

Alternative mechanisms guiding salespersons' ambidextrous product selling

Citation for published version (APA):

van der Borgh, M., de Jong, A., & Nijssen, E. J. (2017). Alternative mechanisms guiding salespersons' ambidextrous product selling. *British Journal of Management*, 28(2), 331-353. <https://doi.org/10.1111/1467-8551.12148>

DOI:

[10.1111/1467-8551.12148](https://doi.org/10.1111/1467-8551.12148)

Document status and date:

Published: 01/04/2017

Document Version:

Author's version before peer-review

Please check the document version of this publication:

- A submitted manuscript is the version of the article upon submission and before peer-review. There can be important differences between the submitted version and the official published version of record. People interested in the research are advised to contact the author for the final version of the publication, or visit the DOI to the publisher's website.
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Published in:
British Journal of Management

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Document Version
Author's version before peer-review

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FORTHCOMING IN BRITISH JOURNAL OF MANAGEMENT

PRE-PROOF VERSION

Alternative Mechanisms Guiding Salespersons' Ambidextrous Product Selling

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Acknowledgment: The authors thank Jan Wieseke, Jeroen Schepers, Michael Ahearne, and Martha Chorney for their comments on previous versions of this article.

Alternative Mechanisms Guiding Salespersons' Ambidextrous Product Selling

Abstract

Ambidextrous product selling strategies, in which companies have their salespeople concurrently pursue the sale of existing and new products, are hard to implement. Previous studies have studied this issue for relatively simple consumer settings with the manager in close proximity to the salespersons and focusing on different levels of control and autonomy to resolve this issue. However, little is known about how field salespeople can be influenced to proactively pursue such dual goals for more complex business-to-business products. In this study, the authors distinguish between salespeople's proactive selling behaviour for new and existing products and study the impact of two alternative mechanisms: a situational mechanism (i.e., perceived manager product-selling ambidexterity) and a structural mechanism (i.e., salesperson organizational identification). Using a time-lagged, multisource data set from a large ambidextrous company, the authors demonstrate that both mechanisms contribute to salespeople's proactive selling of new and existing products, but also act as each other's substitutes. The results suggest two most likely strategies for salespeople to obtain overall sales targets: (1) focusing on existing product selling or (2) acting ambidextrously. The latter approach offers the benefits of better obtaining ambidextrous company sales goals and of greater performance stability and thus is preferred.

Keywords: ambidexterity, new and existing product sales, proactive selling, organizational identification

INTRODUCTION

Salespeople play a decisive role in the successful implementation of a firm's ambidextrous product selling strategy. Such a strategy requires a simultaneous focus on the sale of existing products (i.e., exploitative selling) and on the sale of the company's next generation of products for the market (i.e., explorative selling). However, anecdotal evidence points to companies' frequent failure to implement such a strategy because effectively combining existing and new product selling activities in the frontline is often difficult (Leslie and Holloway, 2006). With nearly half of all business-to-business (B2B) sales leaders emphasize that salespeople need improvement in effectively introducing new products to the market alongside current product offerings (CSO Insights, 2014), the problem seems most prevalent in complex B2B markets and sales settings.

Previous studies (Ahearne *et al.*, 2010; Atuahene-Gima, 1997) suggest that sales people favour sales of current *or* new products. In some companies, salespeople and customers immediately tend to shift their attention to next-generation products (e.g., Oracle, Fujitsu, and IBM's cloud-based solutions; Kovar, 2010), neglecting the sale of current products, which sometimes even leads customers to cancel or defer orders for current products. In other cases, however, salespeople are more conservative. Confronted with customers reluctant to adopt new products (e.g., Veritas Software; Leslie and Holloway 2006), they favour focusing on selling current products with more certain routes to success, than new unproven products. Both scenarios are undesirable since pursuing new product sales at the expense of existing product sales is harmful to a firm's 'bread and butter', while the opposite scenario poses threats of stagnation and complacency.

Recent research shows that in certain settings, firms *can* successfully implement an ambidextrous strategy at the organizational frontline. For example, Jasmand, Blazevic and De Ruyter (2012) demonstrate that ambidextrous behaviour of service employees in call centres

(i.e., combining service and sales activities) leads to positive outcomes, including more synergy, greater customer satisfaction and better sales performance. In addition, Van der Borgh and Schepers (2014) show that in a retail setting, an ambidextrous product-selling strategy can lead to positive outcomes, revealing that sales managers who pursue an ambidextrous sales strategy—by using mechanisms such as autonomy and performance feedback—generate higher profits per salesperson.

Although these previous studies have provided valuable insights on the role of ambidexterity in a sales context, their results are limited to situations where employees are in close proximity to their managers and operate in relatively simple consumer settings (e.g., Jasmand et al. 2012; Van der Borgh and Schepers 2014). However, B2B field salespeople typically work in more complex settings characterized by lower levels of manager monitoring of their day-to-day activities (Spiro, Rich, and Stanton 2007) where most work behaviours cannot be described in advance (Schmitz and Ganesan 2014). Unable to anticipate and control the diversity of problems encountered by salespeople in the field, managers must rely on subordinates' "local knowledge" and self-starting proactive behaviours to address those problems. So, proactive selling behaviour from salespeople is required, consisting of taking initiative and anticipating opportunities in selling products (Belschak, Den Hartog, and Fay 2010; Strauss, Griffin, and Rafferty 2009). The question is which other effective guiding mechanisms can be used?

In this study we address this question and posit that to reach ambidextrous sales goals under these conditions, organizations need to take into account a wider set of organizational guidance mechanisms. Specifically they should consider mechanisms beyond the role of the sales manager and the level of alignment required for success. We make three important contributions.

First, we extend previous studies examining ambidexterity at the frontline under close supervision (e.g., call centre; retail stores) to more complex B2B field settings. Consistent with this, we switch from a manager-initiated-control (e.g., autonomy provided by the manager) to an employee-initiated control perspective (Hartline, Maxham III, and McKee 2000). We focus on proactive selling behaviour, which refers to taking initiative in selling products, anticipating opportunities rather than threats, and persisting in the sale of products until customers have adopted them (e.g., Pitt, Ewing and Berthon, 2002). Based on the ambidexterity literature, we distinguish between two types of proactive behaviour at the individual salesperson level—namely, salesperson proactive selling of new and existing products, and conceptualize and develop measurement scales for both types.

Second, we add to research on frontline ambidexterity by simultaneously examining the impact of two guidance mechanisms: Salesperson's organizational identification (OI) and sales manager's product-selling ambidexterity. Manager product-selling ambidexterity is a situational mechanism that actively directs attention and effort, while a salesperson's OI is an underlying structural mechanism that guides employee thinking and behaviour (Wieseke et al. 2007). Salesperson's OI and the manager together are critical factors in motivating peripheral employees (Wieseke et al 2009). Both types of mechanisms influence proactive behaviour (Strauss et al. 2009), but it remains unknown how these mechanisms operate and interact in situations where proactive behaviour is at the discretion of the employee. We explore their interplay by examining the potential for substitution (as the effect of one mechanism decreases, the level of the other mechanism increases; e.g., Siggelkow, 2002) or complementarity (both mechanisms strengthen each other's effects).

Finally, we extend previous studies on ambidexterity in the frontline offering a detailed view of the impact of selling behaviour on individuals' objective sales performance. Given that sales targets often are directly derived from strategic sales goals (e.g., increase in

market share or shareholder value), it is important to understand how individual salespeople's allocation of behavioural effort can contribute to the firm's ultimate performance (Jones *et al.*, 2005). In doing so, we add to prior research on firm-level ambidexterity (O'Reilly and Tushman, 2004) and the emerging research on individual-level ambidexterity among sales and service employees (e.g., Jasmand, Blazevic and De Ruyter, 2012; Van der Borgh and Schepers, 2014).

THEORETICAL BACKGROUND

Conceptualizations of Ambidexterity

Organizational ambidexterity refers to an organization's ability to combine various conflicting activities (Tushman and O'Reilly, 1996). The concept draws on March's (1991) notions of exploitation and exploration. Exploitation includes activities such as refinement, implementation and execution, and its aim is to increase efficiency and reliability.

Exploration, in contrast, pertains to activities such as search, experimentation and risk taking and centres on flexibility and creating variability (March, 1991). Firms better able to combine these conflicting demands generally outperform their less proficient counterparts.

Two different views on ambidexterity exist (Gupta, Smith and Shalley, 2006). The traditional view conceives exploration and exploitation as two exclusive activities (March, 1991), and the more recent view emphasizes the opportunities for synergies of these activities by combining and leveraging underlying similarities using high-order mental models (Smith and Tushman, 2005).

The traditional view considers exploration and exploitation as necessary but distinct and opposite activities. Exploration and exploitation activities can conflict because they compete for the same scarce resources. Therefore, they are best balanced over time rather than performed simultaneously. Pursued alternately (i.e., through temporal separation), exploration and exploitation balance can be achieved and, over time, increase performance

for both goals (Gersick, 1991). Accordingly, these concepts are usually operationalized as separate constructs when examining their impact on performance outcomes (e.g., He and Wong, 2004). The other more recent view contends that ambidexterity is the “exploitation and exploration of two orthogonal activities that [can] positively interact” (Uotila *et al.*, 2009, p. 1). The assumption is that opportunities for synergy of these activities are possible, resulting in superior performance (Smith and Tushman, 2005). This measure is typically used to assess activities that can be performed simultaneously, which is generally easier at the manager, group or organizational level than at the individual level (Gupta, Smith and Shalley, 2006). To capture these synergies, scholars mainly use a multiplicative measure for ambidexterity (e.g., Jasmand, Blazevic and De Ruyter, 2012).

Following Gupta, Smith and Shalley (2006), we adopt the traditional view to conceptualize salesperson ambidextrous selling behaviour as consisting of two separate constructs that likely trade off. Although salesperson selling behaviours for new and existing products share some clear commonalities at a deeper cognitive level (e.g., being aware of opportunities for both these products), salespeople also face behavioural trade-offs with regard to which activity to actually engage in. For example, salespeople under an ambidextrous sales manager may be very willing to adopt an ambidextrous product-selling mind-set and be more motivated to sell both new and existing products. However, during a single sales encounter these activities are often less or not complementary. Moreover, the sale of package deals that consist of new and existing products (e.g., combining the sale of a new multifunctional printing system with an existing software package) is typically less convenient and thus less likely than the sale of package deals that consist of only new or only existing products. Sometimes new and existing products may even cannibalize each other. For example, the sale of new cloud-based solutions comes at the expense of selling existing in-house business solutions.

Salesperson product selling ambidexterity and cross-selling are related but different concepts. While both reflect situations in which multiple products are sold simultaneously, cross-selling does not necessarily mean selling current and new products which may belong to the *same* product category and be substitutes. For illustrative purposes Figure 1 shows six scenarios of the case where a salesperson sells two products (new and/or existing from product categories A and/or B) and highlights the overlap and difference between both concepts.¹

< Insert Figure 1 about here >

In contrast, following the more recent view, we conceptualize ambidextrous product selling at the manager level as the degree to which sales managers synergize the pursuit of multiple product-selling goals when guiding their subordinates and use a multiplicative measure (Gupta, Smith and Shalley, 2006). Ambidextrous managers signal to subordinates the equal importance of selling new and existing products. A synergetic effect occurs as this prevents subordinates to neglect selling opportunities for either new or existing products.

Guiding Mechanisms for Implementing a Firm's Ambidextrous Product Selling Strategy

When working under an ambidextrous selling strategy and manager, field salespeople need to engage in self-starting, proactive behaviours for the sale of both new and existing products. To obtain sales targets, salespeople should keep on the lookout for emerging needs for new and existing products but also anticipate and deal with potential problems. For a company, guiding the proactive behaviours of their field salespeople is generally more difficult as there occur less opportunities for managers to directly monitor and control subordinate behaviour. So, besides managerial guidance, it is of importance to consider alternative organizational mechanisms that can guide employee behaviour towards desired goals.

Research on proactive behaviour (e.g., Liu et al. 2010; Strauss et al. 2009) emphasizes that, next to leadership (as a situational mechanism), social identification (as a structural mechanism) is of importance to guide employees' proactive behaviour. This is consistent with ambidexterity literature which indicates that both situational (e.g., Gibson and Birkinshaw, 2004) and structural (e.g., Benner and Tushman, 2003) mechanisms are essential for channeling employees' attention and effort toward strategic activities (Hoffman and Ocasio, 2001). Situational mechanisms link sales employees' attention to specific selling objectives through daily communications with influential others in their organization (e.g., Martin and Bush, 2006). Structural mechanisms of attention are rooted in the wider organizational environment and involve the broader social and cultural processes that guide employees' thinking and acting (Hoffman and Ocasio, 2001). In this study we consider sales manager's product-selling ambidexterity as an important situational mechanism and salesperson's organizational identification (OI) as an important structural mechanism. First, sales manager's product-selling ambidexterity as a situational leadership behaviour is important in guiding salesperson selling efforts (Van der Borgh and Schepers 2014). The sales manager is typically the most influential due to his or her formal status, direct personal contact and pivotal role in salespeople's performance evaluation (Wieseke, Homburg and Lee, 2008). Manager communications about desired goals are an important mechanism for guiding proactive behaviours (e.g., Detert and Burris 2007). Thus, if a sales manager has an ambidextrous product-selling orientation it is likely that it influences salespeople's proactive selling behaviour for new and existing products.

Second, a key component of the social structures of attention (Hoffman and Ocasio, 2001) is OI. OI reflects the level of personal unity of a salesperson with organizational goals, values and norms (Ahearne *et al.*, 2013) and is particularly important to guide field employees' behaviour (Wieseke *et al.*, 2009). A recent meta-analysis (Thomas, Whitman,

Viswesvaran, 2010) demonstrated that OI is a critical mechanism through which organizations can align individual and organizational goals and facilitate proactive behaviour. Identification helps salespeople behave in organization-typical ways and encourages an organization-congruent identity (Haslam, Powell and Turner, 2000). Therefore, if an organization has goals, values and norms that foster ambidextrous product selling, it is likely that high identifiers will proactively engage in congruent activities.

Findings on how leadership and social identification affect employees' proactive behaviour are mixed. While some studies show that leadership influences an employee's proactive behaviour via social identification (e.g., Strauss et al. 2009), other studies show direct effects of both mechanisms on proactive behaviour (e.g., Liu et al. 2010). Given that both mechanisms incorporate motivational aspects we extend proactivity literature and research on frontline ambidexterity by examining whether both mechanisms complement or substitute each other when promoting proactive behaviour (See Figure 2).

< Insert Figure 2 about here >

MODEL DEVELOPMENT AND HYPOTHESES

Impact of sales manager product-selling ambidexterity

Manager product-selling ambidexterity reflects the importance a manager places on the exploration of new *and* the exploitation of existing product sales, as perceived by the salesperson (i.e., representing a dual orientation). It channels the salesperson's attention, time and selling efforts toward related tasks and issues and signals the importance of both selling tasks. While subordinates may be confused how to distribute their resources between both selling tasks, ambidextrous managers will pay attention to encouraging and motivating salespeople to mobilize their decision-making skills and local knowledge regarding the full spectrum of sales behaviours (Marinova, Ye and Singh, 2008; Van der Borgh and Schepers, 2014). Thus, in addition to signalling the importance of both selling behaviours,

ambidextrous sales managers also signal that they can be combined. Moreover, it helps to motivate the salesperson; the 'can-do' signal sends the positive message that salespersons can successfully combine the tasks. According to the broaden-and-build theory (Fredrickson, 2001) such positive motivation and associated positive feelings broadens pathways for salespeople to take initiative to explore opportunities for new and existing product selling and persist in these activities when opportunities have been identified. Therefore we posit:

H₁. A sales manager's ambidextrous selling orientation has a positive effect on salespeople's proactive selling of (a) new and (b) existing products.

Impact of OI

Frontline employees of ambidextrous organizations who strongly identify with the goals, values and norms of their organization are more likely to engage in behaviours that are congruent with salient aspects of the organization's mission (Ashforth and Mael, 1989; Wieseke *et al.*, 2009). They work to accomplish short- and long-term organizational goals. Employees engage in these behaviours to reinforce the link between their own values and beliefs and those of the organization.

Research shows that OI promotes problem solving and flexible behaviour (Hirst, Van Dick and Van Knippenberg, 2009) and provides values and norms that make the learning process systemic (Jasmand, Blazevic and De Ruyter, 2012). Therefore, salesperson OI should facilitate addressing trade-offs responsibly and implementing the firm's ambidextrous selling strategy effectively. When working in ambidextrous organizations, salespeople who strongly identify with their organization should be more willing to engage proactively in the sale of both new and existing products. These activities foster an innovation's success in the marketplace and capitalize on business from the existing product range. Thus, high identifiers not only accept these potentially conflicting sales goals but also feel intrinsically motivated to expend effort to actively obtain them (Wieseke *et al.*, 2009). Prior research supports this line

of thinking by showing that boundary spanners who identify with their market-oriented companies tend to be highly customer conscious and effective (Gronroos, 1990). Therefore,

H2. A salesperson's OI has a positive effect on salespeople's proactive selling of (a) new and (b) existing products.

Interplay between sales manager product-selling ambidexterity and OI

Previous studies provide conflicting arguments and evidence on whether structural and situational mechanisms enhance or substitute for each other (e.g., Mom, Van den Bosch and Volberda, 2009). On the one hand, salesperson OI and perceived manager product-selling ambidexterity may enhance each other's effect on a salesperson's decision to pursue both new and existing product sales. The broad scope and enthusiasm of ambidextrous sales managers may trigger the corresponding broad spectrum of goals, values and norms of high-OI salespeople of ambidextrous organizations, making their OI more impactful (e.g., Ullrich *et al.*, 2007) and enhancing its effect on their proactive behaviour to sell new and existing products. Yet on the other hand, several scholars emphasize that shared organizational values, such as OI, may substitute for leadership variables and reduce demand for a formal leader in certain circumstances (Podsakoff and MacKenzie, 1997). For example, Den Hartog, De Hoogh and Keegan (2007) demonstrate that charismatic leadership has a weaker impact on employees' helping and compliance when employees already "connect" or feel a strong sense of belongingness with their work group. Similarly, OI could substitute for leadership and thus mitigate the impact of sales managers' ambidexterity on salespeople's proactive selling behaviours.

Because it is deeply ingrained in individuals' cognitive, affective and evaluative commitment, we expect the structural mechanism of OI to substitute the effect of the managerial directives of an ambidextrous manager on employee behaviour. Indeed, high identifiers may be less sensitive to manager guidance in the first place, because employees

who self-regulate their behaviour use information from a wide variety of organizational sources and therefore will be less receptive to the influence of direct supervisors (De Stobbeleir, Ashford and Buyens, 2011). Consequently, we anticipate a substitution effect: high-OI salespeople are less likely to be influenced by ambidextrous sales managers than their low-OI counterparts. Thus,

H3. Organizational identification interacts with manager product-selling ambidexterity, such that manager product-selling ambidexterity has the most significant, positive impact on salespeople's proactive selling of (a) new and (b) existing products when salesperson OI is low.

Consequences of proactive selling

The final step of our framework involves the relationship between salespeople's proactive selling and sales performance. Proactiveness offers a powerful predictor of sales and service outcomes (Crant and Bateman, 2000; Pitt, Ewing and Berthon, 2002; Porath and Bateman, 2006). However, selling new products is inherently more difficult, risky and uncertain than selling existing products (e.g., Ahearne *et al.*, 2010). Whereas proactively selling new products is characterized by developing and experimenting with novel and customized approaches to meet heterogeneous and unpredictable customer needs, proactively selling existing products builds more on fine-tuning and improving standardized solutions for customers' varying needs. As a result, we expect that proactively selling new products is a more demanding task that has a lower success rate in terms of targets obtained than proactively selling existing products. Thus,

H4. The positive effect of proactively selling new products on new product sales performance is weaker than the positive effect of proactively selling existing products on existing product sales performance.

EMPIRICAL STUDY

Research setting, sample and procedure

To test our conceptual model, we selected a large European information and communication technology (ICT) company that has two main strategic objectives consistent with those of competitors in the industry: (1) sell existing products to obtain short-term goals, such as quarterly quotas and preservation of its market leadership, and (2) develop and sell new products to address long-term developments, such as changes in technological platforms, customer needs and competitor moves. Thus, its product portfolio is mixed and highly dynamic: at the time of our study, 24% of the firm's total annual revenue came from the sale of new products, and the entire portfolio changed every 3.5 years on average. In the study's time frame, the company employed approximately 14,000 people and operated in more than 90 countries. The field sales force focused on a fixed set of approximately 500 business accounts. A pre-test of 31 sales managers responding on a five-point scale confirmed that the firm's mission was to exploit ($M = 4.1$) and explore ($M = 4.3$) technology to create superior value for customers.

The company sells ICT products, such as workspace management systems, connectivity solutions and data centres, with short life cycles. During the time of study, the company introduced several new, cloud-based solutions that indicated a break with the existing in-house business solutions, required changes in customer work processes (Johnson, Whittington and Scholes, 2014) and created a new buying task context for customers. The complexity of the sales process meant that a sale could take several months to complete. We collected data from two sources. First, we used a survey to gather salesperson data; 154 of 244 employees (response rate = 63%) from 31 units completed the questionnaire items related to our conceptual model. Second, six months after the survey, we collected each salesperson's sales performance for new and existing products from company records. We selected this six-month time interval on the basis of managerial input.

Sampling and measurement

To develop the survey, we began with a review of relevant literature and exploratory qualitative grounding exercises. We conducted in-depth interviews with sales managers, salespeople and sales support staff to gain familiarity with the firm and the sales setting as well as obtain the firm's commitment for this study. We constructed a draft questionnaire and pre-tested it with six company managers and two industry experts; we then made minor wording adjustments on the basis of the pre-test to ensure applicability. Using the results of the interviews and pre-tests, and considering industry-specific aspects (e.g., average product life cycle, sales process duration), we defined new products as those introduced in the 12 months prior to the survey; we considered any products that had been in the portfolio for more than 12 months existing products. This designation matched with the innovative cloud solutions and previous-generation products and solutions. The time interval also reflected the company's assertion that the success of these new product sale efforts could best be assessed after a period of one year.

All study constructs used multiple items and five-point Likert scales (1 = "strongly disagree," and 5 = "strongly agree"). We provide the measures in Table 1 and the scale reliabilities and other descriptive statistics in Table 2.

Perceived manager product-selling ambidexterity. To measure manager product-selling ambidexterity, we relied on a scale developed by Van der Borgh and Schepers (2014). After pre-tests, we matched the items with the context under study. This scale uses salespeople's perceptions of their manager's selling orientation as a key variable, because in an organizational unit, employees' interpretations of managerial decisions and priorities are salient determinants of employee behaviour and performance (Marinova, Ye and Singh, 2008). Following prior research (e.g., Van der Borgh and Schepers, 2014), we chose a multiplicative measure of managers' selling orientation toward the sale of new and existing

products to operationalize this dual, ambidextrous orientation because this method offers a better measure of the synergetic effect.²

Proactive selling. For salesperson behaviours, we developed two proactive selling scales for new and existing products based on scales of De Jong and De Ruyter (2004) and Bateman and Crant (1993). We rely on self-rated measures of proactive behaviour because only field employees themselves are aware of the subtle things they do in their work that make them proactive or creative (Shalley, Gilson and Blum, 2009).

OI. Consistent with previous sales research, we used a self-rated operationalization of Mael and Ashforth's (1992) six-item OI scale.

Controls. We included several formal control variables: salesperson age, employee–manager dyadic tenure, team tenure, team rewards, long-term rewards, quota and business line support. Consistent with previous research, we also included age, employee–manager dyadic tenure and team tenure as potential influences on individual new and existing product sales performance (Ahearne *et al.*, 2010; Wieseke *et al.*, 2009). Team and long-term rewards are formal mechanisms to influence sales performance. We adapted these scales from Wei and Atuahene-Gima (2009). To control for market conditions, we included quotas from the company records, which were not specific to new or existing products (Fu *et al.*, 2010). Finally, we controlled for business line support, that is, salespeople's perceptions of the internal service and communication across business lines and the sales force, as measured by De Jong, De Ruyter and Lemmink's (2004) interteam support scale.

Sales performance. Objective measures of sales performance for new and existing products came from the company's database. Following Joshi, Liao and Jackson (2006) and Wieseke *et al.* (2009), each measure expressed sales performance as a percentage of the salesperson's sales target. Scores above 100 indicated that he or she had exceeded the sales target, and scores below 100 indicated failure to do so. Sales revenue targets were set at the

corporate level. To permit meaningful performance comparisons across all sales employees (company-wide), the investigated company used historical benchmarking to ensure that salespeople were assigned revenue goals of equal difficulty. Our sales performance for new products measure showed a somewhat high kurtosis and skewness. Therefore, during the analyses we tested whether this violated normality assumptions by transforming the variable (i.e., log transformation), but the results proved robust.

< Insert Tables 1 & 2 about here >

Measurement validation

The data analysis consisted of two consecutive stages. First, we explored the factor structure of the scales of the compositional constructs, entering the items simultaneously in a principle component analysis. Eight factors emerged, and all items loaded on the a priori defined scales (cross loadings < .40). Second, we performed confirmatory factor analysis (CFA) to assess the validity of the measures. The CFA showed adequate fit ($\chi^2 = 860.14$; d.f. = 566; NFI = .90; NNFI = .93; CFI = .94; SRMR = .066; RMSEA = .058). Since including more than five constructs creates stringent sample size demands (Hair *et al.*, 2006), Bentler and Chou (1987) recommend analysing sub models. We therefore also ran two separate measurement models, grouping related constructs. The first CFA grouped the sales managers' orientations and proactive selling scales ($\chi^2 = 400.33$; df = 164; NFI = .89; NNFI = .92; CFI = .93; SRMR = .073; RMSEA = .064). The second CFA analysed OI, business line support, team-based rewards, and long-term rewards ($\chi^2 = 135.79$; df = 98; NFI = .92; NNFI = .97; CFI = .98; SRMR = .059; RMSEA = .051). Results of the sub model CFA's are similar to the full CFA and thereby suggest sufficient fit with the data (see Table 1). The scales also achieved sufficient reliability, with composite reliabilities varying between .76 and .89 (Nunnally and Bernstein, 1994). Furthermore, with a few exceptions, the item reliabilities were above the recommended value of .40 (Bagozzi and Baumgartner, 1994). However,

prioritizing conceptual concerns in indicator selection over maximizing internal consistency (e.g., Little, Lindenberger, and Nesselroade 1999; Homburg, Müller, and Klarmann 2011), and because the variance extracted was greater than .50 for each construct (cf. sales managers' orientation toward the sale of new products = .48) in support of convergent validity, we decided to retain these items in our final analysis. Finally, the data also indicated the discriminant validity of the constructs, because each variance extracted exceeded the average variance shared with any other construct.

Analyses

To test our hypotheses, we estimated multilevel multivariate regression models using MLwiN software (Rasbash *et al.*, 2000). The Appendix provides the model specifications.

The model estimation consisted of four steps: Specify the covariance terms among the dependent variables, include the control variables, add the antecedents and specify the two- and three-way interaction terms in the model. We grand-mean-centred all independent variables before creating the product terms to enable model convergence (Lee, Sog and Poon, 2004) and also facilitate the interpretation of the coefficients (Cohen *et al.*, 2003) without altering the underlying data (Echambadi and Hess, 2007). With mean-centred data, the coefficients of the independent variables capture the main effects at the mean level of the other independent variables. Multicollinearity was not a problem; across the regression models, the highest variance inflation factor was 1.9, below the suggested cut-off value of 2.5 (Allison, 1999). For the model with proactive behaviours as the dependent variable, the condition number was 2.23; for the model using sales performance, the condition number was 8.16. Both values thus were well below the suggested cut-off value of 30 (Cohen *et al.*, 2003).

To formally test H₄, a so-called informative hypothesis in which inequalities (< or >) between β_{jh} 's are hypothesized, we used the BIEMS software (Mulder *et al.*, 2009). In

contrast to traditional approaches (e.g., Paternoster *et al.*, 1998), this approach can account for the direction of a hypothesis while including other variables as covariates. It uses the Bayes Factor (BF) as a selection criterion when testing the inequality constrained models (Mulder *et al.*, 2009). The Bayes factor can be interpreted as the amount of evidence in favour of the constrained model M_q against the unconstrained (or most complex) model M_{q0} (Mulder *et al.*, 2009). When $BF > 1$, the odds are in favour of model M_q .

RESULTS

Influence of guidance mechanisms on proactive selling

In Table 3, we report the results of the hypothesized effects of the antecedents of perceived manager orientation on a salesperson's proactive selling. The consecutive models provide significantly better fit ($\chi^2_{14} = 28.287, p < .001$; $\chi^2_{10} = 26.587, p < .01$) and explain increasingly more variance.

< Insert Table 3 about here >

The results indicate a positive effect of a sales manager's ambidextrous selling orientation ($ORNEW \times OREX$) on the proactive sales of new products (Model 3a: $\beta = .263, p < .01$), in support of H_{1a} , and of existing products (Model 3b: $\beta = .218, p < .05$), in support of H_{1b} . In Figure 3, Panels A and B, we present these interaction effects graphically to facilitate their interpretation. If sales managers with a high orientation toward the sale of new products adopt the opposite orientation as well, thus becoming ambidextrous, the initially negative crossover effect of their orientation toward new products on the proactive selling of existing products disappears and becomes neutral (see Figure 3, Panel B). If sales managers who have a high orientation toward the sale of existing products adopt an ambidextrous selling approach, the initially negative crossover effect of their orientation on the proactive sale of new products turns very positive (Figure 3, Panel A).

< Insert Figure 3 about here >

The main effect for our second motivational mechanism, namely, salesperson OI on selling new and existing products, was positive in both cases (Model 3a: $\beta = .285, p < .001$; Model 3b: $\beta = .192, p < .01$), in support of both H_{2a} and H_{2b}. We also found two negative three-way interaction effects related to the moderation by salesperson OI and manager product-selling ambidexterity (see Table 3; Model 3a: $\beta = -.278, p < .05$; Model 3b: $\beta = -.233, p < .05$), in support of H_{3a} and H_{3b}. In Figure 4, we plot these interaction effects. Both Panels A and B suggest that ambidextrous sales managers are less effective in stimulating the proactive sale of new products if salespeople have a strong OI. These graphs confirm our prior regression coefficient-based interpretations.

< Insert Figure 4 about here >

Regarding the control variables, we found that a sales manager's orientation towards the sale of new products exerts a positive effect on the proactive sales of those new products (Model 3a: $\beta = .164, p < .05$). We also found that the manager's orientation towards the sale of existing products has a positive effect on the proactive sales of existing products (Model 3b: $\beta = .350, p < .001$). Whereas the sales manager's orientation towards new product sales negatively affected proactive selling of existing products (Model 3b: $\beta = -.136, p < .05$), an orientation toward existing product sales did not relate to the proactive selling of new products (Model 3a: $\beta = .052, p = \text{n.s.}$).

We also found a significant negative effect of age on proactive selling behaviour for new and existing products; that is, older salespeople were less proactive. In contrast, the results revealed a positive effect of team tenure on proactive selling of existing products. Finally, we found a significant, positive effect of business line support on proactive sales of new products.

Influence of proactive selling on sales performance

Table 4 shows the results regarding performance outcomes. We found a positive impact of salesperson proactive selling of new products on new products' sales performance (Model 3a: $\beta = .141, p < .001$), as well as a positive effect of proactive selling of existing products on the sales performance of these products (Model 3b: $\beta = .221, p < .001$). The analysis conducted in BIEMS showed that $\beta = .221 > \beta = .141$ as indicated by a BF of 2.44, in support of H₄. In addition, we uncovered a significant negative effect of proactive selling of existing products on new product sales performance (Model 3a: $\beta = -.084, p < .05$) and a similar negative effect of proactive selling of new products on the sales performance of existing products (Model 3b: $\beta = -.105, p < .05$). The BIEMS analysis showed that $\beta = -.105 > \beta = -.084$ as indicated by a BF of 1.84.

< Insert Table 4 about here >

Of the included controls, only long-term rewards had significant, positive effects on new product sales performance. We also found a negative direct effect of a manager's orientation towards the sale of new products on the sales performance for existing products (Model 3b: $\beta = -.123, p < .05$). This finding suggests that a salesperson's proactive selling only partially mediates the link between a sales manager's orientation towards new products and salesperson performance for existing products. This negative direct effect indicates the deleterious consequences of a manager's orientation toward one type of product on employees' performance in relation to the neglected product type. Managers who prefer to sell new products must remain committed to the sale processes of existing products to be able to motivate their sales employees.

Post hoc analyses

To test whether salespeople who combine high levels of new and existing product selling are more effective in terms of target obtainment (e.g., due to synergies in task execution), we also tested for an interaction effect (Table 4). However, none of the

interaction effects between a salesperson's proactive selling of new and of existing products and sales performance for these products proved significant (Model 3a; $\beta = -.011$, $p = ns$; Model 3b; $\beta = .004$, $p = ns$).

To investigate the reasons for the absence of an interaction effect between proactive selling for new and existing products on product-specific performance outcomes, we conducted some additional post hoc tests. We divided the sample of salespeople into four groups based on a median split-sample procedure for both types of proactive behaviour, resulting in an ambidextrous, proactive new, proactive existing, and a 'no-emphasis' group (i.e., consisting of salespeople who scored low on both proactive behaviours). We conducted a series of independent-sample t-tests with bootstrapping procedures (5,000 samples) to examine whether groups differed in mean performance. Consistent with the regression-based results, we found that the proactive existing group scored lower on performance for new products and higher on performance for existing products than all other groups. In addition, we also considered overall performance as an outcome. We present the performance means and variances per group in Table 5. While the no-emphasis group and the proactive new group scored significantly below target, both the proactive existing and ambidextrous group performed above target (both group means > 100 , with a small performance difference between both groups of 3.9, $p = .401$). Interestingly, the variance in performance of the ambidextrous group was significantly lower (16.0 $p = .013$) than that of the proactive existing group, indicating that the ambidextrous group demonstrates higher performance stability than the proactive existing groups. Apparently, salespeople who combine the sale of new and existing products proactively are better able to perform well steadily.

We also explored alternative reasoning in some studies on proactive behaviour in which leadership variables such as manager ambidexterity directly affects OI (e.g., Strauss et al. 2009). To test this alternative route we regressed on salesperson OI all our variables,

including sales manager ambidexterity. The results report a weak positive effect of manager ambidexterity on salesperson OI ($\beta = .166, p = .06$).

DISCUSSION

A recurring theme with sales practitioners is the difficulty to stimulate field salespeople to simultaneously sell new and existing products. Generally, salespeople prefer selling one over the other, which hinders obtaining overall company goals. Next, we discuss the research and managerial implications of our findings.

Research implications

Salespeople's proactive selling for new and existing products. Based on previous research and in-depth interviews we conceptualized and developed measures for proactive selling for new and for existing products at the individual salesperson level of analysis. The measures had good properties and worked well. Our findings show that both types of proactive selling share commonalities (i.e., correlation = .555), but they differently impact performance outcomes. It extends previous research on proactive behaviour in a frontline setting (e.g., De Jong and De Ruyter, 2004; Pitt, Ewing and Berthon, 2002; Porath and Bateman, 2006) by showing that proactive behaviour consists of multiple dimensions. The use of these measures enables us to disentangle the impact of the proactive selling of new and existing products on specific performance outcomes. This finding adds nuance to previous studies on ambidextrous behaviour of frontline employees that were based on the view of ambidextrous behaviour as a multiplicative construct that captures synergetic effects, by showing the relevance to also consider the other view on ambidextrous behaviour as two distinct activities that may compete for scarce resources. Ambidextrous salespeople have to make trade-offs of whether to sell new or existing products during sales encounters. Salesperson ambidexterity differs from sales manager ambidexterity, where individual sales manager activities generally can be easily executed within the same time frame (e.g.,

organizing regular group meetings with subordinates to discuss both new and existing sales policies, practices and procedures), for individual salesperson activities simultaneously selling new and existing products generally is less convenient and may often even be impossible in our setting. By pursuing both selling tasks alternately (i.e., through temporal separation), balance can be achieved and, over time, increase performance for both tasks (compare with Gersick, 1991). We urge future research to explore the longitudinal effects of this selling approach.

The importance of situational and structural mechanisms. Our study is the first to provide empirical evidence that both structural and situational mechanisms are important in driving field salesperson behaviour for new and existing products. We show that, ceteris paribus, salespeople with high OI (i.e., structural mechanism) have a natural tendency to proactively engage in both new and existing product-selling activities. This corroborates Wieseke *et al.*'s (2009) claim with empirical evidence by showing that salespeople with high OI are indeed willing to adopt and sell new products. As Table 3 shows, this effect is stronger for the proactive sales of new ($\beta = .285, p < .001$) than of existing ($\beta = .192, p < .01$) products.

The situational mechanism of manager product-selling ambidexterity is also important in guiding salespersons' product-selling behaviours. We find that only if managers focus on both new and existing products, salespeople are more motivated to reach desired outcomes. This finding is consistent with O'Reilly and Tushman's (2004) recommendation to create an overarching management vision that highlights the importance of combining related, but also potentially conflicting, activities. However, our findings also indicate that if managers prefer one activity over the other, it has detrimental effects on salespeople's proactive selling (see Figure 3). In such settings, a managerial selling orientation on a specific product evokes a stronger compliance from salespeople with that particular orientation to minimize and avoid

the risk of not meeting managerial expectations (Fu *et al.*, 2010). As a result, salespeople may refrain from other, more fruitful selling opportunities.

In contrast to previous studies that found that OI reinforces a manager's influence on employee outcomes (e.g., Lam, Kraus and Ahearne, 2010), our results suggest that salesperson OI and manager product-selling ambidexterity substitute each other. This seems to juxtapose findings of previous studies that reveal a positive interplay between manager OI and manager perceptions of their own role modelling behaviour (e.g., Lam, Kraus and Ahearne, 2010). However, the present study examines the interplay between salesperson OI and salesperson perceptions of manager role behaviour. This suggests that manager OI and salesperson OI play different roles in driving field salesperson behaviour: Whereas high manager OI can reinforce the impact of his or her own behaviours on salesperson behaviour by showing a clear and consistent signal (i.e., complement), high salesperson OI may reduce or even eliminate the impact of the manager (i.e., substitute). We urge further empirical studies on these effects.

Interestingly, Table 3 shows that the 2-way interaction between OREXT and OI shows the same pattern of results as the 3-way interaction (ORNEW \times OREXT \times OI). This suggests a stronger substitution effect from OI for a manager's encouragement to sell existing products than for his/her stimulation to engage in new product selling. A possible explanation is that the sale of existing products is salespeople's default option for accomplishing individual and company targets.

The sales performance consequences of proactive selling. Our research is the first to demonstrate the effect of proactive selling behaviours on product-specific target obtainment. We empirically demonstrate that combining proactive selling for both new and existing products (i.e., ambidextrous product selling of the salesperson) is not synergetic in our research setting (Table 4: Model 3a: $\beta = -.011$, $p = n.s.$; Model 3b: $\beta = .004$, $p = n.s.$). Post

hoc analyses reveal that salespeople with an ambidextrous selling approach on average do not outperform colleagues with dominant existing product selling approach. However, the results do suggest that an ambidextrous selling approach leads to more stability in obtaining overall sales targets when compared to a dominant existing product selling approach (i.e., lower *variation*). As such, our data lend support to the notion that an ambidextrous product selling strategy does have value for an individual salesperson's target performance, especially in terms of decreasing variation in obtaining targets. It would seem that the engagement in both behaviour leads to positive spill over effects. Possibly these individuals do have more customer need knowledge and thus are more versatile in matching needs and solutions (compare Homburg, Müller and Klarmann, 2011). Given the exploratory nature of our findings, we urge future research to examine the nature of the synergies between both selling activities and salesperson performance outcomes in terms of level *and* variation.

Managerial implications

In response to firms' continuing difficulty when launching their next generation of products alongside their existing business activities, more insights are needed to help managers identify, allocate and balance selling activities for new and existing products.

Salesperson product-selling ambidexterity. Our findings indicate that when salespeople combine selling behaviour for new and existing products, they do not outperform their colleagues who only focus on selling established products. Nevertheless, combining the proactive sale of new and existing products is still preferred as it offers the benefit of better obtaining ambidextrous company sales goals. Moreover, our results reveal that such an ambidextrous approach leads to more stability in their performance, which adds to the firm's competitive advantage. While both the approach of focusing on selling existing products and the ambidextrous product-selling approach are useful, most likely not all individuals will be equally suited to engage in ambidextrous selling. A such a review of staff may be made. It will

provide valuable information for intelligent matching of salespeople and customers (Jasmand, Blazevic and De Ruyter, 2012). Customers with higher uncertainty in preference for new or existing product offerings could be routed to salespeople with a high level of ambidextrous selling behaviours; those with a clear preference for either new or existing products should deal with salespeople who adhere to the respective product selling approach. Such routing may help maximize target obtainment for the organization.

Optimizing the utilization of scarce managerial resources. Our results also demonstrate the importance of understanding the interplay between salesperson OI and manager product-selling ambidexterity, which leads to two important insights for managers. First, companies should invest in training programs that ensure field employees' awareness of and alignment with ambidextrous strategic goals, norms and values. This is important because it not only motivates employees to engage in a range of strategically important selling behaviours but also compensates for poor day-to-day management. In designing sales force training modules, it seems advisable for top managers to express their support for ambidextrous selling behaviour and explain the strategic importance of salespeople's work to the organization. In training sessions, salespeople should be given the opportunity to elaborate on their personal goals, values and norms and to reflect on and discuss how they invest effort and attempt to meet performance standards in the context of an ambidextrous product-selling strategy. Second, in field sales setting managers should focus their scarce time and effort on salespeople who do not (yet) or have a low identification with the organization. This ensures that management time is spent on those salespeople who will benefit from it most.

Implications for salesperson recruitment. Our results demonstrate the usefulness of OI in guiding salesperson behaviours in the field, even after controlling for variables such as age, autonomy, incentives and business line support. Given the widespread availability of

measures of OI, this variable can be easily included in firms' recruitment processes in evaluating a potential employee's fit with organizational goals, norms and values. Such a person–organization fit has additional positive outcomes, such as job satisfaction (Kristof-Brown, Zimmerman and Johnson, 2005), which can increase client satisfaction (Harter, Schmidt, and Hayes, 2002).

Limitations and further research

This study breaks some new ground, but it also has some limitations that suggest avenues for further research. First, we conducted this exploratory study in one industry and used survey data and objective sales records from a single ambidextrous company. Although narrowing the focus of our study helped control for potentially confounding factors, it also limited the generalizability of results. Furthermore, our conceptual model was tested using a relatively small sample size using self-reported measures from salespeople. Future research using different B2B settings and industries using large-scale multisource data would therefore be useful. A fruitful avenue for research would be to compare cross- and up-selling activities for new and existing products. Second, we distinguished between the sale of new and existing products, but other distinctions are possible. We invite researchers to expand our conceptual model by including salespeople's targeting activities for new and existing customers (DeCarlo and Lam, 2015). By distinguishing between product and market combinations, researchers can develop a more fine-grained view of the complex sales. Likewise, future research could explore effects of variation in terms of salesperson's perceived product innovativeness on the relationships in our model. Third, we used self-ratings to assess the front part of our conceptual model. Although our analyses indicated low common method bias, additional research could include ratings from supervisors and peers to improve the reliability of our results. Fourth, we only examined direct effects of proactive selling behaviours on target obtainment. Further research should study the levels and conditions at

which the performance-enhancing effects of employee-level ambidexterity unfold. Finally, the model was tested using data of salespeople working in a company pursuing a dual, ambidextrous strategy. This may affect generalizability of findings. As the influence of OI may differ depending on the specific context (Wieseke et al. 2007), the guiding role of OI may play out differently in non-ambidextrous companies too.³ We urge future research on this topic.

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TABLE 1
Scale Items for Construct Measures

<i>Measures</i>	<i>Factor Loading</i>	<i>t-Value</i>	<i>Item reliability</i>
Sales manager new product orientation (n = 5; CR = .82; AVE = .48)			
My sales manager wants us to devote our time and attention primarily to...			
the selling of new products and services in our assortment.	.69		.48
the development of a sales argument for the new products and services.	.92	9.26	.84
experimenting with the selling tactics for the new products and services.	.75	8.34	.56
the utilization of new selling opportunities for new products.	.58	6.65	.34
spot new, rising needs of customers.*	.44	5.12	.20
Proactive selling of new products (n = 5; CR = .94; AVE = .76)			
Within team Y, I am the one who...			
is always taking the initiative in selling <i>new products</i> .	.84		.70
does not give up easily when encountering a customer to whom it is difficult to sell <i>new products</i> .	.86	13.35	.73
always anticipates potential problems with selling <i>new products</i> .	.85	13.14	.72
is constantly on the lookout to identify opportunities to sell <i>new products</i> .	.91	14.69	.82
actively scans the need for <i>new products</i> .	.90	14.61	.81
Organizational identification (n = 6; CR = .87; AVE = .52)			
When someone criticizes 'company X', it feels like a personal insult.	.69		.48
I am very interested in what others think about 'company X'.	.64	7.36	.42
When I talk about 'company X', I usually say "we" rather than "they."	.74	8.39	.55
'Company X's' successes are my successes.	.74	8.38	.55
When someone praises 'company X', it feels like a personal compliment.	.91	9.83	.83
If a story in the media criticized 'company X', I would feel embarrassed.*	.56	6.44	.31
Business line support (n = 4; CR = .83; AVE = .562)			
The knowledge of the business lines helps us in selling products.*	.52		.27
The business lines act in a responsive manner when we raise issues about products.	.79	6.20	.62
The quality of service delivered by the business lines to salespeople is good.	.80	6.25	.65
The business lines provide good feedback on how to sell products.	.84	6.34	.71
Sales manager existing product orientation (n = 5; CR = .87; AVE = .57)			
My sales manager wants us to devote our time and attention primarily to...			
the selling of existing products in our portfolio.	.67		.44
the selling of upgrades of existing products and services.	.62	6.79	.38
the exploitation of the sales argument for existing products in our assortment.	.77	8.20	.59
the complete utilization of selling opportunities for existing products.	.88	9.02	.77
maximize the sales of existing modules.	.81	8.55	.66
Proactive selling of existing products (n = 5; CR = .89; AVE = .62)			
Within team Y, I am the one who...			
takes the initiative in selling <i>existing products</i> .	.78		.61
does not give up easily when encountering a customer to whom it is difficult to sell <i>existing products</i> .	.74	9.53	.55
anticipates potential problems with selling <i>existing products</i> .	.71	9.06	.50
is constantly on the lookout to identify opportunities to sell <i>existing products</i> .	.87	11.44	.75
actively scans the need for <i>existing products</i> .	.82	10.69	.67
Team-based rewards (n = 3; CR = .86; AVE = .68)			
The pay scheme strongly motivates me to achieve team performance goals.	.89		.79
I am keenly aware how to maximize the team-based part in my	.75	10.47	.57

payment.			
I am strongly motivated by the team-based pay scheme to be innovative and entrepreneurial.	.82	11.51	.67
Long-term rewards (n = 3; CR = .86; AVE = .68)			
I am strongly motivated by the pay system to take a long-term orientation (e.g., revenue growth).	.81		.65
Our pay policies make it possible to achieve long-term (1 or more years) goals.	.92	11.86	.85
Our pay policies make me keenly aware that long-term results (e.g., revenue growth) are more important than short-term results (e.g., O.I.T.).	.73	9.71	.53

Notes: n = scale items; CR = construct reliability; AVE = average variance extracted. To prevent common method variance we took several procedural steps (Conway and Lance's 2010; Podsakoff et al.'s 2003). We collected data on dependent and independent variables from different sources. To ensure confidentiality objective and survey data were matched through individual code numbers. Furthermore, we separated the measurement of predictor and criterion variables in our survey instrument. Although these steps reduced the chance for bias, we carried out Harman's single-factor test (Podsakoff et al. 2003), and found no proof that one general factor accounted for the majority of the variance in a factor analysis. In addition, we performed the test based on Lindell and Whitney (2001), using customer innovativeness (Homburg and Plesser 2000) as a marker variable for the constructs assessed by salespersons. The smallest correlation among manifest variables collected by the survey provides a reasonable proxy for common method variance (Lindell and Whitney 2001). For testing, the correlations need to be adjusted for the marker variable and compared with the observed correlations between salesperson constructs. Based on the fact that all correlation coefficients remained statistically significant at $p < .05$ after adjusting for the marker variable, we conclude that findings of our analyses are not due to common method variance. Overall, we do not consider common method bias a concern for this study. * We also tested the robustness of our model by running a CFA by dropping items with low reliability. This analysis showed similar results as the CFA with all items included.

TABLE 2
Descriptive Statistics and Bivariate Correlations among Constructs

Variables	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1 Age															
2 Team tenure	.229**														
3 Long term rewards	.074	.072													
4 Team-based rewards	.113	-.038	.555**												
5 Business line support	.227**	.016	.143*	.173*											
6 Employee–manager dyadic tenure	.128	.269**	.059	.040	-.038										
7 Quota	-.052	.027	-.021	-.067	-.275**	.114									
8 Sales manager new product orientation	.067	.122	.264**	.169*	.083	.203**	.006								
9 Sales manager existing product orientation	.002	.028	.225**	.153*	.015	.040	.109	.393**							
10 Organizational identification	.065	.197**	.095	.050	.035	.112	.063	.097	.042						
11 Proactive selling of existing products	-.124	.161*	.033	-.002	-.015	-.073	.067	.006	.260**	.228**					
12 Proactive selling of new products	-.040	.141*	-.004	.038	.119	.069	.030	.215**	.038	.307**	.555**				
13 Sales performance for new products	-.034	.121	.139*	.027	-.037	.113	.131	.051	.071	.004	.057	.240**			
14 Sales performance for existing products	-.068	.051	-.049	.030	-.076	-.131	.021	-.251**	-.044	.061	.246**	-.014	-.129		
15 Customer innovativeness	.109	.168*	.125	.080	.147*	.018	.175*	.119	.038	.039	.217	.268	.215	-.016	
Mean	43.720	3.470	2.799	3.400	3.289	1.690	184.242	3.742	4.039	3.683	4.183	4.171	21.692	71.874	3.507
Standard deviation	7.350	3.008	1.071	1.048	.820	1.087	103.000	.741	.702	.787	.703	.783	28.090	47.607	.795

* $p < .05$, ** $p < .01$ (one-tailed).

TABLE 3
Results of Drivers of Proactive Selling Behaviours

Dependent Variables	Proactive Selling of New Products (h = 1)			Proactive Selling of Existing Products (h = 2)		
	Model 1a β (SE) ^a	Model 2a β (SE) ^a	Model 3a β (SE) ^a	Model 1b β (SE) ^a	Model 2b β (SE) ^a	Model 3b β (SE) ^a
Intercept	-.092 (.136)	-.091 (.131)	-.091 (.128)	-.096 (.116)	-.053 (.112)	-.062 (.110)
Control Variables						
Age	-.014 (.009)	-.013 (.009)	-.017 * (.008)	-.016 * (.008)	-.015 * (.008)	-.020 ** (.007)
Team tenure	.047 * (.022)	.042 * (.021)	.032 (.020)	.053 ** (.019)	.054 ** (.019)	.049 ** (.018)
Long-term rewards	-.074 (.074)	-.103 (.074)	-.103 (.069)	.017 (.066)	-.007 (.065)	-.009 (.062)
Team-based rewards	.088 (.075)	.077 (.074)	.097 (.070)	.012 (.067)	.003 (.064)	.013 (.062)
Business line support	.133 * (.066)	.122 * (.065)	.129 * (.061)	.021 (.059)	.022 (.057)	.028 (.054)
EMDT	.001 (.061)	-.010 (.060)	-.015 (.056)	-.079 (.053)	-.070 (.051)	-.070 (.049)
Quota	.049 (.062)	.049 (.062)	.034 (.062)	.052 (.055)	.029 (.054)	.015 (.051)
Main Predictors						
Manager new product orientation (ORNEW)		.213 * (.092)	.164 * (.088)		-.101 (.080)	-.136 * (.078)
Manager existing product orientation (OREXT)		-.016 (.094)	.052 (.091)		.297 *** (.083)	.350 *** (.081)
Organizational identification (OI)			.285 *** (.076)	<i>H2a</i>		.192 ** (.068)
Moderating Effects						
Interactions: 2-way						
ORNEW × OREXT (Manager product selling ambidexterity)			.263 ** (.108)	<i>H1a</i>		.218 * (.096)
ORNEW × OI			.063 (.102)			.128 (.091)
OREXT × OI			-.210 * (.122)			-.222 * (.109)
Interactions: 3-way						
ORNEW × OREXT × OI			-.278 * (.136)	<i>H3a</i>		-.233 * (.121)
<i>Explained Variance (%)</i>	11.4	12.9	25.5	7.1	14.3	23.5
<i>Increase Model Fit</i>						
Step 0 ^b	$\chi^2(2) = 62.251***$					
Step 1	$\chi^2(14) = 20.795$					
Step 2	$\chi^2(4) = 28.287***$					
Step 3	$\chi^2(10) = 26.587**$					

^a Unstandardized coefficients (standard errors in parentheses).

^b Increase in model fit when specifying individual-level and group-level relationships between the dependent variables.

* $p < .05$, ** $p < .01$, *** $p < .001$. Significant coefficients based on one-tailed tests are in boldface.

Notes: $N = 154$. EMDT = employee–manager dyadic tenure. We also tested the model by including autonomy as a predictor to control for alternative explanations (Van der Borgh and Schepers, 2014). Our results report positive effects of autonomy on both behaviours. The inclusion of autonomy does not change our findings, confirming the robustness of our analyses.

TABLE 4
Results of Proactive Selling–Sales Performance Relationships

Dependent Variables	Sales Performance for New Products (h = 1)			Sales Performance for Existing Products (h = 2)		
	Model 1a β (SE) ^a	Model 2a β (SE) ^a	Model 3a β (SE) ^a	Model 1b β (SE) ^a	Model 2b β (SE) ^a	Model 3b β (SE) ^a
Intercept	.159 *** (.047)	.175 *** (.046)	.177 *** (.046)	.714 *** (.078)	.711 *** (.075)	.710 *** (.076)
Control Variables						
Age	-.003 (.003)	-.002 (.003)	-.002 (.003)	-.004 (.005)	-.002 (.005)	-.002 (.005)
Team tenure	.010 (.008)	.010 (.008)	.010 (.008)	.019 (.013)	.012 (.013)	.012 (.013)
Long-term rewards	.045 * (.027)	.057 * (.026)	.059 * (.026)	-.023 (.045)	-.032 (.044)	-.033 (.044)
Team-based rewards	-.013 (.027)	-.018 (.026)	-.019 (.026)	.054 (.044)	.062 (.043)	.062 (.043)
Business line support	.000 (.024)	-.017 (.023)	-.016 (.023)	-.029 (.039)	-.020 (.038)	-.021 (.039)
EMDT	.020 (.022)	.017 (.021)	.018 (.021)	-.052 (.036)	-.035 (.035)	-.036 (.035)
Quota	.031 (.023)	.023 (.022)	.023 (.022)	.004 (.037)	.004 (.036)	.004 (.036)
Manager new prod. orient.	-.007 (.034)	-.048 (.034)	-.047 (.034)	-.173 ** (.056)	-.123 * (.057)	-.123 * (.057)
Manager exist. prod. orient.	.013 (.035)	.044 (.035)	.043 (.036)	.037 (.057)	-.036 (.060)	-.035 (.060)
Organizational identification	-.015 (.029)	-.041 (.029)	-.040 (.029)	.047 (.047)	.035 (.048)	.035 (.048)
Main Predictors						
Proactive selling of new products		.145 *** (.036)	.141 *** (.037)	<i>H4</i>	-.107 * (.060)	-.105 * (.062)
Proactive selling of existing products		-.080 * (.040)	-.084 * (.041)		.220 *** (.068)	.221 *** (.070)
Moderating Effects						
Interactions: 2-way						
Proactive selling of new products × Proactive selling of existing products			-.011 (.024)			.004 (.040)
Explained Variance (%)						
	3.9	16.9	15.6	10.4	14.9	14.9
Increase Model Fit						
Step 0 ^b	$\chi^2(2) = 2.654$					
Step 1	$\chi^2(20) = 27.046$					
Step 2	$\chi^2(4) = 24.132$ ***					
Step 3	$\chi^2(2) = .196$					

^a Unstandardized coefficients (standard errors in parentheses).

^b Increase in model fit when specifying individual-level and group-level relationships between the dependent variables.

* $p < .05$, ** $p < .01$, *** $p < .001$ (one-tailed tests). Significant coefficients based are in boldface.

Notes: $N = 154$. EMDT = employee–manager dyadic tenure. We also tested the model by including autonomy as a predictor to control for alternative explanations (Van der Borgh and Schepers, 2014). Our results report no effects of autonomy on both performance indicators. The inclusion of autonomy does not change our findings, confirming the robustness of our analyses.

TABLE 5
Overview of Mean and Variance for Overall Performance

		N	Mean	S.D.	S.D./ Mean
<i>Overall performance (NP + EP)</i>	No-emphasis (1)	57	88.3	53.7	0.6
	Proactive existing (2)	20	105.5	61.2	0.6
	Proactive new (3)	20	74.1	52.6	0.7
	Ambidextrous (4)	57	101.5	45.1	0.4

FIGURE 1
The Difference Between Cross-selling and Product Selling Ambidexterity

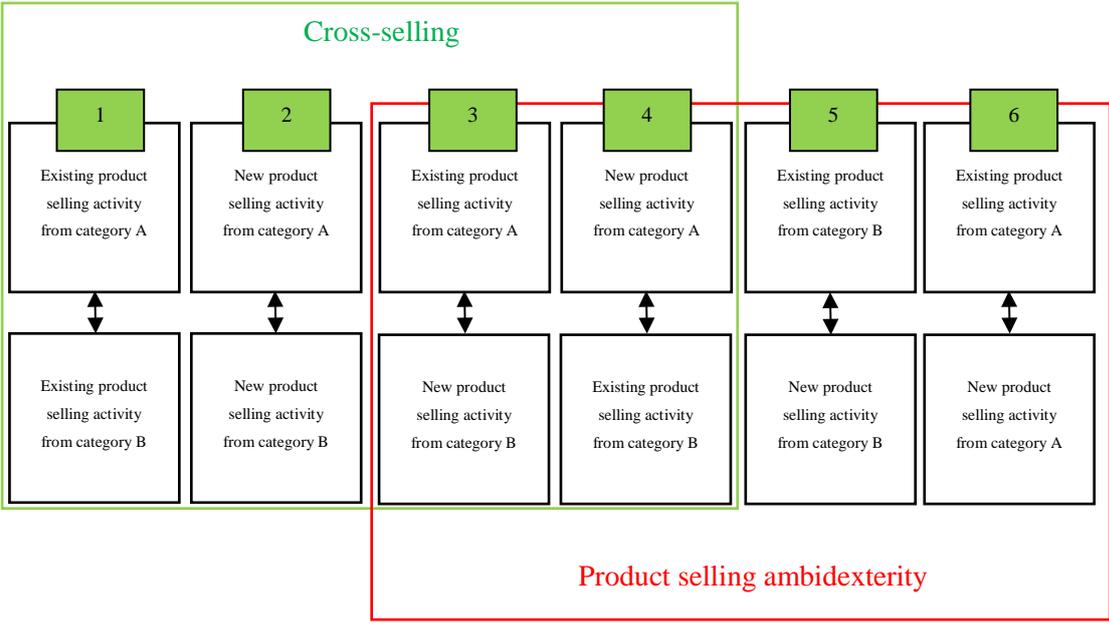
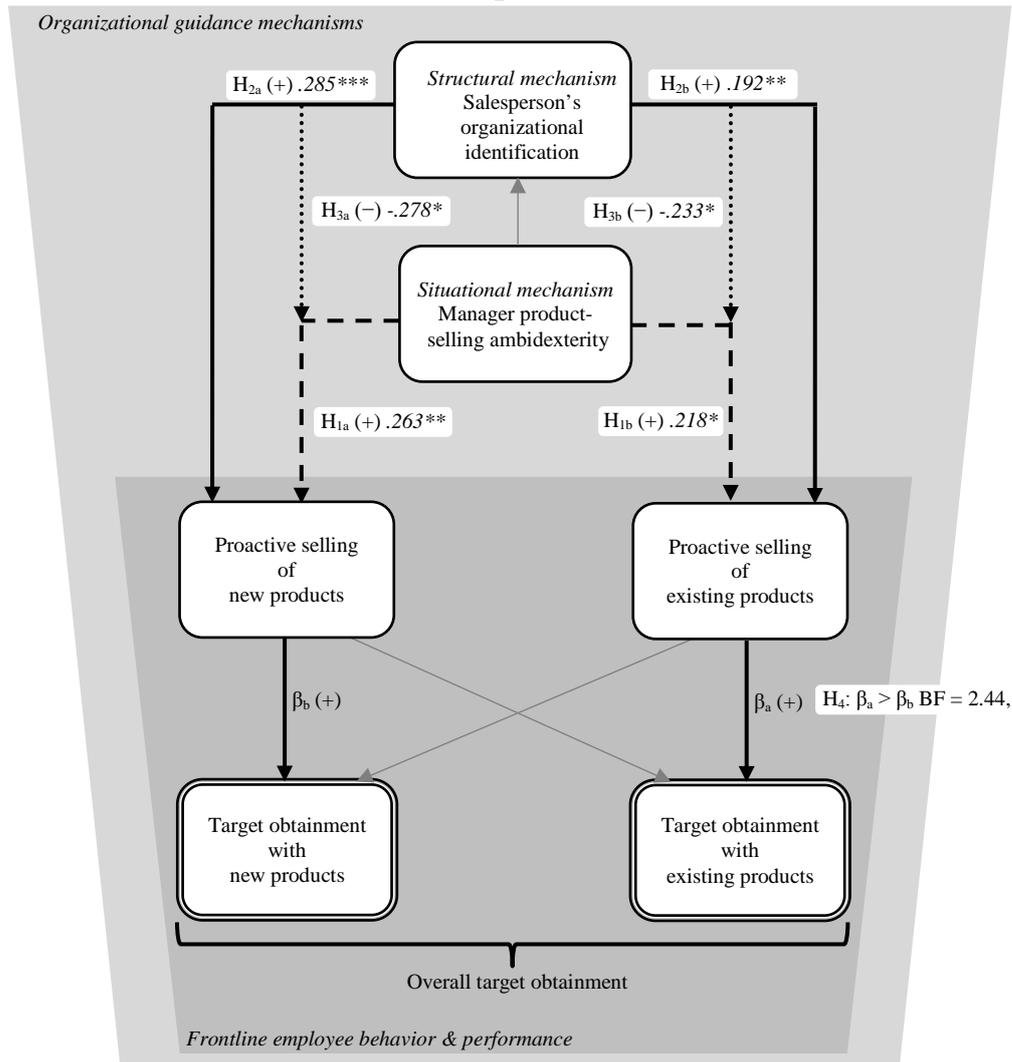


FIGURE 2
Conceptual Framework



Notes: * $p < .05$, ** $p < .01$, *** $p < .001$, n.s. = not significant

BF = We use the Bayes Factor (BF) as a selection criterion when testing the inequality constrained models (Mulder *et al.*, 2009). The Bayes factor can be interpreted as the amount of evidence in favor of the constrained model M_q against the unconstrained (or most complex) model M_{q0} (Mulder *et al.*, 2009). When $BF > 1$, the odds are in favor of model M_q .

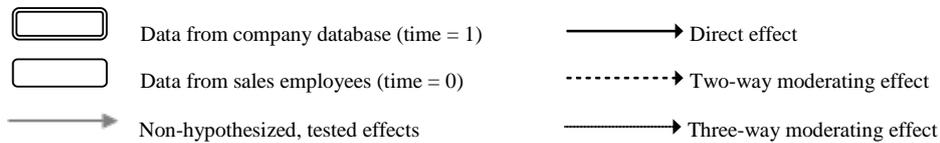
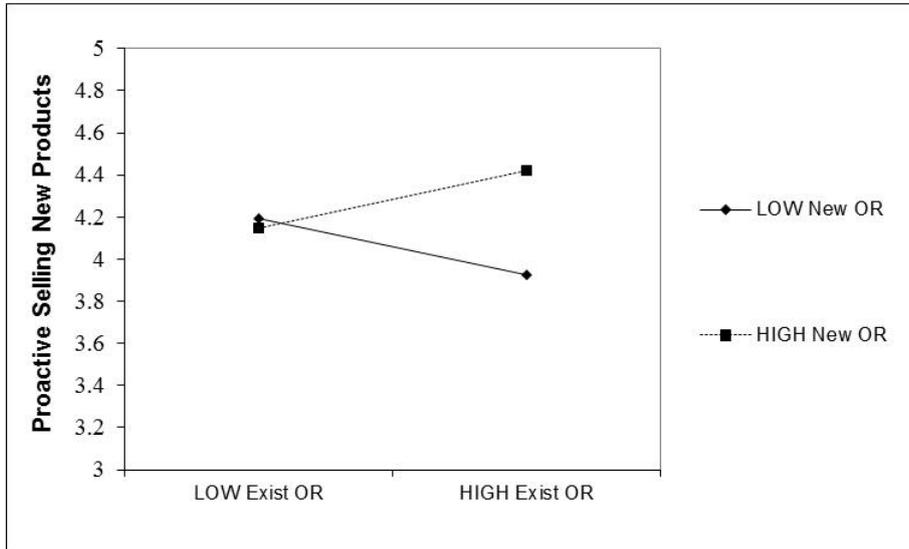
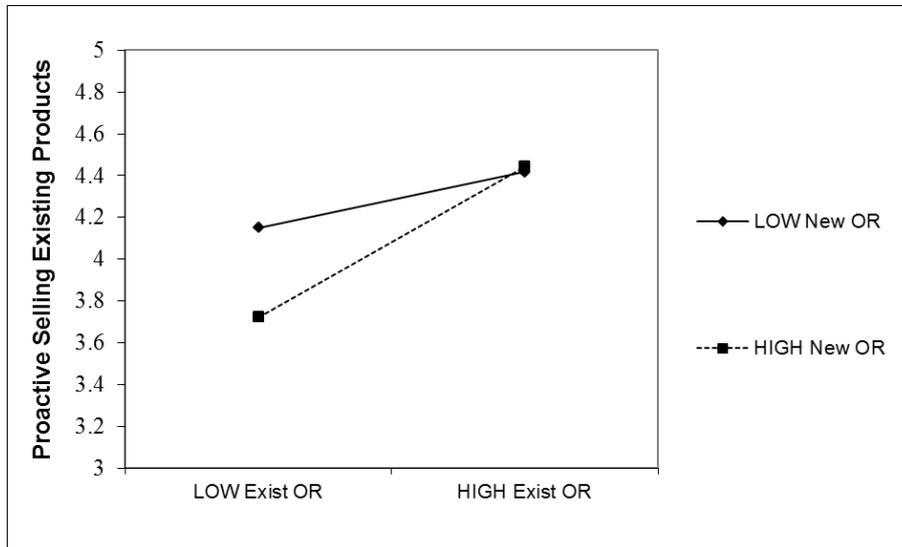


FIGURE 3
Two-Way Interaction Effect of Sales Manager Orientation to the Sale of New and Existing Products on Proactive Selling
A. New Products

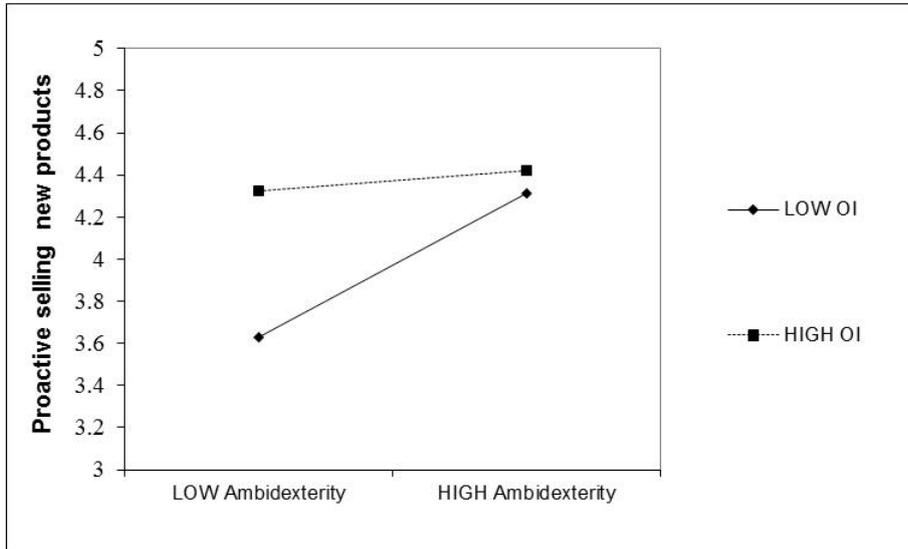


B. Existing Products

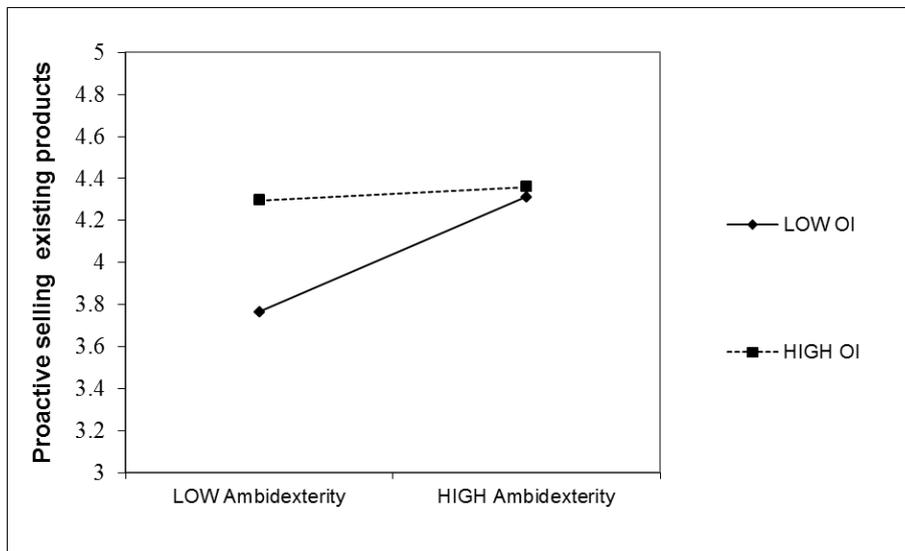


Notes: New OR = sales manager's orientation to the sale of new products; Exist OR = sales manager's orientation to the sale of existing products. Simple slope analyses of the results depicted in Panel A revealed that the slope of Exist OR is significant for a high value of New OR ($\beta_{SD+1} = .279, p < .05$) and a low value of New OR ($\beta_{SD-1} = -.249, p < .05$). Similarly, simple slope analyses of the results depicted in Panel B revealed that the slope of Exist OR is non-significant for a low value of New OR ($\beta_{SD+1} = .14, p > .05$) and significant for a high value of New OR ($\beta_{SD-1} = .57, p < .01$).

FIGURE 4
Interaction Effect of Sales Manager Product-Selling Ambidexterity and OI on Proactive Selling
A. New Products



B. Existing Products



Notes: Simple slope analyses of the results depicted in Panel A revealed that the slope of Ambidexterity is non-significant for a high value of OI ($\beta_{SD+1} = .014, p > .05$) and significant for a low value of OI ($\beta_{SD-1} = .514, p < .05$). Similarly, simple slope analyses of the results depicted in Panel B revealed that the slope of Ambidexterity is non-significant for a high value of OI ($\beta_{SD+1} = .026, p > .05$) and significant for a low value of OI ($\beta_{SD-1} = .458, p < .05$).

FOOTNOTES

¹ We thank one of the reviewers for suggesting the inclusion of this explanation.

² Because it often is difficult to make a definite argument in favour of a multiplicative or an operationalization with two separate constructs, it remains important to include both operationalisations when testing (see Gupta et al. 2006). Accordingly, in our empirical analysis we use the multiplicative measure to assess sales manager's ambidextrous selling orientation, while controlling for the two separate constructs 'sales manager new product orientation' and 'sales manager existing product selling orientation'. For assessing ambidexterity at the salesperson level, we use the two separate constructs 'salesperson new proactive selling behaviour' and 'salesperson existing proactive selling behaviour', while controlling for the multiplicative measure.

³ We thank an anonymous reviewer for pointing this out.

APPENDIX
Specification of Multilevel Multivariate Regression Models

To test our hypotheses, we estimated multilevel multivariate regression models using MLwiN software (Rasbash *et al.*, 2000), which allows for multivariate regression models by adding an extra level for the dependent (i.e., within-person) variables, beyond the individual and team levels. In our models, level 1 thus referred to dependent variables indexed by $h = 1, \dots, m$; level 2 featured the specific salesperson $i = 1, \dots, n_j$ and level 3 involved the sales units $j = 1, \dots, n$. With this approach, we attained a correct estimation of our model by acknowledging the multilevel nature of the data (Marinova, Ye and Singh, 2008).

Therefore, we estimated H_1 – H_3 with the following multivariate regression model:

$$Y_{hij} = \beta_{0h} + \beta_{1h}AGE_{ij} + \beta_{2h}TEAMTEN_{ij} + \beta_{3h}LTR_{ij} + \beta_{4h}TBR_{ij} + \beta_{5h}BLS_{ij} + \beta_{6h}EMDT_{ij} + \beta_{7h}QUOTA_{ij} + \beta_{8h}ORNEW_{ij} + \beta_{9h}OREX_{ij} + \beta_{10h}OI_{ij} + \beta_{11h}(ORNEW_{ij} \times OREX_{ij})_{ij} + \beta_{12h}(ORNEW_{ij} \times OI_{ij})_{ij} + \beta_{13h}(OREX_{ij} \times OI_{ij})_{ij} + \beta_{14h}(ORNEW_{ij} \times OREX_{ij} \times OI_{ij})_{ij} + u_{0hj} + e_{hij}, \quad (1)$$

where Y_{ij} is the measure of the h^{th} dependent variable (i.e., proactive selling of new and existing products) for salesperson i of unit j , AGE = age of salesperson, $TEAMTEN$ = tenure with sales team, LTR = long-term rewards, TBR = team-based rewards, BLS = business line support, $EMDT$ = employee–manager dyadic tenure, $QUOTA$ = quota for the salesperson, $ORNEW$ = sales manager new product orientation, $OREX$ = sales manager existing product orientation and OI = organizational identification. The random coefficients β_{0j} captured individual-specific unobserved heterogeneity within units; u_{0j} were $\sim N(0, \sigma^2)$ and denoted unit-specific variances. In addition, β_{nj} provided the mean value for each unit effect, accounting for unit-specific variances (u_{0j}). This model accordingly allows for within- and between-unit effects (i.e., random-intercept regression model), thereby controlling for the multilevel structure of the data (salespeople nested within sales units) (Raudenbush and Bryk, 2002).

We estimated the back end of the conceptual model using

$$Z_{hij} = \beta_{0h} + \beta_{1h}AGE_{ij} + \beta_{2h}TEAMTEN_{ij} + \beta_{3h}LTR_{ij} + \beta_{4h}IBR_{ij} + \beta_{5h}BLS_{ij} + \beta_{6h}EMDT_{ij} + \beta_{7h}QUOTA_{ij} + \beta_{8h}ORNEW_{ij} + \beta_{9h}OREX_{ij} + \beta_{10h}OI_{ij} + \beta_{11h}PRONEW_{ij} + \beta_{12h}PROEX_{ij} + \beta_{13h}(PRONEW_{ij} \times PROEX_{ij})_{ij} + u_{0hj} + e_{hij}, \quad (2)$$

where Z_{ij} is the measure of the h^{th} dependent variable (i.e., new or existing product sales performance) for salesperson i of unit j . In addition, $PRONEW$ = proactive sale of new products, and $PROEX$ = proactive sale of existing products.