Managerial coaching and sales performance: the influence of salesforce approaches and organisational demands

Joana Coimbra
Universidade do Porto, Porto, Portugal, and
Teresa Proença
Faculty of Economics, University of Porto, Porto, Portugal and CEF.UP, Porto, Portugal

Abstract

Purpose – This study intends to understand if managerial coaching, a sustainable competitive strategy, has an impact on sales performance, through customer and results orientation of the salesforce. It also aims to investigate whether pressure for results, one of the predominant demands in organizations today, and the centralisation of decisions, a traditional management demand still present in several organizations, undermine the effect of coaching on performance.

Design/methodology/approach – The 167 responses collected, through the distribution of questionnaires among workers in the commercial area, were analysed through a structural equation model using the partial least square (PLS) technique.

Findings – The results of this study confirm that managerial coaching has a positive impact on sales force performance through customer and results orientation, with customer orientation having a greater impact on performance. It was also found that centralised decision-making and pressure for results do not undermine the relationship between managerial coaching and performance, and they even reinforce the positive impact of results orientation on performance.

Practical implications – Managerial coaching practices can impact sales, especially when associated with customer orientation, freeing employees from the pressure for results and the centralisation demands. This scenario favours a more sustainable and emancipatory sales force management.

Originality/value – This study is the first to integrate organizational demands, namely pressure for results and centralisation, to better understand the effect of managerial coaching on sales performance, through customer and results orientation, thereby extending previous research on this topic.

Keywords Managerial coaching, Centralized decision-making, Pressure for results, Customer orientation, Results orientation, Performance

Paper type Research paper

1. Introduction

A worker’s commitment, performance and, consequently, organisational success can be deeply influenced by the relationship between managers and their subordinates (Ribeiro et al., 2020). Instead of the traditional management paradigm with a strong focus on authority, coaching focusses on finding actions that empower and motivate workers, consequently, managerial coaching is often considered a successful way to improve workers’ performance (Huang and Hsieh, 2015; Kim et al., 2013; Ribeiro et al., 2020). Additionally, managerial coaching can be envisaged as an organizational resource which triggers work engagement.
(Tanskanen et al., 2019) or as an emancipatory management approach as it supports critical reflection and reflective learning (Shoukry, 2016). According to Huang and Hsieh (2015), managers and leaders should recognize that coaching has an important role, since coaching can be defined as a process to empower employees so that they can exceed their performance levels.

The salesforce is increasingly concerned with identifying and developing sustainable competitive advantages that create value for consumers and increase their loyalty. Moreover, according to Huang (2008), for an organization to be successful it is necessary to understand what customers expect from the market and to make sure that its employees can meet those expectations and maintain a good relationship with its customers. Salesforce has therefore an important role in what concerns the use of key relationship marketing variables such as customer-oriented behaviour and sales or results-oriented behaviour (Pousa et al., 2018).

Previous research found that managerial coaching can increase customer orientation and consequently improve the quality of the relationship with the customer, which subsequently affects its retention. Nevertheless the impact of managerial coaching skills in sales orientation has been inconclusive (Huang, 2008; Pousa and Mathieu, 2014; Pousa et al., 2018).

Managerial coaching can increase employees’ affective commitment, work engagement and performance (Tanskanen et al., 2019) but its influence on performance has not been much explored in the literature (Ribeiro et al., 2020). Moreover, authors suggest that future research should expand the limited selection of the variables studied by incorporating other significant ones, such as organizational context (Pousa et al., 2020).

Shoukry (2016) considers coaching as an emancipatory approach, based on the principles of choice and self-responsibility (Rogers, 2008). However, the author also questions the potential of this approach in the face of oppressive contexts. An organizational context can be oppressive when it reduces or centralises decision-making capacity and when it pressures its employees to attain results in less time, demands that seem to be quite present in organizations (Ness and Connelly, 2017; Pousa and Mathieu, 2010). In fact, pressure for results is a predominant demand in organizations today, namely among salesforce (Román et al., 2018), and it may be a source of stress and burnout when exceeding certain limits (Moczydlowska, 2016). On the other hand, a centralised decision-making structure is a traditional management trend still present in many organizations (Adria and Chowdhury, 2004), having more emphasis in small and medium firms (Spanos et al., 2001) that prevent employees to assume responsibility and autonomy, which may undermine the principles of coaching. Therefore, this study aims to enquire how management associated with coaching techniques can impact results orientation and customer orientation, and, consequently, salesforce performance, and whether organisational demands, such as centralised decision-making and pressure for results, may undermine these results.

The structure of this paper is as follows. First, we discuss the theoretical framework presenting managerial coaching as an organizational resource and an individual emancipatory approach. Then we explain its relationship with two main orientations in sales performance, namely customer orientation and results orientation. Next, we explain how the pressure for results and centralised decision-making, may undermine the coaching impact on salesforce performance. We proceed with the description of the empirical research among a salesforce sample, the discussion of the results and finally the main contributions and management implications.

2. Theoretical framework

2.1 Managerial coaching

Managerial coaching is defined by authors Abid et al. (2019 p. 3) as “the actions of the manager or leader who acts as a coach and facilitates learning in the workplace environment through specific behaviours that enable the employee to learn and develop”. Research on managerial coaching has been showing positive results such as commitment to quality
(Elmadağ et al., 2008), employee learning (Hagen, 2012), job satisfaction (Kim et al., 2014), motivation (Gilley et al., 2010), self-efficacy (Pousa and Mathieu, 2015) and thriving at work (Abid et al., 2020) which are outcomes in tune with one of the dimensions of a sustainable organizations (Spreitzer et al., 2012): the people dimension. If organizations emphasise a human developmental context rather than an oppressive one, both individuals and organizations would flourish simultaneously.

McLean et al. (2005) developed a framework for effective coaching with four attitudinal and behavioural dimensions: maintaining open communication with others; adopting a team approach rather than an individual approach; valuing people over tasks; and accepting the ambiguous nature of the work environment. These dimensions aim to improve employee development and performance. There are other coaching behaviours that it may be important for leaders to adopt, such as: asking questions; setting goals and giving feedback (McCarthy and Milner, 2013). According to author Carvalho et al. (2021) managerial coaching is viewed as a continuous dialogue between managers and employees that helps employees understand their role and job in the organization and provides ongoing feedback and developmental support to improve performance. Therefore, managerial coaching may be envisaged as an organizational resource in the vein of the job demands–resources model (Bakker and Demerouti, 2017), which holds that good leadership serves as a job resource and triggers a motivational process that will lead through work engagement to good performance.

Coaching practices associated with sales management involve help sales representatives developing competencies through on-the-job interactions. The evolution of salespeople is related to the progress of the customer relationship and its retention, i.e. a salesperson with well-developed competencies should be better prepared to develop longer-lasting relationships with her customers (Deeter-Schmelz et al., 2002). Sales managers, to be effective leaders, play a critical role in shaping the attitudes and skills of their salespeople. In other words, more than just telling them what to do, they must be role models and have behaviours that demonstrate their values and the organisation’s objectives (Rich, 1997).

The coaching intervention is goal-focussed and performance driven and was found support to the direct impact of coaching on employee performance as well as with the mediators’ customer orientation and sales orientation (Pousa and Mathieu, 2014), which we now explain.

2.2 Customer orientation
Saxe and Weitz (1982) introduced the sales orientation customer orientation (SOCO) concept that presents sales orientation, which aims to maximise short-term sales earnings by stimulating product demand, and customer orientation, which promotes the sale of products only in response to the customer needs.

Customer orientation refers to the degree to which a salesperson is willing to adapt his or her behaviour to help the customer make better buying decisions that will satisfy his or her needs, intending to avoid behaviours that result in customer dissatisfaction and increase long-term customer satisfaction (Pousa and Mathieu, 2014; Saxe and Weitz, 1982). This orientation represents the marketing concept put into practice in the relationship between the seller and the consumer, i.e. it assesses the degree to which the seller analyses the needs of his target and adapts to meet those needs better than his competitors (Saxe and Weitz, 1982). There is a growing recognition of the role that sales people play in forming long-term customer relationships and as the main link between customers and the company (Bradford and Weitz, 1999). Selling has progressed from a purely direct sales-oriented function to a customer advice (Thaichon et al., 2018). Results from previous studies show that leadership associated with coaching skills helps to increase relationship behaviours, like customer orientation, which in turn directly increases the quality of the customer relationship and indirectly increases future retention (Huang, 2008; Pousa and Mathieu, 2014). Pousa et al. (2018) have also proven that
customer orientation increases employee performance. Accordingly, the following hypothesis was formulated:

\( H1. \) Managerial coaching positively influences customer orientation.

\( H2. \) Customer orientation positively influences sales performance.

\( H3. \) Customer orientation plays a mediating role between managerial coaching and sales performance.

2.3 Results orientation

The concept of sales orientation according to Saxe and Weitz (1982) is defined as a low level of customer orientation, i.e. an opportunistic behaviour with the aim of convincing customers to make a purchase, even if this requires using manipulative tactics (Pousa and Mathieu, 2014; Saxe and Weitz, 1982).

However, this type of orientation has evolved over the years. The salesperson is perceived as a problem solver, with a broader emphasis on the commercial area, such as strategic development and responsibility for profitable sales (Dawson, 1970). Consequently, the sales profession and function have changed over the last few decades into a sales process that occurs through the participation of several areas of the company and where the sale takes place over time, rather than a one-off sale, promoting greater attention to the relationship with the customer (Moncrief and Marshall, 2005).

In this way, the concept sales orientation has expanded to more than just the goal of the sale itself as sales managers have a broader focus, which includes also profitability concerns. Therefore, and given that the concept of sales orientation proposed by Pousa and Mathieu (2014) and Saxe and Weitz (1982) refers exclusively to the goal of generating the sale itself, we will adopt instead the concept of results orientation from now on. The concept of results orientation includes the net outcome: the sale itself and its profit.

The results of previous studies regarding the impact of coaching skills on sales orientation have been inconclusive, however, it is considered that salespeople should have some degree of sales orientation and motivation to achieve their goals (Pousa et al., 2018). For a good sales performance, which encompasses the achievement of general and long-term objectives, such as exceeding sales targets, generating new customers and improving the territory’s market share (Perreault and Behrman, 1982; Wachner et al., 2009), customer orientation is not enough, that is, a salesperson must have both customer orientation and selling competencies. Managerial coaching focuses on goal achievement and performance improvement, therefore a positive impact on salesforce’s results orientation is expected. Even that managerial coaching may be more close to customer orientation, it seems reasonable to expect that this leadership approach based on learning and proximity with salesforce may also promote a results orientation.

According to Goad and Jaramillo (2014) the understanding about the relationship between sales orientation and job performance is limited, and they advance examples of studies reporting both negative, non-significant and positive relationships. Boles et al. (2001) suggest that in some sales environments, such as retail, a results orientation may be particularly beneficial to a salesperson performance and that it is even possible that customers may expect some degree of sales techniques use from the salesperson. We therefore consider that,

\( H4. \) Managerial coaching positively influences results orientation.

\( H5. \) Results orientation positively influences sales performance.

\( H6. \) Results orientation plays a mediating role between managerial coaching and sales performance.
2.4 Organisational demands
Several studies suggest adding contextual variables, to better understand how managerial coaching skills may influence performance (Jaramillo et al., 2007; Pousa et al., 2020; Ribeiro et al., 2020). Thus, this study will include organisational factors, namely the centralisation of decision-making and the pressure for results, which can be considered oppressive organizational demands, since they restrict the latitude, flexibility and autonomy a salesperson can employ to deal with their job and customers. According to Shoukry (2016) “the flexible and participatory nature of coaching makes it potentially effective for navigating the challenges of oppressive social contexts” (p. 15).

The research regarding the impact of customer and sales orientation on performance has generally been inconclusive or weak (Pousa et al., 2018; Pousa and Mathieu, 2014; Wachner et al., 2009) and the impact of results orientation on performance has not been studied yet. Therefore our aim is also to enquire about the impact of customer orientation and results orientation on performance, under organisational demands that may create an oppressive work context, such as centralisation of decision-making and pressure for results.

2.4.1 Centralisation of decision-making. Centralisation refers to whether decision-making power is concentrated at the top levels of the organisation or delegated to middle/lower management (Caruana et al., 1998). Companies with more centralised structures may have more difficulties in identifying relevant external knowledge sources and, consequently, build relationships with these sources and explore opportunities (Foss et al., 2013). Also, centralisation can block the circulation of new ideas and thus hinders the innovation process (Hage and Dewar, 1973).

A centralised structure restricts the process of employee empowerment as it makes employees feel that they are powerless at work and this sense of perceived powerlessness may shape some negative attitudes (Kim and Shin, 2019). Moreover, centralisation is reflected in sales force’s lack of authority to make individual decisions based on customer claims and needs (Mamun et al., 2017).

Thus, customer orientation is expected to be negatively related to centralised decision-making. A centralised decision-making structure can result in a more negative approach for customers, as workers spend less time working through the problems with the customer to arrive at the best solution (Boles et al., 2001). Thus, customer orientation behaviours will ultimately not be able to be expressed as much when there is centralised decision-making and may even undermine the relationship of customer orientation to the salesperson performance. Hence, it is estimated that,

\[ H7. \] Centralisation decreases the positive relationship between customer orientation and performance.

On the other hand, centralised decision-making may be positively related to results orientation. Under a results orientation the salesperson adopts a targeted approach to achieve the sale and gives less importance to the customers’ point of view, their problems and needs (Boles et al., 2001). Consequently, within a centralised decision-making context, a results-oriented salesperson will have an even more focussed focus on aligning their results with the interests of the organization, which is likely to allow the sale or result to appear, at least in the short-term performance. Therefore, it is estimated that,

\[ H8. \] Centralisation increases the positive relationship between results orientation and performance.

2.4.2 Pressure for results. The pressure to perform arises with demands or constraints placed on an individual with the aim of responding in a certain way (Baucus, 1994). This pressure to perform represent a common expectation in organisations today (Ness and Connelly, 2017).
Salespeople are constantly under different kinds of pressure. There is increasing pressure for them to achieve sales results, to act ethically, not only to avoid scandals, but to gain customer trust and thereby build long-term relationships (Schwepker, 2019). On the other hand, there is also time pressure or the pressure to adapt to the competitive business environments (Chonko et al., 2002; Rostami et al., 2019). Time pressure is an antecedent for more creative behaviours, however, although time reduction can have positive effects, it also has negative consequences, such as leading to less ethical behaviour (Rostami et al., 2019) and stress (Mitchell et al., 2018). Results from previous studies have shown job pressure and competition are among the major causes of less ethical decision making (Goldberg and Greenberg, 1994). Nevertheless, performance pressure has also a bright side. It increase motivation and functional work behaviour (e.g. Eisenberger and Aselage, 2009), and without it, performance can even stagnate (Gardner, 2012). Particularly, in the commercial area, meeting and exceeding performance expectations is linked to incentives and other perks, so we believe that performance pressure for commercial may be positive related with sales performance.

Many control systems focus on results and are independent of the methods by which the results are achieved. In the same way, salespeople who practise a results-oriented approach place greater importance on closing the sale itself, rather than on how the sale is made. When target achievement becomes the focus, such as sales results, there is a temptation to avoid the customer-oriented approaches, which may take more time, in favour of a quick sale to achieve performance targets, regardless of the means used. When salespeople feel pressure to achieve targets, they may forget ethical selling behaviours, like customer orientation, and opt to embrace a more aggressive approach so that they can achieve their goals and results (Schwepker, 2003).

In this way, the behaviour with customers may be affected by pressure for results, so customer orientation is expected to be negatively related to pressure for results. When salespeople feel pressure to meet their targets, they may renounce ethical selling behaviours, such as customer orientation, and choose to adopt a more aggressive approach in order to achieve their goals and results (Schwepker, 2003). Moreover, dealing with customer needs involves time to comprehend the customer, which is not very compatible with performance pressure. Thus, it is expected that customer-orientation behaviours may be negative related with this pressure to achieve results and therefore it may impoverish sales performance.

**H9.** The pressure for results decreases the positive relationship between customer orientation and performance.

On the other hand, it is expected that results orientation is positively related to pressure for results. Results orientation will have a greater impact in sales performance when pressure for results is high since workers will do their best to achieve their goals. Thus:

**H10.** The pressure for results increases the positive relationship between results orientation and performance.

### 3. Methodology

#### 3.1 Research design and data collection procedure

In this theoretical model, the antecedent factor is managerial coaching; results orientation and customer orientation are mediators between managerial coaching and sales performance. Two organisational factors are also considered: centralised decision-making and pressure for results as mediators (Figure 1).

The sampling method is non-probabilistic and adopted some theoretical criteria, namely respondents had to work in the commercial area and be in the current organisation for at least six months. As they are asked about their performance, the participants should have been in the organisation over a significant period of time, so that they have learnt about their role and have developed a clear idea about their performance. Additionally, this period of time seems
to be enough to internalise the values and norms of the organisation, i.e. the organisational culture, particularly in relation to centralisation and pressure for results (Carlos and Rodrigues, 2016).

Data was collected through the application of on-line questionnaires. The questionnaire was available in Portuguese and English, enabling the collection of data from various countries. These questionnaires were sent through the personal network of the researchers and were also made available through the crowdsourcing platform Amazon Mechanical Turk (MTurk). The questionnaire included two moments: one to assess the antecedent managerial coaching, and the mediators, customer orientation, results orientation; and about two weeks later the other mediators and effects were assessed, i.e. centralised decision-making, pressure for results and performance. This procedure is recommended by MacKenzie et al. (2003) and allows to reduce the effect of the common method, approaching the causal structure proposed in the theoretical model. In this way, the questionnaire also becomes less exhaustive than answering all the questions at once.

3.2 Measures
Sociodemographic data were collected to characterise the sample, such as gender, age, level of education, professional situation, activity sector, size of the organisation and seniority in the organisation. In addition, questions were also asked about managerial responsibilities.

The questionnaire for this study was carried out considering previous research, i.e. scales already validated for this purpose were used and adapted. To measure the variables was used a seven-point Likert scale, where 1 represents “Strongly Disagree” and 7 “Strongly Agree”. In Appendix is presented a detailed description of the scales used.

Managerial coaching scale was developed by McLean et al. (2005), with a Cronbach’s alpha of 0.84, and adapted by Menezes (2016) and Ribeiro et al. (2020), including four dimensions: open communication; team approach; value given to people and acceptance of ambiguity. One example is: “when developing relationships, my manager openly shares his/her personal values”.

Pressure for results scale – we adapted items from several studies to better fit our intended objectives, including Agarwal and Ramaswami (1993), Challagalla and Shervani (1997) and Sujan et al. (1994), that we present in Table A1.
Centralised decision-making – was measured based on Jaworski and Kohli (1993), with items such as “even small matters have to be referred to someone higher up for a final answer”.

Results orientation and customer orientation – we use a shortened and empirically validated version of the SOCO scale, which was used by Wachner et al. (2009) with the adaptation of two additional items from the scale of Didonet et al. (2020) to capture results instead of only sales, as for example: “I try to figure out what the customer needs are” for customer orientation or “My strategy is focused on results and profit margins” for results orientation.

Sales performance was measured based on Perreault and Behrman (1982), validated by the study of Wachner et al. (2009), which consists six items to measure individual performance compared to other members of the sales team, such as “the ability to sell products with higher profit margins”.

In order to ensure the instrument’s reliability and validity, the items were translated from English into Portuguese by a translator and were subsequently back-translated by another translator (Brislin, 1970). The original and the translated versions were compared by the translators and, consequently, discrepancies were discussed. A pre-test was also performed.

4. Results

First, sample is characterised and the data collected through the questionnaire is analysed through the use of Microsoft Office Excel and SmartPLS. Partial least squares (PLS) method is characterised as the most appropriate technique when the research objective is predictive or exploratory models (David Garson, 2016). Structural equation models (SEM) have become almost a standard in marketing and management research when it comes to analysing cause–effect relationships between latent constructs and the PLS method has been increasingly used in social sciences, economics and humanities due to the practical needs of many users or, for example, due to the formative nature of latent variables, present in these sciences (Hair et al., 2011; Marôco, 2014). Thus, the software chosen to perform the analyses was SmartPLS.

4.1 Sample

A total of 386 answers were collected, of which only 167 were valid for the scope of the study, as it was necessary to work in the commercial area and for at least six months in the current company. Only the valid and relevant answers were considered for the following analyses.

In the final sample, 66% of the answers were from the male gender and the respondents represent a sample of young adult participants, mostly (44%) aged between 26 and 35, from different countries. The respondents’ answers had various origins, among which 38% are Portuguese; 16% American; 16% Brazilian; 22% Indian; and the rest (8%) come from countries such as Canada, Estonia, France, Germany, Italy, among others.

The majority of the participants demonstrate a high level of education, with 75% of the sample having an education beyond a bachelor’s degree. Regarding professional factors, 86% of the participants have an employment contract, of which 49% have a permanent contract. It should also be noted that approximately 74% of the respondents have some type of managerial responsibility. The sectors of activity that stand out in the participants of this sample are commerce and distribution, information technologies and manufacturing industries, with 55% of the total sample. Moreover the majority of the sample (60%) includes people coming mainly from SMEs.

4.2 Descriptive analysis and correlational analysis results

Table 1 presents the means and standard deviations of the variables as well as the correlations between them. Regarding the socio-demographic variables, it can be observed
<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gender</td>
<td>1.66</td>
<td>0.47</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Education</td>
<td>2.89</td>
<td>0.86</td>
<td>-0.06</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Age</td>
<td>36.72</td>
<td>11.50</td>
<td>0.176*</td>
<td>-0.10</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Dim. Org.</td>
<td>2.74</td>
<td>1.05</td>
<td>0.172*</td>
<td>0.202**</td>
<td>0.01</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Sen. Org.</td>
<td>3.29</td>
<td>1.31</td>
<td>0.12</td>
<td>-0.05</td>
<td>0.302**</td>
<td>0.204**</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Man. Resp.</td>
<td>1.58</td>
<td>1.35</td>
<td>0.12</td>
<td>0.194*</td>
<td>0.10</td>
<td>-0.02</td>
<td>0.09</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. MC</td>
<td>5.16</td>
<td>1.46</td>
<td>-0.14</td>
<td>-0.05</td>
<td>-0.03</td>
<td>-0.07</td>
<td>0.02</td>
<td>0.14</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. CO</td>
<td>5.97</td>
<td>1.18</td>
<td>-0.10</td>
<td>0.10</td>
<td>0.237**</td>
<td>0.159*</td>
<td>0.185*</td>
<td>0.03</td>
<td>0.360**</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. RO</td>
<td>4.45</td>
<td>1.93</td>
<td>-0.15</td>
<td>0.06</td>
<td>-0.398**</td>
<td>-0.10</td>
<td>-0.234**</td>
<td>0.08</td>
<td>0.253**</td>
<td>0.11</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. PR</td>
<td>4.80</td>
<td>1.67</td>
<td>-0.171*</td>
<td>-0.05</td>
<td>-0.193*</td>
<td>-0.04</td>
<td>-0.13</td>
<td>0.03</td>
<td>0.364**</td>
<td>0.10</td>
<td>0.380**</td>
<td>1.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. CDM</td>
<td>4.27</td>
<td>1.87</td>
<td>-0.09</td>
<td>-0.06</td>
<td>-0.266**</td>
<td>-0.06</td>
<td>-0.12</td>
<td>-0.152*</td>
<td>0.04</td>
<td>-0.06</td>
<td>0.435**</td>
<td>0.559**</td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>12. SP</td>
<td>5.27</td>
<td>1.30</td>
<td>-0.08</td>
<td>0.04</td>
<td>-0.06</td>
<td>-0.06</td>
<td>0.00</td>
<td>0.09</td>
<td>0.429**</td>
<td>0.501**</td>
<td>0.541**</td>
<td>0.408**</td>
<td>0.376**</td>
<td>1.00</td>
</tr>
</tbody>
</table>

**Note(s):** $n = 167$; **$p < 0.01$; *$p < 0.05$**

Legend: Gender: 1 = feminine; 2 = male; (b) Education: 1 = below high school; 2 = high school; 3 = undergraduate; a = master's/postgraduate; 5 = Phd; (c) Dim. Org. = dimension of organisation; 1 = less than 10 employees; 2 = 10–50 employees; 3 = 51–250 employees; 4 = more than 250 employees; (d) Sen. Org. = seniority in the organisation; 1 = less than 1 year; 2 = 1–2 years; 3 = 2-5 years; 4 = 5–10 years; 5 = more than 10 years; (e) Man. Respon. = management responsibility; 0 = no; 1 = supervision; 2 = middle management; 3 = management position; 4 = administrative position; MC = managerial coaching, CO = Customer Orientation; RO = Results Orientation; PR = Pressure for Results; CDM = Centralised Decision-Making; SP = Sales Performance

Table 1. Means, standard deviations and correlations of managerial coaching and sales performance.
that age is positively related to customer orientation, and negatively related with results orientation. The same pattern is visible with seniority in the organization. Age is also negatively correlated with pressure for results and centralised decision-making. The size of the organisation is strongly correlated with customer orientation, in the sense that the larger the organisation, the more the approach will be customer driven.

In addition, it is possible to see that there is a significant relationship between managerial coaching and customer and results orientation, as mentioned in the literature review. In addition, managerial coaching has also a positive and significant correlation with pressure for results and, on the other hand, it shows no significant relationship with centralised decision-making. Moreover, was also observed that results orientation has a relevant relationship with centralised decision-making and pressure for results. Finally, all variables presented in the structural model (MC, CO, RO, CDM and PR) are positively related to performance.

4.3 Common method bias

MacKenzie et al. (2003) suggest several techniques to be considered in order to control problems related to the common method biases, such as respondent anonymity or counterbalancing the order of the questions. These procedures were considered when constructing the questionnaire and collecting the data, as explained before, however, the existence or not of this error in data collection should still be confirmed. Thus, Harman’s single factor test was used, which is the most common test to assess this error. Harman’s single factor test performs an exploratory factor analysis where it examines the possibility that one factor can explain the variance of the variables. This single common factor explains less than 50% (in this case about 30%) of the total variance of the model, so it can be concluded that the bias is not important.

4.4 Reliability, validity and model adjustment

The reliability and validity of the constructs were checked. In order to measure the internal consistency and composite reliability, Cronbach’s alpha and composite reliability criteria were considered, which should be higher than 0.6 and 0.7, respectively (David Garson, 2016; Henseler et al., 2012). To measure convergent validity, the average variance extracted (AVE) criterion was considered, which should be greater than 0.5 (Chin, 1998). Discriminant validity, that is, the degree to which a construct is distinct from the others, was measured using three criteria: the criterion of cross-loads, which determines whether there is discriminant validity if the values are higher in the original variables in relation to the others (Chin, 1998); the Fornell and Larcker criterion that determines whether there is discriminant validity if the square root of the AVE is greater than the correlations of the constructs (Fornell and Larcker, 1981); and the HTMT (Heterotrait-Monotrait Ratio) criterion which determines whether there is discriminant validity if the correlation values between constructs are lower than 0.9 (Henseler et al., 2015).

(a) Convergent validity

By observing the values in Table 2, we can verify that some variables presented satisfactory values in the first analysis: managerial coaching (MC), centralised decision-making (CDM), customer orientation (CO) and sales performance (SP). After some adjustments on the items of the variables results orientation (RO) and pressure for results (PR), these variables presented also satisfactory values. Thus, it is possible to conclude that the model converges to a satisfactory result.
(b) Internal consistency and composite reliability

After ensuring convergent validity, it is necessary to assess reliability through the values of internal consistency (Cronbach’s alpha) and composite reliability (CF). Cronbach’s alpha (CA) indicator is based on the intercorrelations of the variables and is the most traditional indicator. However, the CF is more suitable for PLS research as it prioritises variables according to their reliability, while the CA is very sensitive to the number of variables observed in each variable. Both cases are used to assess whether the sample is free of bias, that is, whether the set of responses are reliable (David Garson, 2016). Evaluating the values in Table 3, all values are above the reference values (AC > 0.6 and CF > 0.7), so we can conclude the reliability of all observed variables.

(c) Discriminant validity

Finally, and to conclude the analysis of the validity of the variables, the discriminant analysis was tested through three tests: Cross Loading, Fornell and Larker criterion, and HTMT. In the cross loading test the loadings of the original observed variables should be larger than the others. Regarding the criteria for the internal model, in the Fornell and Larcker test the square root of the AVE for each variable should be higher than the correlations between the remaining constructs. Finally, the HTMT criterion claims that the correlation between constructs should be less than 0.9. The criteria for the three tests have been verified, wherefore discriminant validity is confirmed.

4.5 Evaluation of the structural model

After analysing the external model, it is necessary to assess the structural (internal) model, i.e. the predictive ability of the model, meeting the following criteria: the coefficients of determination ($R^2$), the predictive relevance ($Q^2$) and the size and significance of the path coefficients (Sarstedt et al., 2017).

The coefficient of determination ($R^2$) evaluates the part of the variance of the endogenous variables that is explained by the structural model, indicating the quality of the adjusted model. The effect size ($f^2$) represents the change in $R^2$ and is to verify the effect of the impact of an independent variable on a dependent variable (Chin, 1998). Finally, the $Q^2$ criterion
assesses how close the model is to what is expected, that is, it analyses the predictive relevance of the model. The $t$-test is discussed in the following section, whereby $t \geq 1.96$ indicates there is significance with a $p$-value $\leq 0.05$.

As shown in Table 4, the variable pressure for results presents an $R^2$ considered substantial and the variable performance a moderate effect, with an almost substantial value. The remaining variables show weak effects.

Regarding effect size ($f^2$), can be seen in Table 4 a moderate effect between the relationships managerial coaching and customer orientation; results orientation and centralised decision-making; and results orientation and performance. The effect is considered strong between customer orientation and performance; and weak in the relationship between the variables managerial coaching and results orientation; customer orientation and the two variables representing organizational factors (PR and CDM); the pressure for results and centralised decision-making and performance.

Lastly, it was found that all constructs have a $Q^2$ value greater than zero, thus indicating that the model has predictive validity.

### 4.6 Hypothesis testing

Tables 5 and 6 present the results of the model with the purpose of testing the hypotheses previously formulated. Table 5 presents the direct paths and Table 6 the indirect effects. The hypotheses are confirmed or rejected according to the reference $t$-value indicated and the coefficient indicates whether the relationship between variables is positive or negative.

We may conclude that hypotheses 1, 2, 4 and 5 were confirmed since the results show $t$-values higher than the reference value and the coefficients indicate convergent effects with what was expected.
4.6.1 Mediation. In the presentation of the hypotheses, it was mentioned the possibility of mediating the relationship between managerial coaching and performance through results and customer orientations, as well as of mediating the relationship between results and customer orientations and performance through organisational factors (pressure for results and centralised decision-making). The indirect effects analysis identified the mediation effects as shown in Table 6.

It is possible to conclude that managerial coaching has an indirect effect on performance mediated by both customer orientation and results orientation, since the t-values are higher than the reference value for significance. Thus, hypotheses 3 and 6 were confirmed.

Regarding the mediation of organisational factors, centralised decision-making and pressure for results, the hypotheses mediating results orientation and performance were confirmed, that is, hypotheses 8 and 10. On the other hand, the hypotheses mediating customer orientation and performance were not confirmed, that is, hypotheses 7 and 9 were rejected.

5. Discussion and main contributions

5.1 Research findings and conclusions

In this study it was proven that managerial coaching, a leadership resource, increases both customer and results orientations and these consequently increase sales performance. It was also verified that the effect of managerial coaching on performance is greater through customer orientation than results orientation. This is in line with the existing literature that states that leadership associated with coaching competencies promotes relationship behaviours, such as customer orientation, which in turn directly increases the quality of the customer relationship (Huang, 2008; Pousa and Mathieu, 2014), and additionally, that customer orientation increases performance (Pousa et al., 2018).

Moreover, some studies claimed that the sales force should also have some degree of results orientation, adopting a behaviour with the main objective of convincing customers to make the purchase, so that they can achieve their goals (Pousa et al., 2018; Pousa and Mathieu, 2014; Saxe and Weitz, 1982). However there were some doubts in the existing literature regarding the relationship between sales orientation and performance with managerial coaching as an antecedent (Pousa et al., 2018). Furthermore, we adjusted the concept of sales orientation to the concept of results orientation, since the concept of sales orientation has evolved over the past decades from a purely focused approach on making the sale itself to a broader concept, where there are concerns about profit margins. We found that managerial coaching has indeed the power to increase sales performance through results orientation.

Answering to the call of adding contextual variables to better understand how managerial coaching skills may improve performance (Pousa et al., 2020; Ribeiro et al., 2020), our theoretical and empirical model incorporated two organisational demands that could influence employee behaviour and performance: centralised decision-making and the pressure for results that several commercial managers may experience (Ness and Connelly, 2017; Pousa and Mathieu, 2010). It was found that these demands mediate the relationship between results orientation and performance, that is, when an individual has an approach aimed at satisfying results and not so much aligned with the customer and is under managerial coaching, these variables boost sales performance. Thus, when a leadership approach with coaching methods is implemented, it was found that these variables have a positive impact on sales performance in the organisational context only when a results-oriented approach is used by commercial managers. Additionally, the correlations obtained, namely the significant positive correlation between managerial coaching and pressure for results, lead us to the idea that managerial coaching may allow employees to deal better with their performance goals. Managerial coaching focuses on the development of the employee.
not only personally but also professionally, which leads individuals to aspire to achieve their work objectives and goals. Additionally, the absence of a significant negative correlation between managerial coaching and centralisation of decision-making, do not allow us to affirm that such organizational demand undermine the effect of managerial coaching.

We argue that managerial coaching may have an emancipatory role in employees, allowing them an healthier and sustainable context (Pousa and Mathieu, 2014), mainly when followed by a customer-oriented approach. On the one hand, customer orientation has a stronger impact on sales performance than results orientation, when managerial coaching is at stake. Therefore, employees with such an approach are focussed on understanding customer needs, on relationship building which implicates adaptive selling behaviour (Nguyen et al., 2022) and avoidance of short-run selling method that may impair customer interests and longer lasting or sustainable relationships (Deeter-Schmelz et al., 2002). Also, being under a leadership behaviour based on coaching, salesforce may develop a robust understanding of their work context, which results in emancipated individuals (Shoukry, 2016). On the other hand, organizational demands, that may be oppressive for employees, do not interfere in sales performance, when employees are under a customer orientation approach.

Having in mind that it is difficult for a conventional salesperson to adopt both a sales-oriented and a customer-oriented attitudes (Goad and Jaramillo, 2014), the latter will have advantages over the former. In this study we confirm that a customer orientation actually has greater impact on sales performance. In turn, managerial coaching provides a more emancipatory work climate (Shoukry, 2016), enhancing greater proximity and communication with employees. This study confirms that a managerial coaching approach promotes a better attitude on the part of salesforce, especially one that is more customer-oriented than results-oriented, and therefore better sales performance. Even under a results-oriented approach, organizational demands do not seem to undermine managerial coaching.

The management implications of this research include advocating the implementation of managerial coaching techniques by leaders, such as maintaining good communication with their subordinates, fostering the team spirit, valuing their people and accepting the ambiguity of the work, fostering mainly a customer-oriented approach in the salesforce. More specifically, some attitudes that leaders can adopt to implement managerial coaching practices are, for example, showing sincerity and openness, consulting the opinion of their subordinates and third parties, promoting activities to foster the creation of relationships within the team, defining specific objectives (quantitative or qualitative), giving constructive feedback, promoting critical thinking or being flexible.

On the other hand, the behaviour of a leader and the perception of the followers is not something that the company can fully control. However, through human resources management, the company should promote the adoption of good leadership practices, such as: carefully selecting managers who can develop characteristics related to managerial coaching or providing development or mentoring programmes for the different levels of leadership present in the company.

5.2 Limitations and future research

Naturally, the present study has some limitations that future research may consider. Firstly, future studies should seek to use a bigger sample to represent the population more meaningfully and, consequently, provide greater robustness to the results.

On the other hand, the professionals’ performance was assessed based on their own perceptions, which may lead to common method biases, as mentioned by MacKenzie et al. (2003). Despite this, some measures were taken into account when designing the questionnaire to minimise this effect, namely the protection of respondents’ anonymity, the randomness positioning of the items in the questionnaire and the data collection in two
moments spaced in time; as well as in the analysis of results, Harman’s test was performed, which indicated a low probability of common variance error in the sample, thus suggesting a reduced threat to the validity of these conclusions. Even so, future research could use other evaluation methods to assess the performance of the sample, such as using company information about the employee’s performance; through information from the respective manager or third parties, such as co-workers or customers; or even to evaluate the skills of these professionals at their premises (in loco), where the results obtained could be evaluated in relation to the type of leadership practiced.

For future research, different mediating or moderating variables can be included to analyse the impact of managerial coaching on employees’ performance, such as contextual factors, for example how leadership may be influenced by culture or country; organisational factors, such as hierarchical distance, flexibility at work or competitiveness; or employee characteristics, such as socio-demographic characteristics, such as age, which, as seen before in this study, the older the employee, the higher the customer orientation and the lower the results orientation, pressure for results and centralised decision-making, or even personal characteristics such as the need for professional fulfilment. Other dimensions may also be included to assess not only performance, but also variables related to the employee well-being.

References


### Appendix

<table>
<thead>
<tr>
<th>Variable</th>
<th>Items</th>
<th>References</th>
<th>Cronbach’s alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pressure for results</td>
<td>In my organization it is very important to me that my supervisor sees me as a good salesperson</td>
<td>Agarwal and Ramaswami (1993), Challagalla and Shervani (1997) and Sujan <em>et al.</em> (1994)</td>
<td>0.70</td>
</tr>
<tr>
<td></td>
<td>I spend a lot of time thinking about how my performance compares with other salespeople’s</td>
<td></td>
<td>0.72</td>
</tr>
<tr>
<td></td>
<td>If I do not obtain my performance goals, I feel pressured to achieve my goals</td>
<td></td>
<td>0.71</td>
</tr>
<tr>
<td></td>
<td>On my job, I feel pressured if I have unfinished work</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>I would receive an informal warning if sales volume or market share targets are not achieved</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>My pay increases would suffer if sales volume or market share targets are not met</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Table A1.* Questionnaire items, respective bibliography and Cronbach’s alpha.

**Corresponding author**

Joana Coimbra can be contacted at: up201901039@up.pt