KELLER CENTER RESEARCH REPORT

Are We on the Same Wavelength? How Emotional Intelligence Interacts and Creates Value in Agent-Client Encounters

By Christopher P. Blocker, Ph.D.

Quick Overview

A two-sided study of emotional intelligence with agents and clients reveals that only 26% of the pairs operate on the same "emotional wavelength" and 46% of agent-client encounters show weak emotional communication. Our research results unpack what this means for agents as they seek to connect with their clients and create superior value for them.

Introduction

Communicating effectively with clients on an emotional level is critical for successful selling. In fact, who could deny that emotions play a fundamental role in most (if not all) home real estate sales? Even with clients who "play their cards close to the vest," it is safe to say that their emotions still undergird what they desire and the goals they are striving after (Lazarus 1991). For the savvy real estate agent, this is old news. Training seminars and popular sales books frequently cite the vital role of emotions and urge salespeople to enhance their emotional capabilities to deal with clients (e.g., Thull 2010). What does remain a mystery, *however*, is just how the unspoken flow of emotions unfolds within daily agent-client encounters and affects the relationship—not to mention the potential sale.

Two-Sided Study on Emotional Intelligence in Real Estate Interactions

This article reports on a recent study conducted by a team of researchers with real estate agents and their clients to reveal some striking realities about the quality of emotional communication in agent-client encounters. Specifically, we examined emotional intelligence ("EI" for short) for agents and clients, a process which captures a person's capabilities to perceive, understand, and manage human emotions. Recent studies show that salespeople with low levels of EI not only are limited in their abilities to use strategies like customer-oriented selling, but research shows low EI can have a negative impact on sales performance (Kidwell et al. 2007) (note: see Blocker 2009, KCRR for an extended explanation of emotional intelligence and its applicability in real estate sales contexts).

The "big" questions and goals of the study. We wanted to understand the impact of the harmony (or noisy clamor!) of emotional communication that occurs when agents and clients who possess either very similar or different levels of EI interact together. We call this "emotional symmetry"

when both sides have similar levels of EI, or conversely "asymmetry" when the two parties are significantly different. This goal reflects the idea of being on the same or different "emotional wavelength." For instance, what does it look like when an emotionally-competent salesperson interacts with a client who has great difficulty recognizing or expressing his or her own emotions? What if the roles were reversed and the client has a significantly higher EI? In either scenario, we might say they are operating on a different emotional wavelength, and this disparity could have negative consequences for the "chemistry" in the relationship, first impressions, and the overall progression of the sale. One might also predict that having emotional symmetry leads to strong emotional communication and other feel-good outcomes. However, the point is we really do not know, since this is the first known study to examine these questions in this way.

What we captured from agents and clients. To generate some reliable answers to our questions, we studied 130 agent-client pairs (260 individuals) who were involved in a home buying situation. These individuals allowed us to test their emotional intelligence (EI) using an advanced psychological measure of EI that drastically minimizes self-bias by asking informants to respond to visual questions based on facial recognition of emotions and comprehension-based emotional problem-solving (Kidwell et al. 2008a, 2008b). Then, using an index of EI, we were able to distinguish groups of both agents and clients that held low, moderate, and high levels of emotional intelligence and examine the pairs accordingly. Agents and clients also reported on the level of *rapport* (a measure of the relationship quality) they felt in the interaction. Clients reported on their *perceptions of the agent's knowledge* as well as the *overall value* they received (ex: "I would continue to do business with this agent, even if his/her commission percentage were increased somewhat"), their *overall satisfaction* (ex. very satisfied versus very dissatisfied), and *overall loyalty* (ex. "If my agent moved to a new real estate firm, I would likely shift to this agent's new firm").[1]

What Did We Find?

In short, we found that being on the same emotional wavelength with a client is an important factor to creating value and fostering positive relationships–and when you're not–the relationship can deteriorate, depending on which party possesses greater emotional intelligence.

Quick statistics. We found that agents and clients demonstrated emotional intelligence symmetry (same emotional wavelength) in *only 26% of the cases*. Note: we excluded agent-client pairs who both possessed very low levels of EI. One would not expect pairs of individuals who both possess low emotional intelligence to communicate well on an emotional level–and our results

---

[1] Results from the study were analyzing using structural equations modeling (SEM) and all measures showed robust validity and reliability. Further details about the study, its design, sample, measures, and analyses are available from the author.

showed negative or insignificant effects in these cases. So, some moderate level of EI is required for positive emotional communication to occur. Other statistics include:

- Agents possessed significantly higher EI than their clients in 28% of the cases
- Clients possessed significantly higher EI than their agents in 32% of the cases
- Poor communication (low EI for agents and clients) was evident in 14% of the cases
- Average levels of EI across the entire sample of agents and clients was very similar, i.e., agent EI ranged from 67-128 and the average was 100, and client EI ranged from 73-144 and the average was 99.

Key findings. When agents and their clients operate on the same emotional wavelength – they both report significantly higher levels of rapport with the other person; but the reverse is also true, asymmetrical pairs report significantly negative perceptions of rapport. Additionally, we found that EI symmetry positively affects a number of important client evaluations as demonstrated by the direct linkages we found to the right.

We compared EI symmetry and EI asymmetry on agent- and client-perceived rapport and found that perceptions of rapport across clients and agents were congruent. We then looked at how EI symmetry or asymmetry impacted other elements of the relationship. As shown below, when symmetric EI exists, an agent's empathy and their use of emotional appeals to inspire clients demonstrate strong effects on the overall value that a client perceives; *however,* when asymmetric EI is

present, empathy has no effect on value and emotional appeals have a strongly *negative effect* on the client's overall perceived value. This is important to note – because a recent study with real estate agents shows that emotional/inspirational appeals are one of the top three methods that agents use to influence their clients (Blocker 2008).
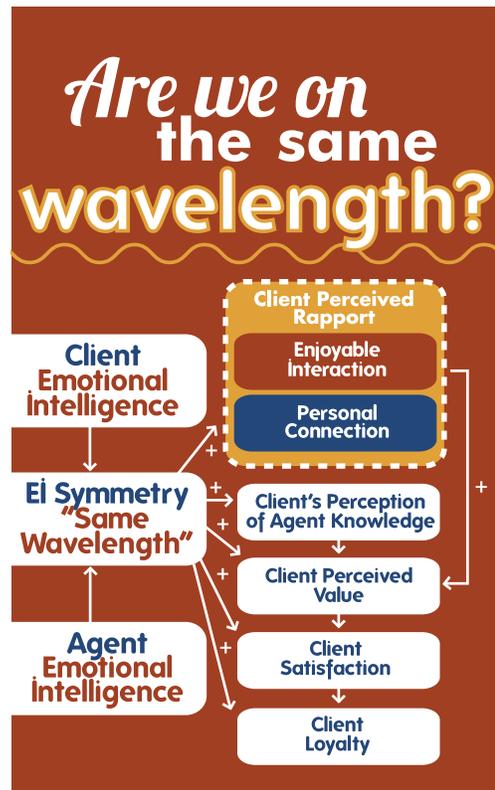
Perceived Value Drivers (Clients)	Impact on Value: Symmetric EI	Impact on Value: Asymmetric EI
Agent Empathy → Value	**Strong positive impact**	No effect
Emotional Appeals → Value	**Strong positive impact**	**Strong negative impact**

KELLER CENTER RESEARCH REPORT

We took the analysis further by unpacking cases of EI asymmetry. Specifically, we wanted to know is asymmetry bad in all cases? Said another way, does it make a difference whose emotional intelligence (the agent's or the client's) is higher? The results were clear and offered a more positive outlook than only 26% of the pairs being able to communicate well on an emotional level. Specifically, clients who possessed stronger emotional capabilities than their agents held increasingly negative evaluations for the rapport as well as the degree of loyalty they held for that agent. *However*, when agents held comparatively higher emotional intelligence–clients felt significant rapport and loyalty toward that agent.

Translation: helping clients understand, reason, and manage their emotions is a critical component of the value an agent can provide, thus, asymmetry can be "positive asymmetry" when an agent possesses higher degrees of EI and uses this competence to serve the client's emotional needs. This does not mean that agents need college degrees in life counseling. Rather, clients want agents to be emotionally engaged especially when it comes to understanding and reasoning through the emotions involved in a home buying situation. Moreover, they want agents to use their EI to help them process the stressful situations that arise in buying a home.

Overall, we can summarize the findings in the following table that shows the regions of strong EI symmetry, positive EI asymmetry, negative EI asymmetry, and cases of very poor emotional communication on both sides. Each cell shows the combination of emotional intelligence and the percentage of agent-client pairs in our study that belong in each box.

Emotional Intelligence Symmetry in Agent-Client Pairs

		Client Emotional Intelligence		
		Low	*Moderate*	*High*
Agent Emotional Intelligence	*High*	Positive asymmetry 12%	Positive asymmetry 8%	Very Strong symmetry **13%**
	Moderate	Positive asymmetry 8%	**Strong symmetry 13%**	Negative asymmetry 12%
	Low	Poor emotional communication 14%	Negative asymmetry 11%	**Very negative asymmetry 9%**

Note: percentages denote the % of agent-client pairs in our study that fell in each cell. Green cells (54%) reflect strong emotional communication due to EI symmetry or positive EI

asymmetry. Red cells (46%) reflect weak emotional communication due to negative EI asymmetry or very poor emotional communication for both parties.

Action-Oriented Implications for Agents

Recognizing the boundaries of any research study,[2] how should these results help real estate agents better understand the nuances of communicating emotionally with clients in ways that can enhance their client relationships and selling performance?

For starters, recognize that if you currently have difficulty (even some of the time) communicating with clients on an emotional level—including recognizing, understanding, or helping to manage their complex emotions—you would be wise to invest in training to enhance your emotional competencies (see Blocker 2009, KCRR for various books, websites, and training resources agents can tap into to enhance their EI). Otherwise, you may be putting yourself at an immediate deficit for developing rapport, satisfaction, value, and loyalty with your clients.

Next, recognize that your emotional competence is a resource for clients that assists them in navigating the uncertain waters of home buying. Clients may not tell you that your EI is valued, but the positive effects of Agent EI upon rapport, value, satisfaction, and loyalty show that it clearly creates value in the exchange process. Your level of emotional intelligence may also reveal positive spillover effects for the degree to which clients believe you are an expert, as demonstrated by the positive link we found between EI symmetry and perceptions of agent knowledge.

Within each client interaction, the findings here suggest that agents should be silently asking themselves, how is the flow of emotions going in our conversation? Are we on the same emotional wavelength? Do your best not to presume that you understand how the client is feeling, since many people can be quite adept at "impression management," that is, putting on a "good face," even while feeling different emotions. If you need an additional reminder, results from this study showed that almost half (46%) of the agent-client pairs we analyzed were off-track emotionally and key perceptions of those relationships suffered as a result.

---

[2] Caveats to remember: the results contained in this study should be tentatively considered within the context of your own business, your personal selling experience, the types of clients you deal with, and your selling style. As with any study, there are likely specific characteristics of your selling style that are not captured here. This may affect the usefulness of applying these insights for a given agent.

KELLER CENTER RESEARCH REPORT

If you sense that, for whatever reason, you and the client are not connecting emotionally or that the client may be more skilled in emotional reasoning than you are (32% of the cases we analyzed), it may be time to ask yourself some hard questions, such as:

- How hard will it be for me to satisfy this client?
- How confident do I feel about my risk of losing the client to another agent?
- How confident do I feel about my competitive advantage based on the circumstances surrounding the client's needs and my ability to offer customized services?
- What other strategies can I set in motion to improve the emotional communication?

If the answer to any of these questions puts doubts in your mind, it may be time to bring in a seasoned partner who may have better chances with this client or, in extreme cases, consider investing more time in other clients.

Additionally, if using emotional appeals to inspire clients are part of your sales toolkit – recognize that there is a time and place to adapt and use other methods. Specifically, when there is emotional asymmetry between you and the client, using these types of appeals may work against you. Instead, consider making greater use of information-based appeals and expert assurances.

Finally, with clients that you do sense a strong emotional connection, realize that these might be some of your most loyal clients. Focus your efforts to boost word-of-mouth and generate new business through these clients knowing they will likely be greater advocates for you.

References and Further Reading

Blocker, Christopher P. (2009) "The Emotionally Intelligent Salesperson" *Keller Center Research Report*, August 2009, Baylor University.

Blocker, Christopher P. (2008) "Lead Conversion: Adaptation, Influence, and Customer Value" *Keller Center Research Report*, Fall 2008, Baylor University.

Kidwell, Blair, McFarland, Richard, G., Avila, Ramon A. (2007), "Perceiving Emotion in the Buyer–Seller Interchange: The Moderated Impact on Performance," *Journal of Personal Selling and Sales Management*, (2) Spring, p. 119-132.

Kidwell, Blair, Hardesty, David, M., and Childers, Terry L. (2008) "Consumer Emotional Intelligence: Conceptualization, Measurement, and the Prediction of Consumer Decision Making," *Journal of Consumer Research*, (35), June, p. 154-166;

Kidwell, Blair, Hardesty, David, M., and Childers, Terry L. (2008) "Emotional Calibration Effects on Consumer Choice", *Journal of Consumer Research*, (35), p, 611-621.

Lazarus, R.S. (1991). *Emotion and Adaptation*. New York: Oxford University Press.

Thull, Jeff (2010). *Mastering the Complex Sale: How to Compete and Win When the Stakes are High!* John Wiley & Sons.

About the Authors

Chris Blocker, Ph.D., Assistant Professor of Marketing, Baylor University
Chris completed his Ph.D. at the University of Tennessee in marketing. His research focuses on understanding the dynamics of customer value and its implications for important strategies like relationship management and segmentation. Prior to pursuing a Ph.D. in marketing, Chris held various marketing/sales positions in the high-tech sector, including professional services consulting and global account management for AT&T and business marketing at Sprint. He has published research in journals such as the *Journal of the Academy of Marketing Science, Industrial Marketing Management, Journal of Business Research, The European Journal of Marketing, The Journal of Business and Industrial Marketing*, and in the proceedings of several international marketing organizations.

Necessary Condition #3 – The Right Day-to-Day Operational Focus
By Charles Fifield, Senior Lecturer and Baylor Sales Coach

The sales function has probably the greatest single operating impact on the financial results of business. What business needs is a salesforce driven by productivity, effectiveness, and efficiency.

Time is the most precious of resources. To say "time is money" understates the issue for time can often produce money, but money cannot produce time. How well salespersons manage their time is a crucial determinant in productivity outcomes. In 2009, Alexander Proudfoot Consulting Group, a worldwide recognized specialist management consultant in operational performance improvement for over 60 years, published its most recent sales productivity report. Alexander Proudfoot employs a unique Co-Venture methodology, which necessitates both client and consulting team involvement to analyze and achieve performance improvement. Participating corporate respondents included over 800 executives in 19 countries from publicly- and privately-held enterprises and a wide array of industry groups.

Alexander Proudfoot's analysis of company sales operations begins with a time management review: perceptions, desires and realities. In stage one, salespeople are asked to give a realistic estimate of the time spent in six activity categories:

- Active selling

- Prospecting

- Problem solving

- Administration

- Traveling

- Non-value adding (downtime)

Salespeople are then asked to assess how much time they would objectively like to spend in each category to become more productive or effective. Finally, Alexander Proudfoot makes observations to assess how much actual time is devoted to each activity. The study's conclusions included two key time-management observations:

On average, salespeople spent only 11% of their time actively selling to customers and just 20% of their time was devoted to prospecting and closing sales. (See Figure 1)

Figure 1
A Day in the Life of a Typical Salesperson

Source: www.alexanderproudfoot.com
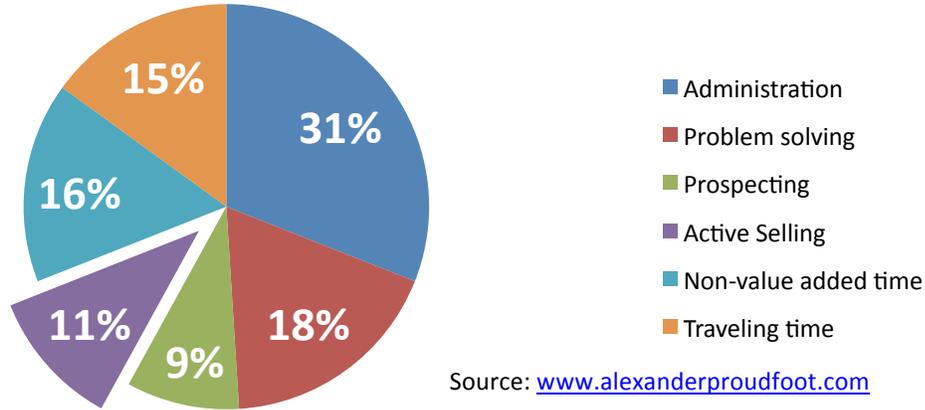
Salespeople think they spend twice as much time actively selling to customers than they actually spend. (See Figure 2)

Figure 2
How Salespeople Think Time is Spent
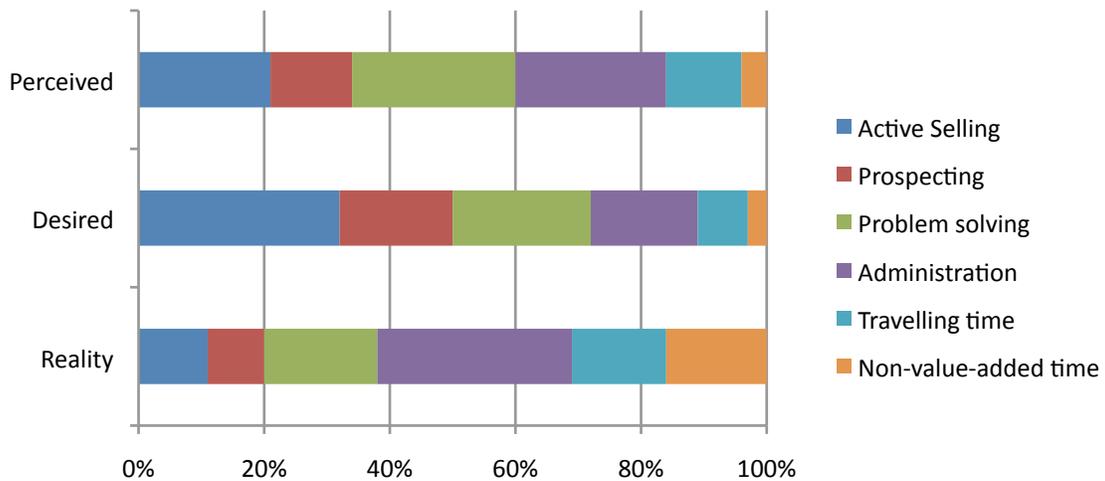
Source: www.alexanderproudfoot.com

In every business process, productivity leakages are inevitable. The 2009 Alexander Proudfoot research concluded, "If there's one central message from this study it is this: most sales functions are capable of

significantly higher (productivity) performance – certainly 25 to 30% and perhaps as much as 50%." With this in mind, every sales organization and agent must challenge their current operational business practices to discover positive productivity opportunities and new habits or focus.

The most powerful operational solutions to overcoming the constraints to salesperson productivity are contained in the answers to three questions:

1. Working smarter – What day-to-day activities are currently being executed that otherwise could be allocated to active selling time, i.e., more interactions with qualified prospects?

2. Working faster – What present activities could be regularly performed in less time and then converted into active selling time?

3. Removing waste – What day-to-day activities could be removed because they add no value to my business?

The responses to these questions must then be prioritized by their projected positive productivity impact. Initiate the change process by starting with the one action that is projected to have the greatest positive impact and then methodically work through each of the others in descending order. The goal should be to improve the productivity outcome by at least 25% and more likely 50%. Assuming a recommended 50% improvement objective, continue with this productivity improvement process via quarterly reviews (at a minimum) until the goal is achieved. The time it takes to achieve the desired 50% improvement then becomes what is termed the "productivity half-life." Hence, the operational goal should be to be continuously improving by working smarter, working faster and consistently removing waste with the objective of achieving a 50% productivity gain every half-life period of time.

In summary, the sales productivity improvement opportunities via better day-to-day operational focus and resulting executions are significant. To accomplish the desired changes will require a systemic or team approach due to the interdependent nature of the sales process in most organizations.

About The Author

Charles Fifield, MBA
Senior Lecturer and Baylor Sales Coach, Baylor University
Chuck Fifield is a Senior Lecturer for Baylor University's Hankamer School of Business, Marketing Department – Professional Sales and Communications and serves as the faculty consultant to Baylor's Sales Team and Uproar Music and Entertainment Group, a student managed business. He joined the faculty at Baylor University in 2001, where he has also taught in the Graduate Business School (Operations Management), the Management Department (Negotiations and Conflict Resolution) and the Economics Department (Principles of Macroeconomics). Chuck has taught or guest lectured at other Texas-based Universities in the fields of sales, international business, money and banking and finance/investments. Professor Fifield has conducted sales research and training for several organizations, including most recently State Farm Insurance. Prior to joining Baylor, Chuck was a financial consultant to businesses located throughout the U.S. for nearly thirty years. He owned and operated several financial service businesses in the fields of securities, real estate, oil and gas and insurance.

How to Turn Your Employees into Brand Champions
By Felicitas M. Morhart, PhD and Walter Herzog, PhD

Introduction

In most service businesses customers' perceptions of a corporate brand depend highly on the behavior of frontline staff. Service firms face the challenge of having employees, in particular those with customer contact, build and strengthen the organization's image in customers' minds (i.e., show brand-building behavior). But what can managers actually do to get customer contact personnel to act as ambassadors for their firm?

In this article, we summarize our recent research on brand-specific leadership as a driver of brand-building behavior on the part of frontline employees. We first explain the notion of employee brand-building behavior. We then discuss different styles of brand-specific leadership and show how they affect employee brand-building behavior based on a quantitative study in the field. We close with concrete recommendations for managers as to the optimal mix of leadership behaviors to adopt and how to learn it in order to create a workforce made up of brand champions.

Employee Brand-Building Behavior

Now, what are the behaviors that managers desire to see in their customer contact employees as brand ambassadors for their firm? In our research we focused on three categories of employee brand-building behavior:
(1) retention, which refers to employees' loyalty to their employing firm,
(2) in-role brand-building behavior, which refers to frontline employees' meeting the behavioral standards prescribed by their organizational roles as brand representatives (either written down in behavioral codices, manuals, display rules, and so forth, or unwritten), and
(3) extra-role brand-building, which refers to employee actions that go beyond the prescribed roles for the good of the corporate brand and which are discretionary. In this category, most important in terms of a firm's branding efforts are participation in brand development (e.g.,

internally passing on banding-relevant customer feedback from customer touchpoints) and positive word of mouth (off the job).

Brand-Specific Transformational and Transactional Leadership

In our attempt to understand supervisors' leadership as a driver for employees' brand-building behavior we resorted to a prominent perspective in leadership research that contrasts two generic leadership approaches: transactional and transformational leadership (Bass 1985). While transactional leadership is founded on the idea that leader–follower relationships are based on a series of exchanges or implicit bargains in which followers receive certain valued outcomes on the condition that they act according to their leaders' wishes, transformational leadership implies the alignment of followers' values and priorities with the organization's goals to accomplish higher-order objectives. According to our research context, brand-specific transactional leadership comprises the following supervisor behaviors:

 (1) specifying behavioral standards for appropriate exertion of followers' roles as brand representatives and offering rewards when role expectations are met and

(2) clarifying what constitutes ineffective performance of a brand representative and punishing employees for not being in compliance with these standards. The latter involves closely monitoring employees for deviances, mistakes, and errors and then taking corrective action when they occur.

In contrast, brand-specific transformational leadership gets manifest in

(1) the supervisor acting as a role model and authentically "living" the firm's brand values,

(2) articulating a compelling and differentiating brand vision and arousing personal involvement and pride in the firm's brand,
(3) making employees rethink their jobs from the perspective of a brand community member and empowering and helping followers to interpret their corporate brand's promise and its implications for work in individual ways, and
(4) teaching and coaching them to grow into their roles as brand representatives.

We assumed that both brand-specific transactional and brand-specific transformational leadership affect employees' brand-building behavior. However, we expected the mechanisms through which these leadership styles operate to be different, resulting in different outcomes.

The Impact of Brand-Specific Leadership Styles on Employee Brand-Building Behavior

In a cross-sectional study with 269 customer contact employees, we found that brand-specific transformational leadership is more effective in enhancing brand-building behaviors among employees than brand-specific transactional leadership. The transformational approach works through an intrinsic motivation process which leads to an increase in employees' in-role and extra-role behaviors and decreased turnover intentions. In contrast, the transactional approach works through an extrinsic motivation process with followers merely complying with their role as brand representatives, which mainly has a negative impact on followers' brand-building behaviors (see Figure 1). Thus, in the former

case, employees feel they *want to live* their role as a brand representative while in the latter case they feel they *have to play* that role.

These results are impressive given the fact that a transactional leadership style is still the most common practice among managers in charge of customer contact personnel, first and foremost sales force managers. However, in reality, most managers will exert neither a purely transformational nor a purely transactional approach, nor will such an "either-or"-decision be advisable, because both leadership styles have their legitimation. Thus, we also looked at these leadership styles' interactive effects and found that they are related in a complex way. Brand-specific transactional leadership can function either as a "catalyzer" or as a "neutralizer" for the positive effects of brand-specific transformational leadership (please refer to Figure 2). When used at a low to moderate level, brand-specific transactional leadership "adds" to brand-specific transformational leadership in that it strengthens the latter's positive effects on followers' intrinsic motivation for brand-building behavior (which would be called a "crowding-in effect" according to motivation psychologists Deci and Ryan 1985). However, when used at higher levels, brand-specific transactional leadership undermines the positive effects of brand-specific transformational leadership (a "crowding-out effect" according to motivation psychologists Deci and Ryan 1985).

Summary

So, what can supervisors do to enhance brand-building behaviors among frontline employees? Our research suggests that managers should make a paradigm shift from the prevalent transactional to a more transformational leadership philosophy. At first glance, specifying behavioral codices and scripts for employees dealing with customers and then monitoring and rewarding appropriate demeanor might seem to be an easy solution for obtaining adequate performance from employees representing the firm. However, we found that such a highly transactional style was counterproductive in terms of followers' motivational condition. Managers would do much better by opening their minds to a more transformational approach, which would entail behaviors such as articulating a unifying brand vision, acting as an appropriate role model by living the firm's brand values, giving employees freedom to individually interpret their roles as brand representatives, and providing individualized support by acting as a coach and mentor. This would allow employees to experience intrinsic motivation in their roles as brand representatives, which would ultimately spill over into the commitment, authenticity, and proactivity that characterize a real brand champion. However, this is not to suggest that brand-specific transformational leadership on its own is a panacea and that supervisors should refrain completely from transactional leadership behaviors. It is difficult to conceive of an effective brand-oriented manager who would not at the same time clarify for employees their roles as representatives of the corporate brand, monitor their performance, and provide adequate compensation. Rather, this would be an important feature of brand-oriented leadership, bringing an otherwise too cloudy transformational style "down to earth." However, when used to the extreme, transactional leadership may make employees feel like string puppets dancing for the customer with their supervisors operating them from backstage. In contrast, when used carefully and in a limited way, transactional behaviors are likely to be understood

by subordinates as helpful guidance, fair and constructive feedback, and signs of appreciation, thus adding substantial value to a transformational leadership style. Thus, we believe that managers will be most successful in turning their crew into brand champions with a combination of a *high* level of brand-specific transformational and a *moderate* level of brand-specific transactional leadership.

In order to help managers apply this "leadership formula" in practice, we have developed a management training program for brand-specific leadership and evaluated its effectiveness by means of a rigorous experimental study with 60 managers and their 302 direct reports. Our data provide clear evidence that our training and coaching intervention has a significantly positive impact on managers' brand-specific leadership style (as perceived by their subordinates) even within a few months. So, it seems that leaders are not always born. In fact, there is a lot managers can do to change and improve their leadership style for the good of themselves, their firm, their employees, and their customers. Why not give it a try?

KELLER CENTER RESEARCH REPORT

References

Bass, Bernard M. (1985), *Leadership and Performance Beyond Expectations*. New York: The Free Press.

Deci, Edward L. and Richard M. Ryan (1985), *Intrinsic Motivation and Self-Determination in Human Behavior.* New York: Plenum.

Morhart, Felicitas M., Walter Herzog, and Torsten Tomczak (2009), "Brand-Specific Leadership: Turning Employees into Brand Champions," *Journal of Marketing*, 73 (5), 122-142.

About the Authors

Felitas Morhart, PhD, Vice-Director of the Marketing Department, University of Lausanne
Dr. Felicitas Morhart is Assistant Professor of Marketing and Vice-Director of the Marketing Department within the Faculty of Business and Economics at the University of Lausanne, Switzerland. In her research, she takes an interdisciplinary approach integrating organizational behavior and leadership phenomena into marketing in order to contribute to research on human well-being and high performance in customer-contact functions. Exemplary topics are sales force transformational leadership and transformational selling, as well as brand community management. With her work on brand-specific transformational leadership Dr. Morhart received a scholarship by the Swiss National Science Foundation and won an AMA best-paper award in 2007. Dr. Morhart's research has been published in prestigious academic journals such as the *Journal of Marketing* and the *Journal of Management Inquiry,* as well as in practitioners' journals like the *Journal of Advertising Research* and the *Harvard Business Manager.* She teaches undergraduate, graduate, and executive education courses at the University of Lausanne and St. Gallen. In addition, she works as a consultant and management coach for companies in the financial, automotive, and health industry, and gives expert talks at selected events and conferences.

Walter Herzog, PhD, Assistant Professor of Marketing, WHU-Otto Beisheim School of Management, Germany
Dr. Walter Herzog is assistant professor of marketing at the WHU-Otto Beisheim School of Management, Germany. He studied at the University of Mannheim, Germany, received a Ph.D. from the University of St. Gallen, Switzerland, and he was a Visiting Scholar at the University of Michigan.His research focuses on customer relationship and sales management.
Dr. Herzog also conducts methodological research on measurement theory (e.g., covariance structure models) and causal inference (e.g., Rubin's Causal Model). His research was published in the Journal of Marketing, Structural Equation Modeling, and the Journal of Advertising Research. Furthermore, his research was presented at international marketing and methods conferences. In 2007, a research project won the best paper award in the sales and relationship marketing track at the American Marketing Association Winter Educator's Conference. He received two grants by the Swiss National Science Foundation and two grants by the Research Fund at the University of St. Gallen, Switzerland. Dr. Herzog teaches methods courses at the bachelor's, master's, and doctoral level.

To Keep Your Agents: Consider Servant Leadership
By Fernando Jaramillo, Douglas B. Grisaffe, Lawrence B. Chonko, and James A. Roberts
Introduction

Sales force retention is a critical objective facing managers. The costs of high turnover rates can be substantial and include lost sales, abandoned sales territories and costs associated with recruitment and training. Industries, such as Real Estate, that heavily rely on a sales force to generate and maintain revenue, are especially attuned to this issue. Research has shown that salespeople develop turnover intentions when they are: dissatisfied with their jobs, uncommitted to the organization and find their jobs overly stressful (Babakus et al. 1999). One consideration leaders may find helpful for addressing these issues is the adoption of a servant leadership approach. In a research study of 501 full-time salespeople, we discovered that servant leadership affects turnover intention through a complex chain-of-effects that involves the organization's ethical climate, person-organization fit, and organizational commitment.

Servant Leadership: Serving the Needs of Others

Managers who adopt a servant leadership approach strive to serve the needs of others, and place the needs of others above the attainment of organizational or individual goals. Servant leaders appear to be driven by core personal values of honesty and integrity, and by their nature, they value humility, equality, and respect for others (Russell 2001). In addition to these elements of servant leadership, Ehrhart (2004) identifies seven major behaviors of a servant leader:

1. Forming relationships with subordinates
2. Empowering subordinates
3. Helping subordinates grow and succeed
4. Behaving ethically
5. Having conceptual skills
6. Putting subordinates first
7. Creating value for those outside the organization

Research abounds to reveal that subordinates respond favorably to the employee-oriented approach of servant leadership and demonstrate increased intrinsic motivation, job satisfaction, and lower role stress. Our particular research uncovers an expansion of the positive effects resulting from servant leadership behavior to include an improvement in turnover intention.

Servant Leadership's Effect on Ethical Organizational Climate

The ethical climate of the organization, which is highly influenced by the behaviors and outlook of the leader, shapes employee perceptions that influence retention. Specifically, as identified by Grisaffe and Jaramillo (2007), salespeople who believe that the firm operates at a higher ethical level:

- Think that the firm cares about them
- Exhibit greater pride working for the company
- Believe that their job allows them to grow and develop
- Think that their job is challenging
- Report higher levels of sense of achievement
- Are less stressed with their jobs
- Report positive job attitudes

As employees perceive organizations as more ethical, their intention to want to continue working there increases. Our research of servant leadership, as it pertains to the development of an ethical organizational climate, shows a positive relationship between servant leadership and salesperson's perceptions of the ethical level of the organization. We can therefore conclude that leaders who adopt a servant leadership approach will positively affect their follower's perceptions about the ethical standards of the organization and thereby increase employee job satisfaction as well as the likelihood of retention.

Servant Leadership Effect on Person-Organization Fit

Person-organization fit speaks to the compatibility between employee and company values, beliefs, and goals. When employee-company values are not aligned, both employee and employer become dissatisfied with the relationship, and the employee will likely leave or be terminated. Person-organization fit is typically viewed as an important antecedent of salesperson's attitudes, especially those attitudes that influence retention. Our findings indicate that sales people report a higher level of person-organization fit when they believe that their supervisor is a servant leader who embraces the organization's values. Servant leadership behavior therefore, enhances the salesperson's belief that the supervisor's values (i.e. concern for others, integrity, fairness) align with the values of the organization. The servant leader helps subordinates assimilate better and/or feel like they truly fit at the organization, which enhances the subordinate's perception of person-organization fit.

Servant Leadership Effect on Organizational Commitment

Organizational commitment involves the level of attachment and identification an employee feels for his/her employer. The results of our research demonstrate that servant leadership positively effects organizational commitment, enhancing employee attitudes about the employing organization. As employees become more committed to the organization, they express a deeper desire to stay with the organization. This is especially relevant to sales-driven organizations

such as real estate, where agents can easily transition from agency to agency. By developing organizational commitment, managers can create a sense of employee dedication thereby increasing the likelihood of their commitment to the agency and their retention.

Conclusion

Servant leadership is well established as a leadership style that creates positive benefits to organizations. In particular, this study reveals that adopting an employee-oriented approach will also improve turnover intention, a common problem in sales industries such as real estate. The key concept to embrace in order to successfully implement servant leadership is an ordering of priorities that places the needs of employees as most important. Leaders who operate from this perspective serve as role models to their employees and reap the benefit of improved employee attitude and job satisfaction. Another especially pertinent benefit of servant leadership in real estate is the impact this leadership style has on customer relationships. Real estate agents certainly understand that forming solid relationships with customers is an essential key to overall success. Research shows that servant leadership plays a fundamental role in a firm's journey toward developing a service-oriented culture (Lyte, Hom, and Mokwa 1998). Essentially, employees learn how to treat their customers by observing how their managers treat them. While it may on the surface appear counter intuitive to place employee needs as a top priority, even above company objectives, this study, as well as supporting research, demonstrates that servant leadership has myriad benefits to the organization and is an effective tool to retain employees.

KELLER CENTER RESEARCH REPORT

References

Babakus, Emin, David W. Cravens, Mark Johnston, and William C. Moncrief (1999), "The Role of Emotional Exhaustion in Sales Force Attitude and Behavior Relationships," *Journal of the Academy of Marketing Science*, 27 (1), 58-70.

Ehrhart, Mark G. (2004), "Leadership and Procedural Justice Climate as Antecedents of Unit-Level Organizational Citizenship Behavior," *Personnel Psychology*, 57 (March), 61-94.

Grisaffe, Douglas B. and Fernando Jaramillo (2007), "Toward Higher Levels of Ethics: Preliminary Evidence of Positive Outcomes," *Journal of Personal Selling & Sales Management*, 27, 4 (Fall), 355-371.

Lytle, Richard S., Peter W. Hom, and Michael P. Mokwa (1998), "SERV*OR: A Managerial Measure of Organizational Service-Orientation," *Journal of Retailing*, 74 (4), 455-489.

Russell, Robert F. (2001), "The Role of Values in Servant Leadership," *Leadership & Organization Development Journal*, 22 (2), 76-83.

About The Authors

Fernando Jaramillo, Ph.D.
Associate Professor of Marketing, University of Texas at Arlington
Fernando Jaramillo's research interests include marketing strategy and sales force management. Dr. Jaramillo's research has appeared in multiple journals including the *Journal of Personal Selling & Sales Management, International Journal of Research in Marketing, Journal of Business Research, Journal of Business Ethics, Journal of Marketing Theory & Practice,* and the *Journal of Marketing Education.* He is a member of the editorial review boards for the *Journal of Business Research*, the *Journal of Personal Selling & Sales Management,* and the *Journal of Marketing Theory & Practice.*

Douglas B. Grisaffe, Ph.D.
Assistant Professor of Marketing, University of Texas at Arlington
Doug Grisaffe teaches research methodology and applied statistics in UTA's Master of Science in Marketing Research (MSMR) program. He is the former Vice President, Chief Research Methodologist for Walker Information, a research and consulting firm in the area of employee and customer satisfaction and loyalty measurement. His ongoing research involves forces that build or diminish strong connections between employees, customers, and companies. Doug's publications appear in journals such as *Journal of Service Research, Journal of Personal Selling & Sales Management, Marketing Letters,* and *Human Resource Management Review.*

Lawrence B. Chonko, Ph.D.
The Thomas McMahon Professor in Business Ethics, University of Texas-Arlington
Lawrence B. Chonko, Ph.D. is The Thomas McMahon Professor in Business Ethics and chair of Marketing at the University of Texas at Arlington. He is a recipient of the *Southwestern Business*

Dean's Association Innovative Achievement Award and the *American Marketing Association* Sales Interest Group, Lifetime Achievement Award. His scholarly work has appeared in a variety of journals, nine of which have received "best paper" recognition, one nominated for "Best Sales Papers" of the 20th Century and one selected as having the most impact on the discipline by the *Journal of Business Research*. Prof. Chonko has authored or co-authored 15 books and served as Editor of the *Journal of Personal Selling and Sales Management.*

James A. Roberts, Ph.D.
Ben H. Williams Professor of Marketing, Hankamer School of Business, Baylor University
Dr. Roberts has published extensively in the sales literature and for the past 15 years has focused his research efforts on the impact of materialism on well-being.

Changing Organizational Cultures
By Injecting New Ideologies: The Power of Stories
By William A. Wines, J.D. and J. Brooke Hamilton III, Ph.D.

Introduction

Culture influences many aspects of an organization. Unlike the tangible outcome measures that determine profitability, market share, or the value of good will, culture is intangible and more elusive. Leaders should use multiple initiatives to craft a meaningful story to bring about desired cultural changes because stories establish the cultural DNA that gives organizations their identity.   Attempting to augment or redirect the organization's ideology requires a compelling narrative.

Defining Organizational Culture

Organizational culture is a combination of the beliefs, values, symbols, traditions and narratives which a company develops over time. These aspects may be conveyed either formally or informally to employees and usually include both conscious and unconscious design aspects. In other words, culture can be created and it can occur spontaneously as a result of a company's history. Stories can embody and communicate these cultural elements very effectively.

Why Change your Organization's Culture?

Many organizations, especially those in jeopardy of legal or ethical catastrophes, are faced with the need to revamp their cultures to generate new values, new vocabularies, and ultimately new behaviors. This is not an easy undertaking. On the contrary, attempting to mend your organization's culture is analogous to repairing a home's foundation. As Real Estate agents, we are sure you are well aware, foundation issues are not easy fixes. Because of the nebulous nature of culture, it can be difficult to identify clear and present action items to achieve this goal. While this description may appear bleak, it is not impossible to change an organization's culture; and the use of storytelling may make all the difference.

The Power of Myths

One way to tell stories effectively is to employ the power of myths.   Allen Bloom wrote that the most powerful people in a society are the myth makers (Bloom, 1987 pp. 199-201). A myth is the compilation of shared stories, traditions, and rites of passage that inform and create both significance and direction for a community. Robert Coles, a Harvard psychiatrist demonstrated the effectiveness of literature and stories as vehicles to promote moral development. We may not necessarily perceive the story tellers – the poets, writers, and artists – of a society as

powerful people. However, envision the impact such mediums have on an entire society. Humanity can be pushed towards greater ethical sensitivity, or can more fully develop and take ownership of its ideals through stories. Myth is "the unconscious information, the metaprogram that governs the way we see 'reality' and the way we behave" (Keen and Valley-Fox, 1989, p. xii). The power of a community's story culminates in development of societal or shared myths, which serve to reinforce or redirect the intentions of the group. The same phenomenon applies to the business environment. The cultural myths adopted by each generation influence and even shape a society's commerce. Consider the American dream, and how this myth promotes free-market ideologies. The influence of myth is pervasive; and dominant myths pervade and influence communities on both a meta and a micro level.

The Influence of Stories

Stories are subsets of the overarching myths that create identity for individuals and communities, as well as for individual businesses and business and professional groups like Real Estate. Stories hold groups together and give them uniqueness. How would we talk about Marlboro cigarettes without discussing the Marlboro Man? How do we explain General Mills and its enduring success without the story of Betty Crocker? Common narratives bind us to one another, giving us a shared purpose, and a feeling of connectedness. And, while we are undoubtedly bonded by our common rational goals, we may be bonded even more securely by shared emotions. Altruistic behaviors that cannot be explained by rational utility have been shown to be very strong driving forces (Rachels, 2002, pp. 63-75). Stories have the ability to expand our vocabularies, to affirm our values, and to shape our ideologies as we build emotional connections to compelling narrative images. Employing stories to prompt desired behavior can greatly assist thoughtful leaders in reshaping organizational cultures.
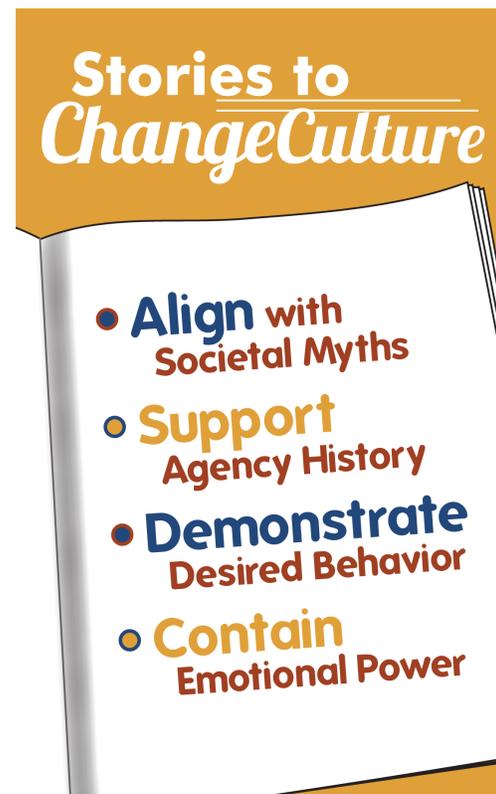
Change the Story, Change the Culture

If you face the overwhelming task of redirecting an organizational culture toward new values and ideologies, consider how you might create stories that will supply your agency with a new, improved identity. Consider first the societal myths. A new organizational story is much more

likely to gain acceptance if it is in harmony with the dominant myths of society, such as those that celebrate the value of hard work and cheer for the smart entrepreneur. Secondly, evaluate the history of the agency. New stories should have their basis in this history. For example, Motorola employees are told the firm's early years in the culture of integrity of the small Midwestern town of Harvard, Illinois and about the founder making payroll from his personal funds out of concern for his employees. Thirdly, new stories must effectively demonstrate the desired behavior you are seeking from employees. Consider how Conoco disseminated information about nominees for its President's Award for Business Ethics as stories of creative solutions to ethical problems (Hill, Hamilton & Smith 2005). Fourth, some stories may be melded to create an institutional platform for new growth within the organization. Examine, if you will, the way that Cadbury Chocolates was able to blend its Quaker ownership's pacifism with a desire to provide holiday overtime for workers and another goal of expanding its market share by producing tinned chocolates at the request of Queen Victoria for British soldiers in the Boer War. Cadbury did it by accepting the order but pricing it so as to not make any profit for the company. (Wines & Hamilton, 2009) Finally, new stories should have emotional power (Kotter 2006).The better stories, the ones with emotional impact or "grabbing" power will be told more often, better remembered, and more quickly become part of the culture.

References

Bloom, A. (1987), *The Closing of the American Mind,* New York, NY: Simon and Schuster.

Coles, R. (1989), *The Call of Stories: Teaching and the Moral Imagination,* Boston, MA: Houghton Mifflin.

Hill, V., Hamilton, J.B. III, and M. Smith (2005), "Creating an Ethical Culture as a Strategic Advantage for Global Growth: A Conversation with Archie Dunham, former Chairman of ConocoPhillips," *Journal of Applied Management and Entrepreneurship,* 10 (4), November, 82-89.

Keen, S. and A. Valley-Fox (1989), *Your Mythic Journey: Finding Meaning in Your Life Through Writing and Story Telling,* Los Angeles, CA: J.P. Tarcher.

Kotter, J.P. (2006), 'The Power of Stories', *Forbes* (March 12). http://www.forbes.com/2006/04/12/power-of-stories-oped-cx_jk_0412kotter_print.html. Accessed 19 June 2008.

Rachels, J. (2002), *Elements of Moral Philosophy*, 4th edition, New York, NY: McGraw-Hill.

Wines, William A., and J. B. Hamilton (2009), "On Changing Organizational Cultures by Injecting New Ideologies: The Power of Stories." *Journal of Business Ethics,* 89(3), 433-47.

About The Authors

William A. Wines
William Arthur Wines was Associate Professor of Business Law in the Steven L. Craig School of Business, Missouri Western State University, Saint Joseph, MO 64507 from 2007 to 2010, when he officially retired. Professor Wines holds a B.S.B.A. with distinction from Northwestern University and a J.D. from the University of Michigan and was admitted to practice in Minnesota and Washington State. In 1999, Wines was the John J. Aram Professor of Business Ethics at Gonzaga University, Spokane, Washington.
Between 1968 and 1972, Wines served on active duty in the U.S. Army. He was honorably discharged as a Captain.   After finishing law school in May 1974, Wines worked as an Editor on the National Reporter System for West Publishing Company in St. Paul, MN. He passed the Minnesota Bar in 1974. In 1976, he passed the Washington State Bar Exam. He worked as an associate attorney doing trial work and a general civil practice with the firm now known as Burgess and Fitzer, Tacoma, Washington.

Wines has published more than forty articles in law reviews or other academic journals. Some of the top journals include the *Arizona Law Review, The DePaul Law Review, The Journal of Business Ethics, The Labor Law Journal, The Nebraska Law Review, The Marquette Law Review, The Economics of Education Review*, and *The William & Mary Journal of Women and*

the Law. He has edited two books of readings in business ethics and has written a sole-authored textbook, *Ethics, Law, and Business* (Lawrence Erlbaum Associates, 2006). His work has been cited by the U.S. Commission on Civil Rights and in the *Harvard Law Review* as well as in over one-hundred other publications.

His academic awards include being named the Albertson Library's 16th annual Professor of the Year in 2000 at Boise State University. His writings have won numerous awards including the Irwin-Business Publications Inc. Prize for best paper at the Midwest Academy of Legal Studies annual meeting (1983); the William O. Douglas Prize for best paper at the Pacific Northwest Academy of Legal Studies in Business (thrice – 1985, 1991, and 1999); and the Tri-State Academy of Legal Studies award for Best Paper at its annual conference (2005). Wines has taught at the Bemidji State University, University of Iowa, Miami University of Ohio, and the National Economic University in Hanoi, Vietnam.

J. Brooke Hamilton III
Professor of Management, University of Louisiana at Lafayette
Dr. Brooke Hamilton is a Professor, Department of Management, B.I. Moody III College of Business Administration at the University of Louisiana at Lafayette. He holds the J. Wesley Steen Memorial Regents Professorship in Business Administration. He graduated from Georgetown University with a B.A. degree in Philosophy in 1965 and an M.A. in Philosophy in 1968. He received his Ph. D. degree in Philosophy from Emory University in 1972, with a concentration in Ethics and the History of Philosophy.

In 1970 he joined the faculty of Tuskegee Institute (now Tuskegee University) in Alabama, where he taught for seven years, was promoted to Associate Professor, and served as head of the Department of Philosophy for five years. In 1977, Dr. Hamilton returned to Lafayette, Louisiana to join Elks Concrete Products, Inc., his family's concrete block manufacturing business. Currently he serves as President of the Board of Directors for the company.
Having completed his M.B.A. at the University of Louisiana at Lafayette in 1990, he was invited to return to academe as a member of the Department of Management. He teaches courses in the Business and Society, Management of Behavior and Organizations and Behavioral Processes, and teaches Professional Ethics in the Department of Philosophy.
His business research concentrates on developing practical ethical standards for use in the daily workings of business, on organizational ethics, on issues of honesty in both business and academia, and on teaching excellence.   His work appears in several scholarly journals including *The Journal of Business Ethics*, *Business Ethics Quarterly*, *Professional Ethics*, *Southeastern Journal of Legal Studies in Business*, *NACRA Case Research Journal, Management Decision & Journal of Management History, Delaware Journal of Corporate Law*, *Journal of Education in Business* and the *Journal on Excellence in College Teaching*. He recently spent a year's sabbatical researching new findings in neuroscience and moral psychology and developing a website www.EthicsOps.com which offers recipes for operationalizing traditional ethical principles in business and professional settings. During that year he was a Visiting Scholar at the Center for Business Ethics at Bentley University and at the Markkula Center for Applied Ethics at Santa Clara University.

Dr. Hamilton has been involved in research and teaching in clinical and biomedical ethics since the early 1970's when the discipline, as it is practiced today, began. He contributed a chapter for a nursing textbook on ethical issues in end of life care. He holds an appointment as Adjunct Assistant Clinical Professor in the Louisiana State University School of Medicine and serves as Chair of the Ethics Committee and Institutional Review Board of University Medical Center in Lafayette. He is a clinical ethics consultant for other hospitals in the region and is the founding chair of the Acadiana Area Ethics/Optimum Care Committee which offered ethics consultations for patients and families in nursing homes and home health care not covered by institutional ethics committees.

INSIDER: Stop Trying to Delight Your Customers
By Steven Bell, MBA Candidate

There is a longstanding belief in the service industry that in order to gain loyalty from customers, companies must "delight" them with customer service that goes above and beyond. In their article, "Stop Trying to Delight Your Customers," authors Matthew Dixon, Karen Freeman, and Nicholas Toman confront this belief head-on in this *Harvard Business Review* article by addressing three questions:

1) How important is customer service to loyalty?

2) Which customer service activities increase loyalty, and which don't?

3) Can companies increase loyalty without raising their customer service operating costs?

Their research findings may change how real estate agents look at increasing loyalty from clients.

Think Point #1: Don't Delight Clients, Reduce Their Effort

Companies often don't consider that they may be wasting time and money on over-the-top customer service because this is what must be done to retain clients. These companies should ask themselves: are people more likely to give repeat business simply because of great customer service or leave a company because their problem wasn't solved easily? Clients are unmistakably more ready to punish bad service than to reward great, often unnecessary, service. In fact, recent data shows that when it comes to live-service or self-service, clients don't have a significant preference. It turns out client loyalty is impacted much more by a company's ability to perform their basic job duties, without much effort on the part of the client, than by how fantastic the service may be. If the research findings point to one conclusion for real estate agents it is this: agents create loyal clients by solving their problems.

Think Point #2: Act Deliberately on this Insight

When agents understand that clients would rather be helped than dazzled by "extras" they can change their approach to customer service. The philosophy of how to make the customer happy

becomes much simpler: make it easy for them to solve their problems. This should come as a huge relief to agents! Gone are the days of trying to 'out-dazzle' competitors. Changing the focus from frilly service offerings to core competencies can yield many benefits for the company, including: "improved customer service, reduced customer service costs, and decreased customer churn" (Dixon, Freeman and Toman, p. 118). The client is actually more pleased with a job well done, translating to improved customer service. Unnecessary service costs, such as providing freebies, refunds, or other perks, are eliminated. Changing the incentive system within a company will help change the focus of many agents. Many incentive systems that focus on productivity measures such as quantity of sales make it undesirable to address the specific, individual needs of clients. An incentive system that rewards quality of service provided would encourage agents to decrease clients' effort.

Think Point #3: Consider Future Problems

The research shows that the need for clients to reengage companies is the largest contributor to stress and difficulty. Many companies sufficiently solve clients' problems the first time around, but when new situations arise the client must contact the company again for resolution. Companies should not simply address the problem at hand but use their resources to anticipate and prevent future problems. This action will reduce the amount of effort clients must exert and low effort on the part of the client is what fuels loyalty. Solving clients' future problems can be as simple for an agent as spending a few extra minutes at the end of a call explaining the agenda for the next day or sending the client an email explaining the jargon of a particular contract. Whatever the situation, agents should use their past experiences, training, and knowledge to effectively plan for and prevent future problems from occurring and to equip the client with the tools they will need to handle the problem.

Think Point #4: Connect Emotionally with Clients

Stress and extra effort from clients can sometimes be caused by emotional misunderstandings in interactions with agents. If clients walk away from an interaction not trusting what the agent said or feeling like the agent gave them the run-around, they will be forced to make an extra call or schedule an extra meeting to clarify the issue. Connecting with the client emotionally can eliminate many interpersonal mishaps. Agents should do their best to develop trust in their relationship with the client and make sure the client knows they are working hard to get the job done quickly and easily. One helpful step is to determine a client's personality type and craft responses and conversations to effectively communicate with that type. Agents can also train themselves to avoid using certain words that evoke negative responses. Words such as can't, won't, and don't make this list. Establishing emotional connections can go very far to create loyal clients.

Think Point #5: Learn from Unhappy Clients

No matter how hard companies try, they just can't please everyone. Maybe the client had unreasonable expectations of the company and his/her unhappiness should be dismissed. Perhaps the client had a legitimate reason to be upset. In either situation, the company can learn from the insights of unhappy clients. Surveys or interviews can be utilized to receive feedback from clients. This feedback is often a good measure of the performance of a service company because, after all, service companies exist to provide services to clients. Collecting data from the feedback of clients is only one step in the process. The next step is for companies to use this data to address certain trouble areas and make the necessary changes to reduce clients' problems. Remember, reducing effort increases client loyalty.

Recommended Reading

Dixon, M., Freeman, K., & Toman, N. (2010). "STOP Trying to Delight Your Customers". *Harvard Business Review, 88(7/8),* 116-122.

About The Author

Steven T. Bell, MBA Candidate, December 2011, Baylor University
Graduate Assistant, Keller Center for Research
Steven is a graduate student from Cuero, Texas, currently pursuing an MBA degree with a concentration in entrepreneurship. He earned his BBA in general business from Texas A&M University -- Corpus Christi.

A Manager's Credibility Crisis: What It Is and How to Fix It

By Avinash Malshe, Ph.D.

Introduction

In business organizations, the relationship between marketing and sales personnel is often sub-optimal. Marketers view their sales counterparts as short-term, tactically-focused while the sales personnel feel that their marketing colleagues are removed from reality and have no concrete idea of what it takes to bring in a sale (Kotler et al. 2006). This creates a great divide between these two functions and leads to each function questioning the credibility of the other in creating and delivering superior customer value.

There is great deal of evidence that suggests that such a sub-optimal relationship, as well as its consequences, may hamper firms' strategic activities (Malshe and Sohi 2009). One of the many starting points toward bridging this divide is to begin the assessment of whether there is a lack of respect and/or confidence between sales and marketing personnel. A recent study found out that if marketers want to enhance their credibility in the eyes of their sales counterparts, they must work on the following three areas simultaneously: They must (a) make every effort to showcase their marketing expertise in front of the salespeople; (b) take steps to establish and strengthen greater trust between them and the sales force; and (c) establish and nurture a personal rapport with their sales counterparts (Malshe 2010).

Although this study used the interface between sales and marketing functions as a context, its findings offer many actionable ideas to business leaders in general who wish to work on enhancing their own credibility. First, the findings suggest that building credibility in the eyes of subordinates/colleagues is a challenging task that requires leaders to work on multiple fronts simultaneously. Specifically, it is not enough for leaders to be experts in what they do; they must constantly look for opportunities to utilize their expertise to simplify their colleagues' jobs and add value to their day-to-day tasks. Simple steps such as being available and providing timely support go a long way in achieving this. Next, leaders must be willing to embrace the field experience and keep the field-level challenges in mind when strategizing. They must also provide a visible leadership to their strategies and be willing to go an extra mile to marshal the needed resources from within the organization for the field personnel. Last, they must treat their sales colleagues/subordinates as equal, and engage them in meaningful and respectful dialog during the strategic discussions. This leads to building of a personal rapport, which, in turn may contribute to enhanced credibility perceptions.

Background

In business organizations, many different organizational entities are involved in processes such as strategy creation and strategy implementation. For instance, marketing personnel or the company leadership may remain in charge of deciding the organization's strategic direction and salespeople or field personnel may handle the task executing those strategies.

When one examines why many of the strategic marketing initiatives fail; one realizes that lack of good rapport and negative perceptions of one another gives rise to doubts/suspicions in salespeople's minds about the credibility of their marketing counterparts, or their leaders. That it, if people on the ground do not view their marketing colleagues/leaders as credible strategic partners, who can help them achieve their sales goals; they do not trust the strategies handed down to them, which, in turn, leads to implementation failure. This makes it crucial to understand how the notion of functional/personal credibility is construed within an organizational context. My research investigates this key question.

Study methodology

I collected the data for this study by conducting in-depth interviews with a diverse group of sales professionals. The sample consisted of 33 sales professionals (17 males and 16 females) and they came from multiple industries such as IT, healthcare, pharmaceutical, engineering, and telecom. Of the 33 informants, 11 held senior sales positions such as sales director, national sales manager, or VP of sales. The middle management levels within organizations ware represented by 12 individuals holding job titles such as regional sales manager, key account manager, or district manager. Our sample also included people with job titles such as sales representative or sales executive.

During the depth-interviews, we asked our informants to share with us their perspective on the relationship they shared with their marketing counterparts, their day-to-day interactions with them, as well as whether and why they viewed (or did not view) their marketing colleagues as credible strategic partners.

I analyzed the interview data using data analysis software called NVivo, which allows the researcher to understand and analyze the diverse patterns in the data and interrelationships

Want to enhance credibility?

Build and Showcase Your expertise
- Add value to others' work
- Be approchable
- Offer meaningful assistance
- Provide timely support
- Build and highlight your field knowledge

Build Greater trust
- Keep your word
- When unable, provide honest explanation
- Align evaluation parameters

Establish and Nurture Interpersonal rapport
- Treat subordinates as equal
- Be inclusionary
- Appreciate everyone's contribution
- Know the person behind the title

among the various concepts. The findings I report below are a result of rigorous data analysis that captures the essence of how sales personnel interpret marketers' credibility.

Major Finding

The major finding of this study is that for salespeople to perceive that their marketing colleagues are credible strategic partners; marketers must pay attention to the following three dimensions simultaneously. These dimensions are: (a) building and showcasing their expertise, (b) building greater trust; and (c) establishing and nurturing interpersonal rapport with their sales counterparts. The figure provides a schematic view of the various components and its elements.

Building and Showcasing Expertise

The research findings suggest that there are two ways in which marketing personnel may be able to communicate their expertise to their sales colleagues. First, in addition to being experts in their own product and market strategies, marketers must make every effort to use their expertise to create or add value to salespeople's activities. My research findings show that salespeople assess whether marketers are creating "value" for them by examining whether marketers understand their customers' needs and possess the ability to bring to market products and services that directly address customer pain-points. Salespeople also appreciate marketers if they provide salespeople a customized version of a broader strategy tailored for a specific sales territory so that salespeople can effectively implement the same.

Study findings further suggest that salespeople expect marketers to serve as the "go to" people when specific needs arise in the marketplace- e.g., salespeople may expect marketers to provide detailed product/technical information as they try to make a sale. If marketers want to enhance their credibility, they must make use of every opportunity that comes in the form of such salesperson requests and provide them with timely, useful information that can help them close the sale.

The third lever which allows marketers to showcase their expertise is by actively countering the misperception that they are far removed from the market and that they do not understand the harsh market realities. If marketers with previous sales experience make it known to the salespeople that they have walked in their shoes, they understand the day-to-day challenges involved in the sales job, and hence can offer strategies that take into account the realities of the sales world, they are perceived as credible.

Building Greater Trust

While building and nurturing Interfunctional trust is a challenging and long-term task, the research finds that marketing personnel's ability to forge trust in their relationship with salespeople lays a strong foundation for their enhanced credibility perceptions. When asked,

salespeople mention that they assess marketers' trustworthiness on two parameters: (a) Whether they can depend on their marketing colleagues to keep their word; and (b) whether they believe that marketers can be ambassadors for salespeople's interests within their organizations.

Given today's highly competitive business environments, salespeople depend on marketers for consistent support. Further, they look to their marketing counterparts to marshal the needed resources from the top management to support their sales activities. When marketers back out on/delay the promised products or marketing campaigns, or fail to provide the salespeople the necessary back-end support for their promised strategies, credibility suffers. It is important to note that when unanticipated challenges preclude marketers from delivering on their promises, they must be willing to come forward and provide their sales counterparts with an honest explanation for their inability to keep their promise. If this is not done, their credibility takes a further hit.

Aligning evaluation parameters also contributes to engendering trust. In many organizations, sales and marketing personnel's compensation plans are tied to different sets of parameters. While salespeople's pay largely varies with their ability to meet their sales targets, a large component of marketers' pay is stable and does not vary significantly with sales results. While launching a new product/marketing initiative, if marketers align the evaluation parameters they use to measure their own success with those used for the sales force, it serves as a first step toward bridging the compensation disparity. This sends a strong signal to salespeople about the commitment and sincerity of their marketing counterparts to the proposed strategies. It engenders greater trust between the two functions and contributes to marketers' perceived credibility.

Establishing and Nurturing Interpersonal Rapport

In many organizations, salespeople perceive that they receive a differential treatment from their marketing colleagues. For example, marketers may treat them as if they belong to a lower level in the organizational social hierarchy and keep them at an arm's length. If marketers within a firm make specific efforts to nullify such actual or perceived distinctions, treat their sales colleagues as equal, genuinely try to know the salespeople on a personal level, and understand the challenges they face, these actions go a long way in enhancing their credibility.

Marketers may avoid the perceptions of social distinctions by being inclusionary in their words and actions. Specifically, they must always include salespeople in important strategic discussions, decisions, and activities. When marketers encourage greater involvement from the sales force in strategic process, they send a signal that they view the sales force as an important organizational resource. This signal helps bring the two functions closer.

Given the day-to-day challenges posed by complex business environments, it is likely that marketers sometimes may lose sight of the broader picture and develop local rationality- i.e.,

they may begin to view the world through a very narrow perspective and lose sight of the role played by everyone else in achieving the broader organizational goals. My research finds that when marketers make specific efforts to fight such narrow perspective, appreciate how their ill-conceived plans may hamper salespeople's productivity and take corrective steps by being supportive of their salespeople, it provides a boost to their credibility.

How Leaders Across Different Industries May Use These Ideas

The findings of this study have implications in a wide range of contexts. For example, organizations, big and small, where different groups of leaders are engaged in interdependent strategic tasks and where perceived credibility of the leaders involved in the strategic process is crucial to strategic success, ideas from this study are applicable. Specifically, in order to be perceived as credible, business leaders must:

- Constantly assess whether their sales force views them as authoritative strategic partners
- Possess and showcase their business knowledge in an appropriate manner
- Try to create or add value to the tasks performed by the field sales force
- Be open to queries and requests and provide timely response
- Work alongside sales representatives; understand/empathize with the challenges they face
- Be open to learning from the field
- Keep their promises; and if unable, provide an honest explanation
- Champion the "causes" of the field sales force and line up the resources for them
- Try to align own goals and compensation with those of their sales representatives
- Treat subordinates respectfully; involve them in strategic decisions

Conclusion

Irrespective of the business context, it is important for business leaders that their colleagues perceive them as credible professionals. This research tackled this very specific question: what may business leaders do to enhance their credibility in the eyes of their counterparts and/or subordinates? The findings indicate that in order to enhance their credibility perceptions, leaders must pay constant attention to (a) building and showcasing their expertise; (b) building greater trust between them and their colleagues; and (c) establishing and nurturing interpersonal rapport with their colleagues. These findings provide many actionable ideas for leaders as they work on building or strengthening their credibility perceptions within their organizations.

References

Kotler Philip, Rackham Neil, and Suj Krishnaswamy (2006), "Ending the War Between Sales and Marketing," *Harvard Business Review*, 84, 68–78.

Malshe Avinash (2010), "How is Marketers' Credibility Construed within the Sales-Marketing Interface," *Journal of Business Research*, 63, 13-19.

Malshe Avinash and Ravipreet S. Sohi (2009), "What Makes Strategy Making across the Sales-Marketing Interface More Successful?" *Journal of the Academy of Marketing Science*, 37,400-421.

About the Author

Avinash Malshe, Ph.D., Assistant Professor of Marketing, University of St Thomas, MN
Avinash received his Ph.D. in Marketing from the University of Nebraska-Lincoln. At St Thomas, Dr. Malshe teaches in both the Full-Time and the Evening MBA Programs. His prior business experience includes working as a Brand Manager with Pfizer Inc. in their South Asia operations where he managed a range of antihypertensive brands. Avinash is an active academic researcher having work is published or accepted for publication in journals such as the *Journal of the Academy of Marketing Science, Journal of Business Research, European Journal of Marketing, Journal of Personal Selling & Sales Management, Journal of Business and Industrial Marketing,* and *Industrial Marketing Management,* among others. He has also co-authored a book chapter in a marketing thought piece titled "The Service Dominant Logic of Marketing" that discusses cutting-edge research areas in marketing. Dr. Malshe has trained/consulted with business executives in both for-profit and non-profit sectors. In addition, Malshe regularly writes the Outside Consultant column in *Minneapolis Star Tribune* and has been quoted numerous times in *Star Tribune* business columns as well as many other business publications.

INSIDER: Proactively Managing Your Team
By Drew Johns, M.B.A. Candidate

There are two different types of sales managers, those that wait and react to a situation after it occurs and those who proactively engage themselves to ensure their sales team is fully equipped and prepared to take on any situation. A manager with a reactive temperament thrives on chaos and has trouble communicating with his team, especially articulating plans and objectives. These types of managers are preventing the sales team from reaching their full potential and inhibiting their ability to succeed. On the other hand, a proactive manager is ahead of the game, someone who always thinks before acting, and someone who develops and motivates her team. Proactive managers invest in their teams and create a culture that fosters communication where goals and objectives are clearly defined. They plan ahead, have their eye on the future, and they know how to get there. In *ProActive Sales Management: How to Lead, Motivate, and Stay Ahead of the Game* (2009), William Miller examines the proactive sales manager

and offers insights into how to efficiently and effectively manage both the big-picture strategic decisions of your team and the day-to-day operations. This article will investigate the skills you as a manager need to be proactive.

THINK POINT #1: Proactive managers understand that communication must occur and must be personal. They have to be able to communicate up the chain, down the chain, and across the spectrum. Brokerage leaders or managers must be able to utilize multiple sources of technology to ensure they are reaching each individual quickly and effectively. However, proactive managers use technologically mediated communication sparingly. Technology is crucial to keeping information flowing and staying connected; however, proactive managers recognize and leverage face-to-face communication. They understand how essential personal interactions are.

THINK POINT #2: Proactive managers know when to coach and when to counsel; they know when to use a positive vs. a negative framing. Coaching deals with the interpretation of facts based on past experiences. Behaviors associated with guiding, directing, and teaching are crucial when developing your team. Counseling deals with personal issues and comes from your emotional side. Behaviors associated with listening, consulting, and deliberating can help you extract responses and arrive at a mutual agreement (Miller 2009, p. 143). The "coaching/ counseling wheel," as Miller refers to it, is a tool to use when deciding what action is appropriate for each situation. The wheel will help you plan ahead of time on how to deliver a message to the agent or employee using the most effective approach. It can also be used when developing your situational analysis, establishing objectives, and implementing strategies. Some examples of responding to various dimensions of the coaching/counseling wheel include:

1. Positive Coaching – "I know you can do this and I have confidence in you, now go out there and do it!"
2. Negative Coaching – "You have procrastinated for too long. If you don't do it, disciplinary action will take place."
3. Positive Counseling – "I am concerned about what's going on, you have always done well. What is going on?"
4. Negative Counseling – "I am irritated and upset because this situation is hard to understand. I don't know if there is even a solution. What's going on?"

A proactive manager will praise her sales team three times more than she criticizes them to instill a sense of pride among the team (Miller 2009, p. 157).

THINK POINT #3: A proactive manager has clear cut goals that are mutually agreed upon and regularly updated with his employees. These goals have measurable objectives and are developed over time. Setting SMART (specific, measurable, attainable, relevant, and time-bound) goals can act as a roadmap to guide your actions. Goals should be revisited often to measure, define, and redefine the objectives to stay focused on the target. Fine-tuning goals on a regular basis facilitates communication between the broker/manager and the agent/employee, as well as interaction between the different layers of management.

THINK POINT #4: Proactive managers develop motivational programs that encourage growth as well as results. Engaging with client is a very emotional game and keeping your sales team motivated is a critical factor that drives success. While each person is in charge of her own motivations, proactive managers use external factors (actions and events) to make people to feel, do, or think a certain way. To encourage a competitive environment, a reward system needs to be relevant, unbiased, and well planned to heighten the level of excitement. Frederick Herzberg created a model that separated workplace factors into two

categories: motivation and maintenance. The maintenance factors deal with simple workplace issues, where motivational factors deal with praise, reward and recognition, and learn-and-grow challenges. A proactive sales manager will consistently develop and grow his team by using learn-and-grow challenges. Ideas and challenges will foster an innovative culture that will push each individual and drive the team to meet its objectives. Positive motivational actions centered around praise, rewards, and challenges are key elements in hiring, motivating, and keeping top performers.

A proactive manager who communicates effectively through coaching and counseling, establishes clear cut goals, and motivates the sales team, will have the essential skills needed to cultivate capable and competent agents and team members.

Recommended Reading

Miller, William "Skip." (2009). *ProActive Sales Management: How to Lead, Motivate, and Stay Ahead of the Game* (2nd ed.). New York: AMACOM.

About the Author

Drew Johns, M.B.A. Candidate, May 2011, Baylor University
Graduate Assistant, Keller Center for Research
Drew is a first-year graduate student from Mansfield, TX. He earned his BBA with a major in finance from Baylor University.

Contributors

Steven T. Bell, MBA Candidate, December 2011, Baylor University
Graduate Assistant, Keller Center for Research
Steven is a graduate student from Cuero, Texas, currently pursuing an MBA degree with a concentration in entrepreneurship. He earned his BBA in general business from Texas A&M University -- Corpus Christi.

Chris Blocker, Ph.D., Assistant Professor of Marketing, Baylor University
Chris completed his Ph.D. at the University of Tennessee in marketing. His research focuses on understanding the dynamics of customer value and its implications for important strategies like relationship management and segmentation. Prior to pursuing a Ph.D. in marketing, Chris held various marketing/sales positions in the high-tech sector, including professional services consulting and global account management for AT&T and business marketing at Sprint. He has published research in journals such as the *Journal of the Academy of Marketing Science, Industrial Marketing Management, Journal of Business Research, The European Journal of Marketing, The Journal of Business and Industrial Marketing*, and in the proceedings of several international marketing organizations.

Lawrence B. Chonko, Ph.D.
The Thomas McMahon Professor in Business Ethics, University of Texas-Arlington
Lawrence B. Chonko, Ph.D. is The Thomas McMahon Professor in Business Ethics and chair of Marketing at the University of Texas at Arlington. He is a recipient of the *Southwestern Business Dean's Association* Innovative Achievement Award and the *American Marketing Association* Sales Interest Group, Lifetime Achievement Award. His scholarly work has appeared in a variety of journals, nine of which have received "best paper" recognition, one nominated for "Best Sales Papers" of the 20th Century and one selected as having the most impact on the discipline by the *Journal of Business Research*. Prof. Chonko has authored or co-authored 15 books and served as Editor of the *Journal of Personal Selling and Sales Management.*

Charles Fifield, MBA
Senior Lecturer and Baylor Sales Coach, Baylor University
Chuck Fifield is a Senior Lecturer for Baylor University's Hankamer School of Business, Marketing Department – Professional Sales and Communications and serves as the faculty consultant to Baylor's Sales Team and Uproar Music and Entertainment Group, a student managed business. He joined the faculty at Baylor University in 2001, where he has also taught in the Graduate Business School (Operations Management), the Management Department (Negotiations and Conflict Resolution) and the Economics Department (Principles of Macroeconomics). Chuck has taught or guest lectured at other Texas-based Universities in the fields of sales, international business, money and banking and finance/investments. Professor Fifield has conducted sales research and training for several organizations, including most recently State Farm Insurance. Prior to joining Baylor, Chuck was a financial consultant to

businesses located throughout the U.S. for nearly thirty years. He owned and operated several financial service businesses in the fields of securities, real estate, oil and gas and insurance.

Douglas B. Grisaffe, Ph.D.
Assistant Professor of Marketing, University of Texas at Arlington
Doug Grisaffe teaches research methodology and applied statistics in UTA's Master of Science in Marketing Research (MSMR) program. He is the former Vice President, Chief Research Methodologist for Walker Information, a research and consulting firm in the area of employee and customer satisfaction and loyalty measurement. His ongoing research involves forces that build or diminish strong connections between employees, customers, and companies. Doug's publications appear in journals such as *Journal of Service Research, Journal of Personal Selling & Sales Management, Marketing Letters,* and *Human Resource Management Review.*

J. Brooke Hamilton III
Professor of Management, University of Louisiana at Lafayette
Dr. Brooke Hamilton is a Professor, Department of Management, B.I. Moody III College of Business Administration at the University of Louisiana at Lafayette. He holds the J. Wesley Steen Memorial Regents Professorship in Business Administration. He graduated from Georgetown University with a B.A. degree in Philosophy in 1965 and an M.A. in Philosophy in 1968. He received his Ph. D. degree in Philosophy from Emory University in 1972, with a concentration in Ethics and the History of Philosophy.

In 1970 he joined the faculty of Tuskegee Institute (now Tuskegee University) in Alabama, where he taught for seven years, was promoted to Associate Professor, and served as head of the Department of Philosophy for five years. In 1977, Dr. Hamilton returned to Lafayette, Louisiana to join Elks Concrete Products, Inc., his family's concrete block manufacturing business. Currently he serves as President of the Board of Directors for the company.
Having completed his M.B.A. at the University of Louisiana at Lafayette in 1990, he was invited to return to academe as a member of the Department of Management. He teaches courses in the Business and Society, Management of Behavior and Organizations and Behavioral Processes, and teaches Professional Ethics in the Department of Philosophy.
His business research concentrates on developing practical ethical standards for use in the daily workings of business, on organizational ethics, on issues of honesty in both business and academia, and on teaching excellence.   His work appears in several scholarly journals including *The Journal of Business Ethics*, *Business Ethics Quarterly*, *Professional Ethics*, *Southeastern Journal of Legal Studies in Business*, *NACRA Case Research Journal, Management Decision & Journal of Management History, Delaware Journal of Corporate Law*, *Journal of Education in Business* and the *Journal on Excellence in College Teaching*. He recently spent a year's sabbatical researching new findings in neuroscience and moral psychology and developing a website www.EthicsOps.com which offers recipes for operationalizing traditional ethical principles in business and professional settings. During that year he was a Visiting Scholar at the Center for Business Ethics at Bentley University and at the Markkula Center for Applied Ethics at Santa Clara University.

Dr. Hamilton has been involved in research and teaching in clinical and biomedical ethics since the early 1970's when the discipline, as it is practiced today, began. He contributed a chapter for a nursing textbook on ethical issues in end of life care. He holds an appointment as Adjunct Assistant Clinical Professor in the Louisiana State University School of Medicine and serves as Chair of the Ethics Committee and Institutional Review Board of University Medical Center in Lafayette. He is a clinical ethics consultant for other hospitals in the region and is the founding chair of the Acadiana Area Ethics/Optimum Care Committee which offered ethics consultations for patients and families in nursing homes and home health care not covered by institutional ethics committees.

Walter Herzog, PhD, Assistant Professor of Marketing, WHU-Otto Beisheim School of Management, Germany
Dr. Walter Herzog is assistant professor of marketing at the WHU-Otto Beisheim School of Management, Germany. He studied at the University of Mannheim, Germany, received a Ph.D. from the University of St. Gallen, Switzerland, and he was a Visiting Scholar at the University of Michigan.His research focuses on customer relationship and sales management.
Dr. Herzog also conducts methodological research on measurement theory (e.g., covariance structure models) and causal inference (e.g., Rubin's Causal Model). His research was published in the Journal of Marketing, Structural Equation Modeling, and the Journal of Advertising Research. Furthermore, his research was presented at international marketing and methods conferences. In 2007, a research project won the best paper award in the sales and relationship marketing track at the American Marketing Association Winter Educator's Conference. He received two grants by the Swiss National Science Foundation and two grants by the Research Fund at the University of St. Gallen, Switzerland. Dr. Herzog teaches methods courses at the bachelor's, master's, and doctoral level.

Fernando Jaramillo, Ph.D.
Associate Professor of Marketing, University of Texas at Arlington
Fernando Jaramillo's research interests include marketing strategy and sales force management. Dr. Jaramillo's research has appeared in multiple journals including the *Journal of Personal Selling & Sales Management, International Journal of Research in Marketing, Journal of Business Research, Journal of Business Ethics, Journal of Marketing Theory & Practice,* and the *Journal of Marketing Education.* He is a member of the editorial review boards for the *Journal of Business Research,* the *Journal of Personal Selling & Sales Management,* and the *Journal of Marketing Theory & Practice.*

Drew Johns, M.B.A. Candidate, May 2011, Baylor University
Graduate Assistant, Keller Center for Research
Drew is a first-year graduate student from Mansfield, TX. He earned his BBA with a major in finance from Baylor University.

Avinash Malshe, Ph.D., Assistant Professor of Marketing, University of St Thomas, MN
Avinash received his Ph.D. in Marketing from the University of Nebraska-Lincoln. At St Thomas, Dr. Malshe teaches in both the Full-Time and the Evening MBA Programs. His prior

business experience includes working as a Brand Manager with Pfizer Inc. in their South Asia operations where he managed a range of antihypertensive brands. Avinash is an active academic researcher having work is published or accepted for publication in journals such as the *Journal of the Academy of Marketing Science, Journal of Business Research, European Journal of Marketing, Journal of Personal Selling & Sales Management, Journal of Business and Industrial Marketing,* and *Industrial Marketing Management,* among others. He has also co-authored a book chapter in a marketing thought piece titled "The Service Dominant Logic of Marketing" that discusses cutting-edge research areas in marketing. Dr. Malshe has trained/consulted with business executives in both for-profit and non-profit sectors. In addition, Malshe regularly writes the Outside Consultant column in *Minneapolis Star Tribune* and has been quoted numerous times in *Star Tribune* business columns as well as many other business publications.

Felitas Morhart, PhD, Vice-Director of the Marketing Department,
University of Lausanne
Dr. Felicitas Morhart is Assistant Professor of Marketing and Vice-Director of the Marketing Department within the Faculty of Business and Economics at the University of Lausanne, Switzerland. In her research, she takes an interdisciplinary approach integrating organizational behavior and leadership phenomena into marketing in order to contribute to research on human well-being and high performance in customer-contact functions. Exemplary topics are sales force transformational leadership and transformational selling, as well as brand community management. With her work on brand-specific transformational leadership Dr. Morhart received a scholarship by the Swiss National Science Foundation and won an AMA best-paper award in 2007. Dr. Morhart's research has been published in prestigious academic journals such as the *Journal of Marketing* and the *Journal of Management Inquiry,* as well as in practitioners' journals like the *Journal of Advertising Research* and the *Harvard Business Manager.* She teaches undergraduate, graduate, and executive education courses at the University of Lausanne and St. Gallen. In addition, she works as a consultant and management coach for companies in the financial, automotive, and health industry, and gives expert talks at selected events and conferences.

James A. Roberts, Ph.D.
Ben H. Williams Professor of Marketing, Hankamer School of Business, Baylor University
Dr. Roberts has published extensively in the sales literature and for the past 15 years has focused his research efforts on the impact of materialism on well-being.

William A. Wines
William Arthur Wines was Associate Professor of Business Law in the Steven L. Craig School of Business, Missouri Western State University, Saint Joseph, MO 64507 from 2007 to 2010, when he officially retired. Professor Wines holds a B.S.B.A. with distinction from Northwestern University and a J.D. from the University of Michigan and was admitted to practice in Minnesota and Washington State. In 1999, Wines was the John J. Aram Professor of Business Ethics at Gonzaga University, Spokane, Washington.
Between 1968 and 1972, Wines served on active duty in the U.S. Army. He was honorably discharged as a Captain.   After finishing law school in May 1974, Wines worked as an Editor on

the National Reporter System for West Publishing Company in St. Paul, MN. He passed the Minnesota Bar in 1974. In 1976, he passed the Washington State Bar Exam. He worked as an associate attorney doing trial work and a general civil practice with the firm now known as Burgess and Fitzer, Tacoma, Washington.

Wines has published more than forty articles in law reviews or other academic journals. Some of the top journals include the *Arizona Law Review, The DePaul Law Review, The Journal of Business Ethics, The Labor Law Journal, The Nebraska Law Review, The Marquette Law Review, The Economics of Education Review*, and *The William & Mary Journal of Women and the Law*. He has edited two books of readings in business ethics and has written a sole-authored textbook, *Ethics, Law, and Business* (Lawrence Erlbaum Associates, 2006). His work has been cited by the U.S. Commission on Civil Rights and in the *Harvard Law Review* as well as in over one-hundred other publications.

His academic awards include being named the Albertson Library's 16th annual Professor of the Year in 2000 at Boise State University. His writings have won numerous awards including the Irwin-Business Publications Inc. Prize for best paper at the Midwest Academy of Legal Studies annual meeting (1983); the William O. Douglas Prize for best paper at the Pacific Northwest Academy of Legal Studies in Business (thrice – 1985, 1991, and 1999); and the Tri-State Academy of Legal Studies award for Best Paper at its annual conference (2005). Wines has taught at the Bemidji State University, University of Iowa, Miami University of Ohio, and the National Economic University in Hanoi, Vietnam.