in line with the findings of Craven et al (1993) who found customer orientation to be positively related to outcome based salesforce control system.

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➢ There is a negative impact of behaviour based salesforce control system on salesforce customer orientation.

➢ There is a positive impact of outcome based salesforce control system on salesforce customer orientation.

6.3 Relationship of Salesforce Control System with Salesforce Performance

1. Nonselling Behavioural Performance

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➢ There is a positive impact of behaviour based salesforce control system on salesforce nonselling behaviour performance. The finding is consistent with studies by Babakus, Cravens, Grant, Ingram and LaForge (1996), Piercy, Cravens and Morgan (1998), Piercy, Cravens and Morgan (1999), Baldauf and Cravens (1999), Baldauf, Cravens and Piercy (2001a), Baldauf, Cravens and Piercy (2001b), Piercy, Low, Cravens (2004a) and Theodosiou and Katsikea (2007) which found that behaviour based salesforce control system
has a positive impact on salesforce behaviour performance. The finding also supports the results by Piercy, Cravens, Lane (2009) which found a strong, significant and positive relationship between behaviour based salesforce control system and salesperson non selling behavior performance.

- There is a positive impact of outcome based salesforce control system on salesforce nonselling behaviour performance. The finding is consistent with the study by Cravens et al (1993) who found that there is a positive impact of outcome based salesforce control system on salesforce nonselling behaviour performance.

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- There is a negative impact of behaviour based salesforce control system on salesforce nonselling behaviour performance. The finding is consistent with Cravens et al (1993) who found that there is a negative impact of behaviour based salesforce control system on salesforce nonselling behaviour performance. The study by Baldauf, Cravens and Piercy (2001a) and Katsikea, Theodosiou and Morgan (2007) also found no significant relationship between behaviour based salesforce control system and salesforce behaviour performance. Similarly, Miao and Evans (2012a) found that activity control and capability control do not have direct effects on salesperson performance.

- There is a positive impact of outcome based salesforce control system on salesforce nonselling behaviour performance.

2. Selling Behavioural Performance

MR

- There is a positive impact of behaviour based salesforce control system on salesforce selling behaviour performance. These results support the findings by Craven et al (1993), Babakus, Cravens, Grant, Ingram and LaForge (1996), Piercy, Cravens and Morgan (1999), Baldauf and Cravens (1999) and Theodosiou and Katsikea (2007) which found a positively relationship of behaviour based salesforce control system with selling behavioural performance. In their study on sales managers in UK, Piercy, Cravens, Lane
(2009) also found a strong and positive relationship between behaviour based control system and salesperson selling behavior performance. Piercy, Cravens and Morgan (1998) in their study in UK, Baldauf, Cravens and Piercy (2001a) and Baldauf, Cravens and Piercy (2001b) in their study in Austria and UK and Piercy, Low, Cravens (2004a) in their study in Greece found positive impact of behavior based control system on behavior performance.

- There is a positive impact of outcome based salesforce control system on salesforce selling behaviour performance. These results support the findings by Cravens et al (1993) study which found a positively relationship of outcome based salesforce control system with selling behavioural performance.

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- There is a negative impact of behaviour based salesforce control system on salesforce selling behaviour performance. The studies by Baldauf, Cravens and Piercy (2001a), Baldauf, Cravens and Grant (2002), Katsikea, Theodosiou and Morgan (2007) and Miao and Evans (2012a) did not find a negative relationship but they found a lack of significant relationship between behavior based salesforce control system and behavior performance.

- There is a positive impact of outcome based salesforce control system on Salesforce Selling Behaviour Performance.

3. Outcome Performance

MR

- There is no significant impact of behaviour based salesforce control system on salesforce outcome performance. This finding is consistent with the study by Katsikea, Theodosiou and Morgan (2007) and Evans, Landry, Li and Zou (2007) which found that behavior based salesforce control system has no significant influence on export sales managers’ outcome performance. Baldauf, Cravens and Piercy (2001a) also found that behavior based salesforce control system does not have a direct impact on salesperson outcome performance in Austria and UK.
- There is a positive impact of outcome based salesforce control system on salesforce outcome performance. This is supported by studies by Cravens et al (1993), Evans, Landry, Li and Zou (2007), Miao, Evans and Zou (2007) and Bergeron, Shipp, Rosen and Furst (2012) which found positive impact of outcome based salesforce control system on salesforce outcome performance.

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- There is a negative impact of behaviour based salesforce control system on salesforce outcome performance.
- There is a positive impact of outcome based salesforce control system on salesforce outcome performance.

6.4 Relationship of Salesforce Control System with Sales Organization Effectiveness

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- There is no significant impact of behaviour based salesforce control system on sales organization effectiveness. The finding supports the study by Baldauf and Cravens (1999) in Austrian companies where they found that behaviour based salesforce control system does not play a dominant role in impacting sales organization effectiveness.
- There is a positive impact of outcome based salesforce control system on sales organization effectiveness. The finding is in line with that of Cravens et al (1993) who found a positive impact of outcome based salesforce control system on sales organization effectiveness. Piercy, Low, Cravens (2004a) also found that incentive is an important predictors of sales unit effectiveness in Greece. In their study in India, Piercy, Low and Cravens (2004b) found that compensation control has a positive impact on sales unit effectiveness.

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- There is a negative impact of behaviour based salesforce control system on sales organization effectiveness.
There is a positive impact of outcome based salesforce control system on sales organization effectiveness.

6.5 Conclusion

- Behaviour based salesforce control system was found to have a strong positive impact on salesforce professional competence, intrinsic motivation, customer orientation, nonselling behavioural performance and selling behavioural performance for Medical Representatives.

- Outcome based salesforce control system was found to have a strong positive impact on salesforce professional competence, intrinsic motivation, extrinsic motivation, customer orientation, nonselling behavioural performance, selling behavioural performance, outcome performance and sales organization effectiveness for both Medical Representatives and Area Managers.

- Behaviour based salesforce control system was found to have a negative impact on salesforce professional competence, intrinsic motivation, extrinsic motivation, customer orientation, nonselling behavioural performance, selling behavioural performance, outcome performance and sales organization effectiveness for Area Managers.

- Behaviour based salesforce control system was not found to have a significant impact on salesforce extrinsic motivation, outcome performance and sales organization effectiveness.

- Salesforce nonselling behavioural performance, selling behavioural performance and outcome performance have a mediating effect on the relationship between behaviour based salesforce control system and sales organization effectiveness for both Medical Representatives and Area Managers.

- Salesforce nonselling behavioural performance, selling behavioural performance and outcome performance have a mediating effect on the relationship between outcome based salesforce control system and sales organization effectiveness for both Medical Representatives and Area Managers.
6.6 Managerial Implications

The findings offer valuable insights on the consequences of the two types of salesforce control systems (behaviour based and outcome based salesforce control system) in the context of Pharmaceutical companies having operations in India from the perspective of both Medical Representatives and Area Managers. The results of the study can be of immense value not only to the academic researchers but also to marketing professionals and pharmaceutical industry. The study provides a deeper understanding of the relationship between salesforce control system and its consequences. This study will help pharmaceutical industry and other sales organizations to identify the specific consequences of both kinds of salesforce control system for salesperson as well as the organization.

With increasing privatization and globalization, the pharmaceutical sector in India is experiencing intense competition. Therefore it is important for pharmaceutical companies to understand how the effectiveness of their salesforce can be increased which will lead to the effectiveness of the organization. The findings of this study will help pharmaceutical companies in increasing the customer base and profitability of the organization. The managerial implications based on the results are as follows:

- As outcome based salesforce control system has been found to have a strong positive impact on salesforce professional competence, intrinsic motivation, extrinsic motivation, customer orientation, nonselling behavioural performance, selling behavioural performance, outcome performance and sales organization effectiveness for both Medical Representatives and Area Managers, outcome based control system can be used by the sales organizations.

- As the study points out that salesforce control system not only have a direct impact on sales organization effectiveness but also an indirect impact through salesforce performance, choosing the right kind of salesforce control system is of utmost importance.
6.7 Future Research Directions

- The research in future may be undertaken for different industries/sectors and sampling techniques and other analytical tools can be applied. This will give a more comprehensive and representative idea about the control system.

- Other variables like sales territory design, sales supportiveness and salesforce ethical behavior can also be included to get a comprehensive picture. The impact of control constructs like monitoring, directing, evaluating as well as rewarding can be assessed on salesforce consequences in future studies.

- This study can be replicated in other countries and regions whose cultural, social and economic environment are different to see if culture moderates the impact of salesforce control system on salesforce consequences.

- Pairing of individual salespeople with their supervisors may be made and an analytical study may be conducted in pharmaceutical and other industries where the salespersons are used for selling purposes.

6.8 Summary

This chapter presented the conclusion, managerial implications and directions for future research. The findings from the study are expected to provide valuable insights to academicians, managers and sales organizations. Future researchers can replicate this study in other countries.