INTRODUCTION

Providing feedback to employees is a primary component of personnel development and management systems which seek to improve outcomes at the individual and group level (Aguinis, Gottfredson, & Joo, 2012). While most managers are aware that evaluating employees and providing developmental feedback is one of the most important components of their role, many are uncomfortable with these tasks, as they do not know how to perform them effectively (Aguinis, Joo, & Gottfredson, 2011; DeNisi & Kluger, 2000). The challenge of providing constructive feedback is the confluence of factors which determine how feedback impacts motivation, such as the regulatory focus of the receiver (achieving positive outcomes vs. avoiding negative outcomes) (Van-Dijk & Kluger, 2004), feedback orientation (tendencies toward seeking, processing, and acting on feedback) (Aguinis et al., 2012), feedback valence (Burgers, Eden, Engelenburg, & Buningh, 2015), perceived organizational support (employee perceptions that the organization values their contributions) (Ashford, Blatt, & Walle, 2003), number of feedback sources (Smither, London, & Reilly, 2005), and locus of feedback (self, peer, supervisor sources of feedback) (Jaworski & Kohli, 1991).

While feedback is intended to strengthen self-efficacy, engagement, job satisfaction, performance, and motivation (Aguinis et al., 2012; Dimotakis, Mitchell, & Maurer, 2017), it has the opposite effect about thirty percent of the time (Kluger & DeNisi, 1996). Both qualitative and quantitative research investigations point to the inconsistency of feedback effectiveness, as it often leaves employees feeling devastated, criticized, and demotivated (Bouskila-Yam & Kluger, 2011). At times, negative feedback can cause employees to give up on a task, but in other cases it stimulates more effort (Van-Dijk & Kluger, 2004). Similarly, positive feedback can improve effort, but it can also lead individuals to rest in their success (Van-Dijk & Kluger, 2004).

These findings indicate that conditions exist which dictate when, where, and how feedback will impact employee motivation. Dimotakis et al., (2017) called for research examining the effects of different types of feedback as boundary conditions in the relationship between feedback and employee motivation. Boundary conditions indicate the presence of moderating variables, which influence the strength of the relationship between two other variables (Schmidt & DeShon, 2010). In the present context, boundary conditions could increase or
mitigate the influence of feedback on salesperson motivation-related variables.

This research is germane in the sales context because salespeople often work alone and managers are the primary, or even sole, connection they have to the organization (Fatima & Azam, 2016). Extant research has found that feedback from sales managers can instill confidence, enhance perceived competence, facilitate professional development, and strengthen the bond between managers and salespeople (Deci & Ryan, 1985; Hawes & Rich, 1998; Ryan & Deci, 2000). Furthermore, the sales role is expanding to include business development (Keszey & Biemans, 2016; Narus, 2015), customer service (Jasmand, Blazevic, & de Ruyter, 2012), technological expertise (Marshall, Moncrief, Rudd, & Lee, 2012), data analysis (Erevelles, Fukawa, & Swayne, 2016), and knowledge brokering (Verbeke, Dietz, & Verwaal, 2011). As the salesperson role expands, obtaining new knowledge from developmental feedback to strengthen job-related capabilities is becoming ever more imperative (Khusainova, De Jong, Lee, Marshall, & Rudd, 2018).

The impact of supervisory feedback and self-efficacy (perceived selling capabilities) on salesperson performance has been well established in literature (Aguinis et al., 2012; Dimotakis et al., 2017). Sales research also has generated robust findings regarding extrinsic incentives eliciting salesperson motivation, but much less is known regarding what builds strong intrinsic motivation among salespeople (Khusainova et al., 2018). This is relevant currently because millennials in sales roles value intrinsic motivation more than prior generations in the workforce (Khusainova et al., 2018; Pullins et al., 2011; Schultz, Schweper, Davidson & Davidson, 2012). Examining intrinsic motivation as the outcome in relation to feedback and self-efficacy will provide timely insight into how sales managers can provide the type of feedback which motivates salespeople and strengthens their self-efficacy. In response to this call for research (c.f., Dimotakis et al., 2017) and the inconsistencies surrounding feedback, this study investigates how different types of supervisory feedback (i.e., outcome performance feedback and capability feedback) interact to influence salesperson self-efficacy (i.e., perceived sales capabilities) and intrinsic motivation (feelings of challenge, growth, and accomplishment in the job). Note that we adopt perspectives of informational feedback from the work of Challagalla and Shervani (1996) on supervisory control as the conceptualizations (and operationalizations) of information related to sales output areas (sales volume, market share) and capability areas (selling skills, presentations) have been developed and used in the sales domain.

This research is structured in the following manner. We first review extant literature in the salesperson motivation domain to develop hypothesized relationships between conceptually relevant variables. The hypothesized relationships are then tested with data from 141 professional salespeople across seven industries, and the findings are reported. A discussion of the implications resulting from the analyses is then provided to clarify the contribution of this research to theory and practice. Finally, limitations and opportunities for future research are presented in the concluding remarks.

THEORETICAL FOUNDATION AND HYPOTHESIS DEVELOPMENT

Social Cognitive Theory

According to Social Cognitive Theory (SCT), human behavior is directed by three types of factors (i.e., personal, environmental, and behavioral) which reciprocally influence one another (Bandura, 1986; Wood & Bandura, 1989). Personal factors include attributes that characterize the individual, such as knowledge, personality, demographics, or cognitions (Bandura, 1986, 1991). Environmental factors are external to the individual, such as the social and physical environment, which influence individuals’ motivation and performance (Bandura, 1986, 1991). Behavioral factors are the patterns of behavior people acquire and sustain, which can be influenced by intervention strategies (Bandura, 1997).

Social Cognitive Theory maintains that the motivation of human behavior is governed by self-regulatory mechanisms, the strongest of which is self-efficacy (Wood & Bandura,
Self-efficacy is defined as “people’s judgment of their capabilities to organize and execute courses of action required to attain designated types of performances. It is concerned not with the skills one has but with judgments of what one can do with whatever skills one possesses” (Bandura, 1986, p. 391). To succeed at a task, one must possess both the requisite skills and the resilient belief in one’s capabilities to control events and accomplish the desired goal (Wood & Bandura, 1989). Believing in one’s ability to succeed in an activity is the foundation of human motivation, as people must believe they have the power to enact change for it to happen (Bandura, 2004).

Self-efficacy is the cognitive component of Social Cognitive Theory that governs individual motivation through a process in which the performance standards one aspires to are compared to the actual performance one achieves in a task (Wood & Bandura, 1989). By making satisfaction contingent in this way, people create self-incentives to direct their actions and help them persist in effort until their performance meets the standard (Wood & Bandura, 1989). In this cognitive comparison process, the motivational effects stem not from the standards (performance outcomes) themselves, but from the conditional requirements the person has established for behavioral evaluations that contribute to the achievement of the standards. Of relevance to the present research is the work of Challagalla and Shervani (1996) that makes a distinction between sales outcome feedback (the level of information employees receive from supervisors on performance, such as sales volume and market share) and capability feedback (the level of information employees receive from supervisors on skills, such as selling, communication, and presentations). Thus, extending the thinking to a social cognitive perspective, information an employee receives regarding performance outcomes, as well as critical behaviors, required to achieve the designated performance outcomes.

Cognitive evaluative comparison processes such as these require both a performance standard and knowledge of one’s actual behavior (Wood & Bandura, 1989). Neither standards without behavioral knowledge, nor behavioral knowledge without standards can have a lasting motivational effect (Bandura & Cervone, 1983; Becker, 1978; Strang, Lawrence, & Fowler, 1978). If one’s behavior consistently does not meet the performance standard, the cognitive evaluation process will reduce self-efficacy and subsequent motivation because self-efficacy mediates the relationship between intentions and cognitive motivation (Wood & Bandura, 1989). This implies that employees must receive informational feedback on key performance outcomes, as well as critical behaviors, required to achieve the designated performance outcomes.

**Capability Feedback and Salesperson Self-Efficacy**

Social Cognitive Theory has been validated in various fields of research, and marketing was the first domain to adopt SCT to examine human behavior in the organizational context (Wang & Netemeyer, 2002). Two aspects of SCT that are relevant to managing salespeople include developing capabilities through feedback and cultivating people’s confidence to use their talents effectively (Wood & Bandura, 1989). Further, a long recognized critical aspect of feedback is information available to individuals related to goal (outcome) obtainment (Ashford & Cummings, 1983).

It is important to differentiate capability feedback from outcome performance feedback because performance feedback (related to achieving an outcome or not) can have both positive and negative effects on efficacy and motivation (Aguinis et al., 2012; Dimotakis et al., 2017). Capability feedback, on the other hand, is more development as its focus is on critical behavior, which orients an individual as to what they can do to increase the likelihood of achieving an outcome. Feedback that helps salespeople strengthen their capabilities increases intrinsic motivation (Fatima & Azam, 2016), but intrinsic motivation decreases when salespeople perceive feedback to be a part of controlling performance (Deci & Ryan, 1985).

Feedback contributes to each component of the SCT triad (i.e., personal factors, environmental factors, and behavioral factors). Therefore, our hypotheses are proposed in the context of this triadic framework. Regarding personal factors...
in the sales domain, feedback strengthens the knowledge salespeople have regarding the role they are required to fulfill (Weitz, Sujan, & Sujan, 1986). Evaluating salesperson capabilities provides diagnostic feedback, which helps salespeople evaluate their success in various selling situations (Mallin & Pullins, 2009). Sales managers can instill confidence in their salespeople by providing feedback which stimulates motivation and continuous improvement (Hawes & Rich, 1998).

Salespeople who receive capability feedback are more likely to attribute success to their mastery of the selling task rather than external factors (Miao & Evans, 2014). As noted previously, perceptions of mastery over a task is known as self-efficacy, as we define salesperson self-efficacy as the perception of mastery over the selling task. Self-efficacy is primarily developed through task mastery and verbal persuasion (Bandura 1977, 1986, 1997). Therefore, the more feedback (i.e., verbal persuasion) salespeople receive regarding their sales capabilities (i.e., task mastery), the higher their self-efficacy should be in performing the sales task (Hawes & Rich, 1998). Therefore, we hypothesize:

\( H_1: \) Capability feedback will be directly related to salesperson self-efficacy.

### Performance Feedback Moderation

According to Social Cognitive Theory, people develop behavioral patterns as they engage in the cognitive evaluation process to identify courses of action which produce desired results (Carroll and Bandura, 1987). The success or failure of these behavioral adjustments on task performance impacts self-efficacy, but these behavioral adjustments can be augmented through intervention strategies (Bandura, 1997). Feedback is an effective intervention tool to augment behavioral patterns and achieve a performance standard (Wood & Bandura, 1989).

Extant research indicates that feedback has the greatest impact when it conveys the individual’s level of capability to complete the task that relates to achievement of a performance standard (Burgers et al., 2015; Kluger & DeNisi, 1996). Miao and Evans (2012) found that controlling employee outcome performance has different effects than controlling their capabilities, so outcome performance feedback and capability feedback impact employee efficacy in different ways. Schmidt and DeShon (2010) validated the interaction of performance feedback and self-efficacy in finding that low levels of performance feedback reduced effort toward task accomplishment by reducing the amount of resources thought to be required to achieve the goal. Alternatively, high levels of performance feedback increased effort toward task accomplishment by clarifying the resources required (Schmidt & DeShon, 2010). The interaction between outcome performance feedback and self-efficacy occurs because feedback clarifies the achievability of the standard which either increases or decreases the individual’s confidence in his or her ability to meet that standard (Vancouver, Li, Weinhardt, Purl, & Steel, 2016).

Providing a standard to which performance can be benchmarked equips salespeople with a frame of reference to determine if their capabilities to accomplish the task are sufficient (Burgers et al., 2015). As outcome performance feedback strengthens or weakens self-efficacy (Wood & Bandura, 1989), it can be an effective intervention strategy in the development of self-efficacy. Therefore, we expect performance feedback to moderate the relationship between capability feedback and salesperson self-efficacy. Specifically, we hypothesize:

\( H_2: \) Outcome performance feedback will moderate the relationship between capability feedback and salesperson self-efficacy, such that capability feedback will positively influence self-efficacy when outcome performance feedback is high.

### Capability Feedback and Intrinsic Motivation

Factors that have a motivational impact but are external to the individual, such as social support or the physical environment, comprise the environmental factors of the Social Cognitive Theory triad (Bandura, 1986, 1991). Motivation is defined as a psychological state that influences the arousal, direction, and persistence of actions which are conditioned by need satisfaction (Mitchell, 1982). In the sales
context, salesperson motivation is the amount of effort a salesperson is willing to expend on the activities associated with the sales role (Walker, Churchill, & Ford, 1977). Two distinct types of motivation have been identified in extant research are intrinsic motivation and extrinsic motivation (Mallin & Pullins, 2009; Tyagi, 1982; Weitz et al., 1986). Intrinsic motivation develops from interest in an activity itself without the influence of an external reinforcement or reward (Warr 1979; Weiner, 1995). Alternatively, extrinsic motivation arises from the enticement of a reward or avoidance of a punishment that is separate from the activity itself (Cerasoli, Nicklan, & Ford, 2014; DelVecchio & Wagner, 2011). Salesperson motivation has predominantly been linked to extrinsic rewards, such as financial incentives and promotion opportunities (e.g., Cravens, Ingram, LaForge, & Young, 1993; Chonko, Tanner, & Weeks, 1992), but recent research has underscored the vital role intrinsic motivation also plays in salesperson motivation (Khusainova et al., 2018; Miao & Evans, 2012; Miao & Evans, 2007; Ryan & Deci, 2000).

An important source of intrinsic motivation for salespeople is a work environment that encourages the development of new capabilities (Ryan & Deci, 2000). Social Cognitive Theory indicates that factors in the work environment, such as social support, influence individual motivation (Ramírez, Kulina, & Cothran, 2012). Feedback that builds feelings of competence and confidence in one’s capabilities is a source of social support that facilitates intrinsic motivation (Ryan & Deci, 2000). Aguinis et al. (2012) underscored the importance of capability feedback in finding that feedback can motivate employees if it emphasizes strengths rather than weaknesses and frames ineffective behavior as a need for more knowledge and capabilities, which are changeable, as opposed to talents or personality which are relatively static. Therefore, we expect capability feedback to operate as a source of social support from the work environment to strengthen intrinsic motivation among salespeople. Specifically, we hypothesize:

H₃: Capability feedback will be directly related to intrinsic motivation.

Salesperson Self-Efficacy Mediation

Bandura (1997, p. 66) indicated that if employees are not receiving feedback “they are at a loss to know what skills to enlist, how much effort to mobilize, how long to sustain it, and when to make corrective adjustments to their strategies.” Like a rudder on a ship, feedback regarding capabilities serves as a steering mechanism to help employees adjust course and perform effectively. According to Social Cognitive Theory, the inexorable relationship between capability feedback and motivation is mediated by self-efficacy because it is the cognitive component that governs individual motivation (Wood and Bandura, 1989).

Motivation only exists if one believes they maintain the capabilities to be successful in an endeavor (Bandura, 2004). Fatima and Azam (2016) found that developing salesperson capabilities through feedback increased intrinsic motivation, but controlling salesperson activities reduced motivation by removing the opportunity to develop self-efficacy. Karl, O’Leary-Kelly, and Martocchio (1993) indicate that people with low self-efficacy need support, such as feedback and training sessions, to strengthen their task-related capabilities.

Once the requisite capabilities have been conveyed and are understood, individuals can engage in the cognitive evaluation process to ascertain which behaviors generate positive results and build confidence in their ability to match their behavior to the standard that has been established (Wood & Bandura, 1989). Motivation is not generated by the standards in this cognitive comparison process, but through the establishment of confidence in one’s ability to perform the task effectively (Wood & Bandura, 1989). Therefore, we expect capability feedback to influence intrinsic motivation through strengthening salesperson self-efficacy in performing the sales task. Specifically, we hypothesize:

H₄: Salesperson self-efficacy will mediate the positive relationship between the interaction of capability and outcome performance feedback and intrinsic motivation.
The hypothesized relationships are illustrated in Figure 1.

### METHOD

#### Subjects

Data for this study were collected from professional salespeople in three states in the Midwest region of the USA. To enhance the generalizability of our findings, we targeted salespeople from the industrial equipment, wholesale trade, business services, insurance, communications, instruments and measurement, and electronics industry sectors. A list of sales offices in the target region was developed and the sales offices were then contacted to ask for participation in the study. To deliver the surveys, a drop-off distribution methodology was employed with trained assistants contacting the salespeople in each sales office to: (1) explain the nature of the study; (2) ask for their participation; (3) assure confidentiality for participants; and (4) answer questions about the study or the survey instrument itself. Research assistants either left the survey with the salespeople and arranged a pickup time and date or waited while the salespeople completed the survey. This procedure resulted in a response rate of 61% with a total of 141 usable surveys returned. The sample was predominantly male (62%) and ranged in age from 19 to 60 years with a mean age of 36 years. Fifty nine percent of the sample was in B2C sales and 41 percent of the sample was in B2B sales. Years of selling experience ranged from 1 to 41 years, with an average of 11 years selling experience. In addition, 32.6 percent of the sample had five or less years of sales experience, 34.1 percent had between 6 and 12 years of sales experience, and 33.3 percent had 13 or more years of sales experience.

#### Measures

The questionnaire included measures of salesperson perceptions regarding capability feedback, outcome performance feedback, self-efficacy, intrinsic motivation, and demographic descriptors. Construct measures were used or adapted from previously published scales that have exhibited acceptable levels of reliability and validity.

*Capability feedback and outcome performance feedback.* These constructs consisted of five and four items, respectively, measured on a seven-point scale ranging from “strongly disagree” to “strongly agree.” Capability feedback included items regarding the information employees receive from supervisors on skills such as selling,
communication, and presentations. Outcome performance feedback included items regarding the information employees receive from supervisors on performance measures such as sales volume and market share (Challagalla & Shervani, 1996).

Salesperson Self-efficacy. We assessed self-efficacy with sales professionals on customer-oriented behaviors which is consistent with Bandura’s (1986; 1997) articulation of self-efficacy as involving judgment of task-specific capabilities. This approach is consistent with prior self-efficacy research which assesses salesperson orientation towards customer concerns, the salesperson-customer relationship, and longer-term customer satisfaction (Franke & Park, 2006; Harris, Mowen, & Brown, 2005; Stock & Hoyer, 2005). The self-efficacy items were measured on a single unit interval 10-point Likert scale (“not at all confident” to “totally confident”) consistent with Ozer and Bandura (1990). Two response formats have been used in extant self-efficacy literature, one which uses a dual-judgment format assessing the magnitude and strength of self-efficacy for given performances, and an alternative which uses a single-judgment format (Maurer & Pierce, 1998). Given the practical efficiency of measurement, the single-response format was utilized in this research.

Intrinsic motivation. This construct was measured via three seven-point items relating to salesperson perceptions of the importance of accomplishment, personal growth, and challenge in their job (adapted from Tyagi, 1985). The items used to assess these measures is displayed in Table 1.

Results

The purpose of this study is to test for mediated moderation, such that outcome performance feedback moderates the relationship between capability feedback and self-efficacy which influence intrinsic motivation. As a precursor to analyses, reliability, convergent validity, and discriminant validity were assessed for multi-item measures. All measures were above recommended thresholds for Cronbach’s Alpha and composite reliability (reliabilities >.70) and the amount of variance extracted for each construct (AVEs >.50) (Fornell & Larker, 1981). Confirmatory factor analysis (AMOS 18) was used to assess the convergent validity of measures. Observed indicators were all statistically significant ($p < .01$) for their corresponding factors. Measurement model fit statistics $\chi^2 (115) = 167.21, p < .00, \text{NNFI} = .90, \text{CFI} = .97, \text{RMSEA} = .06$ suggest that the observed indicators are representative of constructs with the combination of NNFI, CFI, and RMSEA consistent with fit index standards recommended for good fitting models (Hu & Bentler, 1999; Hair et al., 2006; Bagozzi & Yi, 2012). Table 1 presents measures used in this study.

With respect to discriminant validity for all constructs, the amount of variance extracted for each construct is greater than the squared correlation between constructs (Fornell & Larker, 1981). In sum, these results provide support for the convergent and discriminant validity of the construct measures. Summated scores of the multi-item scales were used to address the research hypotheses. Table 2 provides the means, standard deviations, correlations, and reliabilities of measures.

Considered together, the proposed hypotheses suggest a mediated-moderation model (Preacher, Rucker, & Hayes, 2007). Preacher and Hays (2004) developed a procedure for a rigorous test of direct and indirect effects of an independent variable and potential moderators on a dependent variable through potential mediators. The approach utilizes a powerful “bootstrap” test by generating a sampling distribution from a researcher’s sample. This process allows for the generation of bias-corrected confidence intervals for indirect (i.e., mediated) effects.

Following Preacher et al. (2007), two regression equations were estimated. For the first equation, capability feedback, outcome performance feedback and the interaction term (capability x outcome performance feedback) are entered as predictors of self-efficacy. For the second equation, capability feedback, performance feedback, the interaction term (capability x outcome performance feedback), and self-efficacy are entered as predictors of intrinsic motivation.
Conditional process analysis is required with the hypothesized model as the effect of the independent variable should differ in strength as a function of the moderator and work through the mediator (Hayes, 2013). That is, the effect of capability feedback should be conditional on the level of outcome performance feedback and work through self-efficacy. The strength of conditional process analysis is that the procedure utilizes a bootstrapping technique to calculate “path” effects in the form of a confidence interval. Confidence intervals that exclude zero are evidence of an effect statistically different from zero. Thus, mediated moderation would be indicated when there is evidence for full mediation after accounting for the effects of moderated variables.

<table>
<thead>
<tr>
<th>Constructs and Items</th>
<th>Standardized Coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Capability Feedback</strong> <em>(Challagalla &amp; Shervani, 1996)</em> <em>(scaled: strongly disagree/strongly agree)</em></td>
<td></td>
</tr>
<tr>
<td>My manager has standards by which my selling skills are evaluated.</td>
<td>.81</td>
</tr>
<tr>
<td>My supervisor periodically evaluates the selling skills I use to accomplish a task.</td>
<td>.88</td>
</tr>
<tr>
<td>My manager provides guidance on ways to improve selling skills and abilities.</td>
<td>.85</td>
</tr>
<tr>
<td>My supervisor evaluates how I make sales presentations and communicate with customers.</td>
<td>.88</td>
</tr>
<tr>
<td>My manager assists by suggesting why using a particular sales approach may be useful.</td>
<td>.81</td>
</tr>
<tr>
<td><strong>Outcome Performance Feedback</strong> <em>(Challagalla &amp; Shervani, 1996)</em> <em>(scaled: strongly disagree/strongly agree)</em></td>
<td></td>
</tr>
<tr>
<td>My manager tells me about the level of achievement expected on sales volume or market share targets.</td>
<td>.82</td>
</tr>
<tr>
<td>I receive feedback on whether I am meeting expectations on sales volume or market share targets.</td>
<td>.78</td>
</tr>
<tr>
<td>My manager monitors my progress on achieving sales volume or market share targets.</td>
<td>.81</td>
</tr>
<tr>
<td>My manager ensures I am aware of the extent to which I attain volume or market share goals.</td>
<td>.87</td>
</tr>
<tr>
<td><strong>Salesperson Self-Efficacy</strong> <em>(Ozer and Bandura, 1990)</em> <em>(scaled: not at all confident/totally confident)</em></td>
<td></td>
</tr>
<tr>
<td>In regard to my self confidence in….</td>
<td></td>
</tr>
<tr>
<td>Listening attentively to customer concerns, I am</td>
<td>.72</td>
</tr>
<tr>
<td>Communicating clearly and concisely, I am</td>
<td>.80</td>
</tr>
<tr>
<td>Maintaining open, two-way communication, I am</td>
<td>.92</td>
</tr>
<tr>
<td>Contacting customers after the sale to determine if any problems or other opportunities exist, I am</td>
<td>.54</td>
</tr>
<tr>
<td>Taking actions to establish and/or enhance customer satisfaction, I am</td>
<td>.74</td>
</tr>
<tr>
<td><strong>Intrinsic Motivation</strong> <em>(Tyagi, 1985)</em> <em>(scaled: strongly disagree/strongly agree)</em></td>
<td></td>
</tr>
<tr>
<td>Regarding myself and my job, I feel that it is very important…</td>
<td></td>
</tr>
<tr>
<td>To receive strong feelings of worthwhile accomplishment</td>
<td>.79</td>
</tr>
<tr>
<td>To realize personal growth and development</td>
<td>.71</td>
</tr>
<tr>
<td>To have feelings of stimulating and challenging involvement in my work</td>
<td>.70</td>
</tr>
</tbody>
</table>

Note: All standardized coefficients are significant at \( p < .01 \).
The study variables were loaded into the Process macro (Hayes, 2013) in SPSS 24. Mean centering was used, given the potential effects of collinearity between regressor variables (independent variables and interaction term) required for analysis (Shieh, 2011). Results of the analysis to test the conditional effects model (Figure 1) are presented in Table 3.

Table 3 shows that hypotheses H₁ and H₂ were supported with a significant effect of capability feedback on self-efficacy and, more importantly, a significant interaction effect of capability and outcome performance feedback in the regression equation predicting efficacy (both p values < .01). Further, Table 3 shows that H₃ was not supported with no significant direct effect of capability feedback on intrinsic motivation. However, more importantly, H₄ is supported in that the proposed mediator, self-efficacy, is the only significant predictor in the equation predicting intrinsic motivation (p value < .01).

To depict the nature of the interaction associated with the first regression equation, slopes are plotted for individuals one standard deviation above the mean (Mean = 6.7) and for individuals one standard deviation below the mean (Mean = 4.3) for outcome performance feedback. Figure 2 displays the interaction effect on self-efficacy. As expected, at higher levels of capability feedback, higher levels of outcome performance feedback significantly enhanced salesperson self-efficacy (F=7.64, p < .05). In contrast, capability feedback does not have this effect on self-efficacy with a low level of outcome performance feedback (F=.36, p < .56).

Table 4 displays the bootstrapping results for the conditional indirect effect of capability feedback for one standard deviation below the mean, at the mean, and one standard deviation above the mean values of the moderator (outcome performance feedback) working through self-efficacy to influence intrinsic motivation. The “Effect” column in Table 4 shows as the value of the moderator increased, the effect of capability feedback working through self-efficacy also increased. Evidence of mediated moderation is provided by confidence intervals presented in the right-hand columns of Table 4. They show that outcome performance feedback positively moderated the link between capability feedback and intrinsic motivation through self-efficacy for the highest levels of outcome performance feedback as the confidence interval excludes zero.

As a precaution, variance inflation factors (VIFs) were examined to assess the effects of collinearity among the independent variables and interaction term in the models. For the first equation, VIFs ranged from 1.74 – 15.98. Given VIFs above 10 were observed, a procedure advocated by Hair et al. (2006) was used to assess multicollinearity. For the first equation, no condition indices were above the commonly used threshold of 30. For the second equation, VIFs ranged from 1.74 – 17.83. Again, condition indices were examined. Only one condition index exceeded the threshold of 30. For this index variance proportions

**TABLE 2:**

Descriptive Statistics, Correlations, and Reliabilities for Construct Measures

<table>
<thead>
<tr>
<th>Construct Measures</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>X1</th>
<th>X2</th>
<th>X3</th>
<th>X4</th>
</tr>
</thead>
<tbody>
<tr>
<td>X1 Capability Feedback</td>
<td>4.9</td>
<td>1.49</td>
<td>.93</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>X2 Outcome Performance Feedback</td>
<td>5.5</td>
<td>1.17</td>
<td>.65** .89</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>X3 Self-efficacy</td>
<td>8.4</td>
<td>1.05</td>
<td>.25** .30** .85</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>X4 Intrinsic Motivation</td>
<td>6.1</td>
<td>.79</td>
<td>-.02 .06 .32** .72</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

** Correlation is significant at p<.01. Alpha’s are shown on the diagonal.
above .90 for two or more variables were not observed. Thus, as a result of mean centering, a collinearity problem is not indicated (Hair et al., 2006).

In summary, consistent with predictions, receiving outcome performance feedback enhances the effect of capability feedback on self-efficacy. Specifically, when outcome performance feedback from a supervisor is higher, receiving higher levels of capability feedback has a strong positive effect on self-efficacy. In contrast, when outcome performance feedback from a supervisor is lower, receiving higher levels of capability feedback does not have a significant effect on self-efficacy. Furthermore, self-efficacy is found to fully mediate the combined influence of feedback on intrinsic motivation.

**DISCUSSION**

**Theoretical Implications**

Extant research is rife with conflicting findings regarding the impact of feedback on salespeople (Khusainova et al., 2019). When contradictory findings exist among direct relationships, it is often due to boundary conditions (i.e., moderating variables) causing the disparate results (Schmidt & DeShon, 2010). The mediated-moderation model supported in this study provides a more complete understanding of how different types of feedback impact salesperson self-efficacy and intrinsic motivation. As hypothesized, capability feedback shares a direct, positive relationship with self-efficacy, whereas outcome performance feedback moderates the relationship between capability feedback and self-efficacy.

Feedback valence (i.e., positive or negative feedback) has been conceptualized as different types of feedback (e.g., Burgers et al., 2015), but these are opposite ends of the same continuum. Alternatively, capability feedback and outcome performance feedback address unique categories of feedback, which is why each operates differently in their relationship to salesperson self-efficacy and motivation. This research provides evidence that different types of feedback can have unique and robust relationships with salesperson outcomes.

Social Cognitive Theory has been applied in a wide array of domains showing the reliability of this conceptual framework (Khusainova et al., 2017). While Social Cognitive Theory posits that behavioral, environmental, and personal factors share reciprocal direct relationships with one another (Wood & Bandura, 1989), this research extends this theory in finding that outcome performance feedback can operate as an intervention strategy in the triadic framework. This opens avenues for extensions of Social Cognitive Theory into relevant boundary conditions which may explain extant disparities, such as the impact of incentives on intrinsic versus extrinsic motivation.

Peesker, Ryals, Rich, & Boehnke (2019) conducted a qualitative examination of leader behaviors and found that sales leaders play a vital role in salesperson performance through behaviors, such as sales coaching, championing, collaborating, and customer engagement. These behaviors align with the social support environmental factor in Social Cognitive Theory and examining their relationship with relevant outcomes would make valuable extensions to this theory. The multidimensional nature of each of these behaviors (e.g., sales coaching entails supervisory feedback, role modeling, and trust) provides a broad foundation to make valuable contributions to current understanding. For example, effective sales coaching is likely to gain importance as the sales role expands into a more comprehensive capacity, so research in this domain is timely.

**Managerial Implications**

Although most managers believe providing feedback is important, many do not feel equipped to deliver it constructively (Aguinis et al., 2011). This concern is warranted as feedback can be counterproductive if salespeople perceive it to be restrictive, rather than develop capabilities (Deci & Ryan, 1985; Fatima & Azam, 2016). Feedback can be evaluative, descriptive, or comparative, each of which impacts motivation differently depending on the receiver’s regulatory focus (Hawkins, Kreuter, Resnicow, Fishbein, & Dijkstra, 2008). As a result, providing the correct type of feedback which motivates and encourages
salespeople to improve is not only important, it is difficult. This research provides empirical validation that the type of feedback sales managers provide has implications into how employees will likely respond. While managers’ style of feedback delivery is important, it cannot replace substance. Not only can sales managers strengthen salesperson self-efficacy and motivation, they can apply these findings to elevate their own self-efficacy and motivation by providing feedback effectively.

While feedback cannot always be what a salesperson wants to hear, it can be productive if delivered effectively. This skill is particularly important for salesperson managers as they are often the primary connection salespeople have with the organization. Therefore, providing feedback on the achievement of specific sales outcomes combined with ways to improve sales behaviors (prospecting, need assessment, presentation, and closing skills) would provide the most benefit to strengthen a salesperson’s confidence and engagement in their work. Extant research indicates that such feedback also strengthens the bond between managers and salespeople (Deci & Ryan, 1985; Ryan & Deci, 2000).

This mediated-moderation model provides a more complete understanding of how salespeople process and react to feedback from managers by showing the impact outcome performance feedback has on the relationship between capability feedback and self-efficacy. The implication is that managers should clarify what successful performance entails (i.e., key performance outcomes), as well as how employees can develop the skills needed to achieve that level of performance. We also find that self-efficacy fully mediates the relationship between feedback and intrinsic motivation. Therefore, managing salespeople by focusing on their selling capabilities enhances their confidence in performing the job effectively and increases the enjoyment they derive from the task itself. As a result, the salespeople will be more likely to exhibit higher engagement, performance, organizational commitment, and satisfaction (e.g., Khusainova et al., 2018).

While intrinsic motivation is a robust predictor of performance (Cerasoli et al., 2014), we find that extrinsic information (i.e., capability feedback and outcome performance feedback) can influence intrinsic motivation among salespeople. This is a valuable and efficient way to increase salesperson productivity using data rather than extrinsic incentives which can erode intrinsic motivation over time (Cerasoli et al., 2014). These findings indicate that managers can use feedback to make salesperson motivation less contingent on expensive incentives, such as monetary compensation, time off, preferential treatment, or other extrinsic rewards. Helping employees shift from an external locus of control to an internal locus of control by equipping them with task-related skills will reduce their motivational reliance on monetary compensation and increase the satisfaction they receive from the task itself.

For example, if the sales role now includes data analysis (Erevelles, Fukawa, & Swayne, 2016), managers can invest time in developing their team’s capabilities in this domain, thereby generating intrinsic motivation from interest in learning the new skillset. Economic limitations may at times prevent organizations from granting rewards, and these findings provide evidence of a sustainable source of motivation that is not influenced by the financial state of the organization. Thus, these implications contribute to the long-term well-being of both the salesperson and the organization. Furthermore, intrinsic motivation influences many other beneficial outcomes in addition to task performance, such as creativity (Shalley, Zhou, & Oldman, 2004; Zhang & Bartol, 2010), learning, and perseverance (Hennessey & Amabile, 2005), and proactivity and adaptability (Bande, Fernandez-Ferrin, Varela-Neira, & Otero-Neira, 2016). Managers should find usefulness in this research as facilitating intrinsic motivation is integral to solving complex and ambiguous problems in the workplace (Cerasoli et al., 2014). As routine tasks become automated and/or outsourced, creating and sustaining an intrinsically motivated workforce will increase in importance and will establish sustainable competitive advantages for organizations that are successful in this endeavor.

Managers can implement these findings into practice by providing employees with continual access to important performance metrics (see
TABLE 3:
Linear Regression Results

<table>
<thead>
<tr>
<th>Antecedents</th>
<th>Self-Efficacy</th>
<th>Intrinsic Motivation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Coeff.  SE</td>
<td>p</td>
</tr>
<tr>
<td>Capability Feedback</td>
<td>-.74 .22 .00</td>
<td></td>
</tr>
<tr>
<td>Outcome Perf. Feed.</td>
<td>-.33 .16 .05</td>
<td></td>
</tr>
<tr>
<td>Capability Feed. X</td>
<td>.15 .04 .00</td>
<td></td>
</tr>
<tr>
<td>Outcome Perf. Feed.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self-Efficacy</td>
<td>--- --- ---</td>
<td></td>
</tr>
<tr>
<td>Constant</td>
<td>9.73 .81 .00</td>
<td></td>
</tr>
</tbody>
</table>

R² = .19
F(3, 137) = 10.80, p<.00

R² = .18
F(2, 138) = 14.62, p<.00

FIGURE 2:
Interactive Effects of Capability and Outcome Performance Feedback on Self-Efficacy
on intrinsic motivation. These relationships should be much stronger for intrinsically oriented jobs, such as customer relationship managers, human resource managers, or any role in which extrinsic incentives are less common. Furthermore, the growing focus on customer-orientation in the sales profession places greater importance on intrinsic motivation rather than just the rewards associated with high performance. Therefore, the findings of this analysis are not only useful for sales managers, they have robust implications for any manager seeking to strengthen, motivate, and retain quality employees.

**LIMITATIONS AND FUTURE RESEARCH**

As with most research investigations, there are limitations related to the data that could provide fruitful avenues for future research. While the data in this research came from seven different industries, it was all from salespeople. Future research could examine the replicability and generalizability across a variety of job types and occupations. Future examinations in this domain would also benefit from inclusion of objective measures, such as job performance or rewards earned, rather than self-reported measures. While common methods variance is less of a concern when analyzing moderation models because commons methods would reduce the strength of the moderating effect, it would add value to test these findings with a combination of subjective and objective data. Furthermore, the data used in this research were cross-
sectional, so confidence in relationship causality could be strengthened if future research employs longitudinal explorations of these variables.

The interplay between extrinsic and intrinsic motivation has been a popular topic of debate, but Cerasoli et al., (2014) indicated that the two are not always competing and should be considered simultaneously. Since this research found the impact of extrinsic information provided by the sales manager on intrinsic motivation, a valuable avenue for future research is the examination of extrinsic incentives on intrinsic motivation. For instance, the impact of rewards for gaining new capabilities on self-efficacy and intrinsic motivation would be a valuable extension of this research.

Further investigation of linkages between self-efficacy and employee behavior would increase understanding of effective behavioral control systems. Gist and Mitchell (1992) link efficacy assessment to an analysis of task requirements, but job responsibilities are not always clearly defined and often change over time. In fact, job responsibilities typically expand to match an individual’s level of competency (Coyle-Shapiro, Kessler, & Purcell, 2004). As a result, role perceptions are likely to impact a person’s view of the requisite tasks, as well as his or her self-efficacy to complete those tasks effectively. Therefore, future research could examine the relationship between role clarity, self-efficacy, and intrinsic motivation.

Another potential determinant of efficacy beliefs relates to aspects of supervisory control other than information sharing. Challagalla and Shervani (1996) note the significance of reward, and punishment dimensions in definitions of control. They delineate three types of control in sales contexts: output (e.g., sales volume/market share goals), activity (e.g., day-to-day activities such as number of calls made and paperwork completed), and capability (e.g., key selling skills of communication and negotiation). Combining these areas can provide for rich explorations of the supervisory control domain. As recognized by Challagalla and Shervani (1996), examining the influence of control on important intervening variables would contribute to better understanding the mechanisms through which supervisory control influences self-efficacy and job outcomes.

Further research into the influence of the cognitive appraisal of information and/or rewards in control processes may also be implicated in efficacy perceptions (Gist & Mitchell, 1992). As such, an examination of the role of causal attributions in feedback-efficacy relationships would no doubt prove fruitful. Attributions are generally viewed as distinct from efficacy beliefs, as attributions involve assessments about causes of past behavior, whereas efficacy cognitions influence judgments of future performance capability (Gist & Mitchell, 1992). With feedback research showing that individuals are not merely passive receptors of feedback, but rather play an active role in its interpretation (Fedor, Buckley, & Eder, 1990), an examination of the feedback-cognitive appraisal process could further contribute to understanding the formation of efficacy perceptions in the selling domain.

A final avenue for potential fruitful research is examining the positive and negative valences of both capability and outcome performance feedback which would make a two-by-two matrix. Feedback valence of performance feedback has been studied (Burgers, Eden, Engelenburg, & Buningh, 2015), but this study utilizes the concept of capability feedback upon which future research can build. For example, applying capability feedback in the educational context in addition to, or in place of, grade feedback would be an intriguing area of research.

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**CONCLUSION**

This research provides a more complete picture of the relationship between feedback, self-efficacy, and intrinsic motivation in the sales industry. Extant research has found both productive and detrimental effects of feedback in the workplace, which has led to calls for research on the boundary conditions of providing feedback effectively. In response to these calls, we analyze data from 141 sales professionals across seven industries and find (1) outcome performance feedback moderates the relationship between capability feedback and self-efficacy, and (2) self-efficacy fully
mediates the relationship between capability feedback and intrinsic motivation. This mediated-moderation model indicates that even extrinsic information can strengthen employees’ intrinsic motivation. Managers should not fear giving feedback and evaluating performance, but should use the opportunity to share developmental information and empower employees to excel in doing what they love.

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