

# WHEN SALES MANAGERS PRIORITIZE THEIR OWN INTERESTS AGAINST COMPANY GOAL

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## RESUMEN

*La historia evolutiva ha demostrado que los líderes han desempeñado un papel fundamental dentro de las comunidades humanas que les han permitido alcanzar metas imposibles. Sin embargo, cuando un individuo logra una posición de liderazgo tiende a anteponer sus propios intereses frente a los del grupo. Tras comprobar la visión pesimista que muestra la literatura, nos interesa ver si es posible encontrar factores de personalidad que sean útiles en un proceso de selección. En esta investigación se propone un experimento para explorar algunos rasgos (capacidad del individuo para manejar su imagen, tendencia hacia la reflexión, enfoque regulatorio y género) para detectar aquellos que se puedan considerar en la selección de directivos que no utilicen el poder en su propio beneficio. Se considera un equipo de vendedores y estudiaremos el papel moderador de los cuatro rasgos del director de ventas durante un ejercicio simulado de gestión.*

## Palabras clave:

Directores de ventas, liderazgo, egoísmo, rasgos de personalidad.

## ABSTRACT

*Evolutionary history has shown that leaders have played a fundamental role within human communities that have allowed them to achieve impossible goals. However, when an individual achieves a position of leadership tends to put their own interests ahead of those of the group. After checking the pessimistic view of the literature, we are interested in seeing if there is this possible to find personality factors that are useful in a selection process. This research proposes an experiment to explore some traits (individual's ability to manage their image, tendency towards reflection, regulatory focus and gender) to detect those that can be considered in the selection of managers who do not use the power in their own benefit. We consider a team of salespeople and we will study the moderating role of the four features of sales manager during a simulated management exercise.*

## Keywords:

Sales managers, leadership, selfishness, personality traits.

## 1. Introduction

Newspapers and television news stories related to inappropriate behaviour by political and business managers are published weekly. It seems to be when someone reaches a leadership position in a company or organization something happens that activates improper impulses and desires (Guinote, 2008), which only a few are able to control. Many of these allegations, which show the headlines, are related to abuse of power and improper enrichment.

Evolutionary history has shown that leaders have played a fundamental role within human communities that have allowed them to achieve goals, in principle, impossible. Living in group is full of compromise and conflict so groups have demonstrated a need for leaders (Buss, 2011). However, when an individual achieves a leadership position has two options, he or she can continue to work to improve the common benefit or change and put his or her own interests above those of the group. If we look at what most literature points out, it seems that the second option, the pursuit of one's own benefit, is the most frequent one. Despite the social benefits of having leaders who are able to work beyond their own interest, and even being able to take personal costs to benefit their group or organization (Conger & Kanungo, 1987; Shamir, House, & Arthur, 1993). There is much evidences in the literature that leaders who achieve a position of power are more likely to deceive (Lammers, Stapel, & Galinsky, 2010), and to act in a socially inadequate manner by putting their own interest before those of the group (Gonzaga, Keltner, & Ward, 2008).

Recently, social psychologists are interested in exploring the effect of power on the behaviour of individual, and have discovered the profound transformation that most of them suffer. Power is defined as an ability to influence other people, and usually based on a position in the hierarchy (Keltner, Gruenfeld, & Anderson, 2003; Magee & Galinsky, 2008). Among the transformations suffered by an individual with power are: a personal transformation that changes the vision she has of herself, her vision of others, followers or subordinates, and begins to see others as pieces that could be used to achieve their own goals. An example of transforming her vision of herself, powerful leaders see the futures in a more optimistic way, they perceive that control the future and lead them to make risky decisions (Fast, Gruenfeld, Sivanathan, & Galinsky, 2009). Second, when an individual exerts leadership, she begins to consider others, in some cases even former colleagues, in a different way. For example, they begin to pay more attention to themselves than the needs of others (Rucker, Dubois, & Galinsky, 2011), establish a social distance between themselves and followers or subordinates (Kipnis, 1972), and even, tend to ignore the suffering of other people (Van Kleef et al., 2008). Third, through this process of estrangement and reification, they perceive their subordinates as mere instruments of manipulation to help them achieve their own goals (Gruenfelds, Inesi, Magee, & Galinsky, 2008).

After seeing the pessimistic view of the literature on leaders, we are interested to see if there are some factors that organizations, in our case Sales Managers, may consider to prevent their leaders, who use a delegated power, use their power for their own benefit rather than the profit of the company. In the classic book "Power, corruption, and rectitude" (Rogow & Lasswell, 1963) it is considered that corruption of leaders, who exercise power, obeys two factors: the individual needs of exaltation of ego, and the structure of the

organization in which she or her power is exercised. Regarding the personality factor, it is considered that the circumstances in which they developed their childhood, the type of education and deprivations they suffered, will determine how they will use power as adults. And, regarding the organizational context, tradition, reputations, and leadership are pointed as factors that encourage or discourage corrupt behaviour (Rogow & Lasswell, 1963).

Following the proposal made of Rogow and Lasswell (1963) on the role of individual's personality in falling into corruption, our research proposes a laboratory experiment to explore some personality traits, and try to detect those that can discourage a powerful leader to fall into temptation to pursue selfish behaviour. We will use as a case study a team of salespeople to study the moderating role of three personality traits during a power exercise of those who have the role of sales manager. The characteristics we propose to study are: the capacity of individual to manage his image and to impress others, particularly in social interactions; the tendency of an individual towards reflection, to say the degree that attracts the knowledge; the regulatory focus, and, finally, the gender.

## **2. Theoretical background**

Although previous works have proposed the tension between leadership and power (e.g., Van Vugt, Hogan & Kaise, 2008), in this study, we would like to use different moderating factors to try to define a profile of capable leaders to resist the temptation of corruption. We specifically consider a group of Sales Managers, leader of the group, will decide on the remuneration of their subordinates based on performance obtained by them. In the first exploratory phase, we will consider four factors: the ability to persuade others, the trend towards intellectuality, the regulatory focus and gender.

The variables and scales proposed to prepare the experiment are described below.

### ***2.1. Ability to persuade others***

One of the essential characteristics of individuals exercising leadership is their ability to persuade others to carry out an action (Buss 2011). Undoubtedly, some traits of individual's personality facilitate this work of convincing other people, such as developing skills to manipulate nonverbal language depending on circumstances, and transmit to others signs of involvement. It has been shown that some people work harder in managing their public image than doing others. And, one of the scales proposed by literature to measure this ability is the Self-monitoring (SM) scale developed by Mark Snyder (1974). This scale measures the degree to which the individual consciously employs print management strategies in social interactions. Basically, the scale evaluates the extent to which the individual manipulates the nonverbal signals you send to others, and the extent to which they adjust their behaviour to situational demands.

During the scale evaluation process, it was found that subjects with a high score on the Self-monitoring scale were rated by their peers as being better at controlling their own emotions, and more adept at figuring out how to behave appropriately in new social situations. In addition, Snyder found that the actors of scene tended to score higher in the scale than the rest of students, as expected. In addition, Ickes and Barnes (1977) summarize the evidence that people with a high level of SM are (1) highly sensitive to situational cues,

(2) especially trained to detect deception by others and (3) especially perceptive about how to influence the emotions of others.

## **2.2. *Tendency toward intellectuality***

Another controversial issue is whether an individual with an intellectual profile, more reflective, can exercise leadership or is better exercised by an individual with a more impulsive and focused on action profile. Also, in this case, the literature provide a measure of individual's tendency toward intellectuality, that is, to become a thinker, this measure is the Need for Cognition Scale (NFC). This scale was proposed as an instrument to measure "the tendency of an individual to participate and enjoy the thought" (Cacioppo & Petty, 1982, p.116). For example, this scale has been used to examine the relationship between students' need for cognition and their academic performance (Sadowski & Gulgoz, 1996). Also, it has been used to measure how the jury's need for knowledge influences their legal decisions (Bornstein, 2004), and, even, how the knowledge needs of university students influence their stated self-satisfaction with their life as a whole (Coutinho & Woolery, 2004).

More specifically, those who have got high NFC scores indicate that they are easily involved in thinking about topics as they are introduced, enjoy the thought process and are motivated to apply their thinking skills with little incitement. These individuals are likely to be able to process and systematize information, classifying the irrelevant of the important (Cacioppo & Petty, 1982). In an educational context, these personality traits and learned skills - especially the ability to process information efficiently - can be linked to higher academic performance (summarized in Sadowski & Gulgoz, 1996). In addition, as Sadowski and Cogburn (1997) have shown, individuals who have high NFC scores tend to be more aware and more open to experiences than individuals who have a low need for cognition.

## **2.3. *Regulatory focus***

The other moderator is Regulatory focus (RF). RF is a persuasion theory which focuses on a person's perceptions on decision making. E. Tory Higgins formulated the theory and is considered to be one of the notable contributions to the field of human psychology. RF shows that our decisions are taken not by what we expect their consequences to be but by a psychological mechanism we acquire and develop during childhood and early education. When we take decision, this mechanism is activated and will affect the way we attribute value to possible outcomes. Higgins (2000) further state that while all parents educate their children to live and survive and also encourage children to seek advancement and accomplishment or else educate them to look for protection and safety (Friestad & Wright, 1994; Higgins, 2000).

Specially, RF state that people pursue their goals by following one of two patters of self-regulation: promotion or prevention. Promotion-focused individuals tend to be more receptive to positive results because they have been brought up to value accomplishment. On the other hand, and also because of their upbringing and education, prevention-focused individuals tend to adopt a vigilant and cautious attitude to challenges and display a marked preference for maintaining the status quo (Chernev, 2004). People with a prevention focus are also more sensitive to the presence of negative results (Higgins, 2000).

## **2.4. Gender**

As more research psychologists have become willing to acknowledge that some aspects of social behaviour, personality, and abilities differ between women and men (e.g., Halpern, 1997). Our attention also drawn to these differences between men and women to examine our hypothesis with sex differences to realize is there any differences in leader's dominance and selfishness behaviours.

Social structuralists maintain that the situations faced by women and men are variable across societies and historical periods as social organization changes in response to technological, ecological, and other transformations. From a social structural perspective, a society's division of labour between the sexes is the engine of sex-differentiated behaviour, because it summarizes the social constraints under which men and women carry out their lives. Sex differences are viewed as accommodations to the differing restrictions and opportunities that a society maintains for its men and women, and sex differentiated behaviour is held to be contingent on a range of individual, situational, and cultural conditions (see Deaux & LaFrance, 1998).

## **3. Methodology**

This research aims to test some factors that are expected to cause sales managers to prioritize their own benefit over group's objectives. For example, it has been shown that one way of prioritizing one's own profit is to retain relevant information (Wittenbaum, Hollingshead, & Botero, 2004). Another way to prioritize their power is to try to eliminate or punish any potential threat, for example punishing a salesperson who obtains the best results, even if this leads to a lower performance of the whole group (Maner & Mead, 2010).

At least three rounds of experiments are proposed. Each experiment will have two stages: First, a sample of volunteers will be invited to participate in an exercise to select the best sales managers. Individuals will be asked to complete a questionnaire with the scale of one of the moderating variable, for example the Self-monitoring scale. Individuals who score the highest and lowest scores, the two extreme groups, will be told that according to the test result, they have special skills to be sales managers, and will be invited to participate in a simulation exercise.

During the simulation exercise, they will be asked to monitor the work of four sellers, and here will be when the researchers will manipulate the conditions and collect the results.

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