

Systems-Savvy Selling: A Quantitative Study to Uncover Predictors of B2B Sales Performance

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Description: *This research seeks to enrich our understanding of the linkages between internal creative cognitive activities, knowledge brokering and sales performance.*

EXTENDED ABSTRACT

Research Question

What knowledge-based factors and creative behaviors influence the B2B salesperson's ability to promote internal knowledge brokering and thereby sales performance?

Method and Data

We use a sample of 387 B2B salespeople across diverse markets and industries. The study employed validated measures and was modified to detail and elicit the B2B salesperson perspective specifically. All constructs were reflective and utilized (in some instances adapted) a 5-point Likert-type scale with responses ranging from "1= strongly disagree" to "5 = strongly agree." The survey instrument consisted of 83 items: 72 were adapted from existing validated scales; 9 were demographics.

SPSS software, version 24 was used to perform an EFA using Principal Axis Factoring with Promax rotation (Hair et. al.,2010). Subsequently, a CFA using AMOS 24 software was conducted to validate the psychometric properties of the seven-factor model that emerged from EFA. Sufficient Composite Reliability (CR) was achieved on each of the factors (i.e., greater than 0.80) and convergent and discriminant validities were shown by examining Average Variance Extracted (AVE) compared to Maximum Shared Variance

(MSV) and Average Shared Variance (ASV) (Jöreskog and Sörbom, 1989).

Common method bias tests were conducted by adding both the common latent factor (CLF) and social desirability marker to the CFA results (Richardson, Simmering and Sturman, 2009). Evidence of method bias existed in the CFA and therefore data was imputed and CLF adjusted factors were utilized in the final structural model as they are likely to result in more unbiased estimations. Hypothesized relationships were then tested using structural equation modelling in AMOS.

Summary of Findings

The results of the structural model indicate that sales performance explained 41% of the variance ($R^2 = 0.41$) and internal knowledge brokering 36% ($R^2 = 0.36$). Furthermore, seven out of the nine hypotheses tested were supported. The model demonstrates a positive and significant path between internal knowledge brokering and sale performance ($\beta = .29$; $p < .001$), which supports H1. A positive and significant relationship is observed between systems thinking ($\beta = .17$; $p < .001$) and sales performance as well as between systems thinking and internal knowledge brokering ($\beta = .39$; $p < .001$) (H2 and H3 are supported). Ambiguity tolerance was

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found not to have a significant impact on internal knowledge brokering ($\beta = .00$; NS) (H4 unsupported). Additionally, there is significant positive relationships between empathy and sales performance ($\beta = .29$; $p < .001$) and empathy and internal knowledge brokering ($\beta = .15$; $p < .001$) (Supporting H5 and H6). The predicted relationship between altruism and sales performance (H7) was not supported ($\beta = -.46$; $p < .001$) as the finding was counterintuitive and a significant negative relationship existed. Finally, both long-term customer orientation and sales performance ($\beta = .25$; $p < .001$) and long-term customer orientation and internal knowledge brokering ($\beta = .16$; $p < .002$) are significant as predicted (H8 and H9 supported).

Key Contributions

This paper empirically confirms the relationships between systems thinking and design thinking as likely being part of the same nomological network in the context of sales. We inform the Design Thinking, Systems Thinking, and Sales community that when salespeople apply systems-savvy selling (think and behave like designers (with a little “d”) enhanced by systems thinking), there is a shift in perspective from individual parts of the role to more holistic thinking

where mental models shed their mechanistic and linear framing to allow, for the emergence of process thinking or what Capra and Luisi (2014) describe as perceiving the world as an “interconnected web of relationships.”

In practical terms, systems-savvy selling provides clarification from which an individual can make broader informed decisions within the desired problem space. The continuous-interpretive act allows the salesperson to see things more holistically: elements, interconnections, and purpose. Seeing and behaving as designers (little “d”) motivates salespeople to tackle a multi-year, multiphase project based on a new way of seeing how the system can fit together. While approaching problems in this way makes them a much larger problem regarding scope, scale, and expense, it becomes something that can create real value for both the seller and buyer as it helps resolve tough systemic problems leading to improved knowledge and thereby improved value (co)creation. We argue these frameworks equip salespeople with the cognitive tools to avoid the one-size-fits-all pitfall and to focus on the specific need(s) of the heterogeneous customer base.

References are available on request.